



**Selective Licensing Evidence Report and Proposal for County Durham beyond March 2027**

**May 2026**

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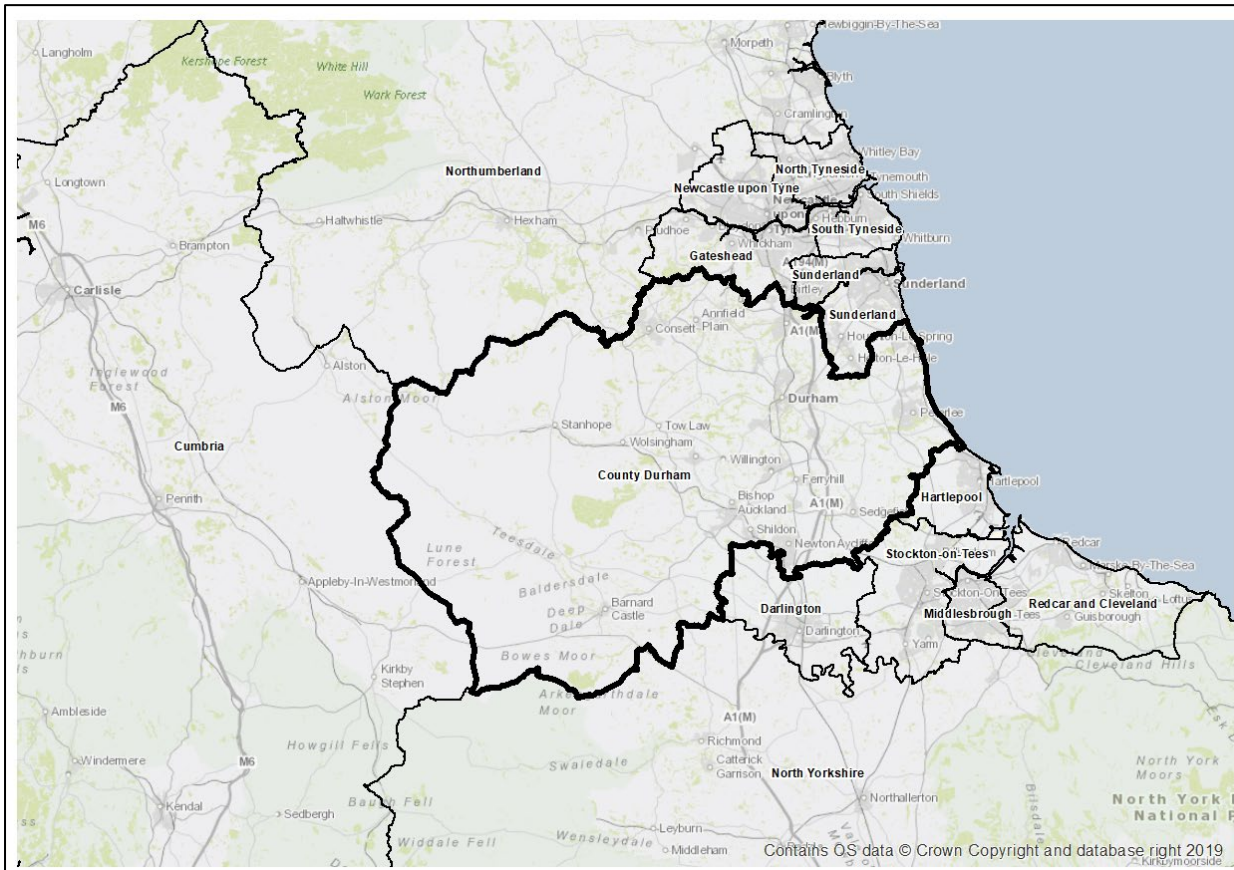
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This is the evidence base for public consultation which will support the proposal of a business case for the continuation of selective licensing within County Durham beyond March 2027.

## Introduction

County Durham is a large and diverse area and varies in character from remote and sparsely populated areas in the west to former coalfield communities in the centre and east (see Appendix A, Map 1 showing all areas by their urban/ rural classification). County Durham shares a border with eight other local authorities; Sunderland, Gateshead, Northumberland, Cumbria, North Yorkshire, Darlington, Stockton-on- Tees and Hartlepool.

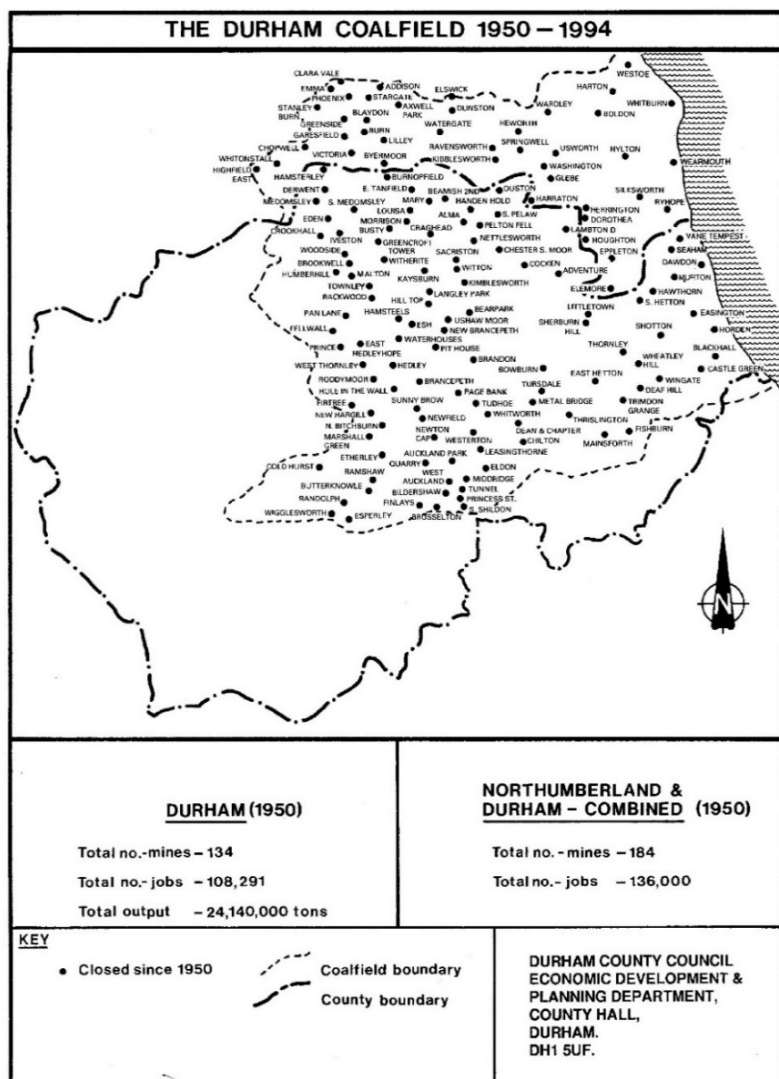
### Map 1: County Durham and neighbours



In the nineteenth century the growth of the mining industry transformed the landscape and the population of the county. Colliery villages sprang up everywhere and migrant workers from all parts of the UK swelled the workforce. The last colliery in the Durham coalfield closed in 1994.

The scanned image below, is of a hand drawn map showing the extent of the County Durham and Northumberland coalfield.

**Map 2: County Durham Coalfield 1950 to 1994**



Many of County Durham’s colliery villages developed around densely built terraced housing, much of which remains today. This legacy has contributed to a concentration of older, lower-quality housing stock, with ongoing implications for public health. The 2021 Census reported that 35.4% of all dwellings in the county were terraced (approximately 83,000 properties), significantly higher than the regional average of 27.6% and the national average of 23.0%.

### Tenure Change Since 2011

County Durham has experienced substantial growth in the private rented sector (PRS) over the past two decades. Between 2011 and 2021 alone, the sector grew by 43.5%. Available data since suggests that this trend is continuing, with the PRS expanding both in absolute numbers and as a proportion of overall housing tenure.

These changes are detailed in the table below:

**Table 1: Change in population, households and the Private Rented Sector in County Durham since 2001**

Source	Population	Occupied Dwellings	Social Rented	Private Rented	Private rented as a % of Households
2001 Census <sup>1</sup>	493,470	207,436	52,757	10,452	5.0%
2011 Census <sup>2</sup>	513,242	223,803	45,004	28,142	12.6%
2021 Census <sup>3</sup>	522,100	234,800	46,856	40,388	17.2%
Current Estimates <sup>4</sup>	538,011	243,340	48,966	52,000	21.6%
% change since 2011	4.8%	8.7%	8.8%	84.8%	-

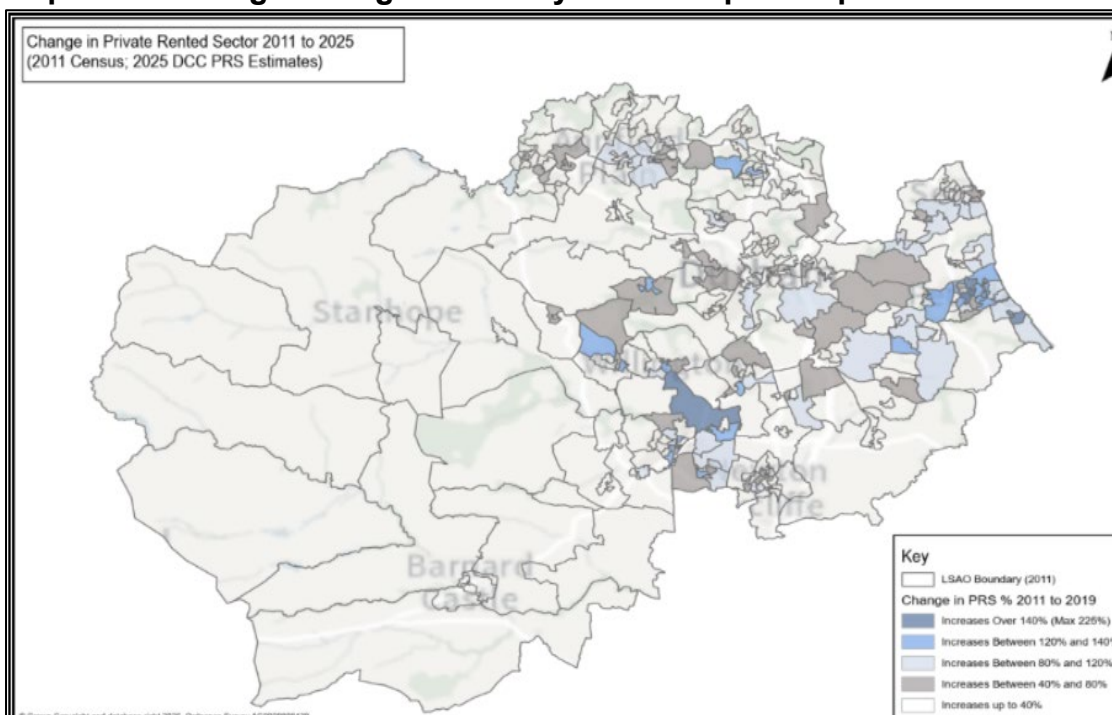
1. Office for National Statistics 2001.
2. Office for National Statistics 2011.
3. Office for National Statistics 2021.
4. Office for National Statistics 2024 (mid-population and live tables), and DCC estimates 2025.

A map of population density in County Durham, is available at Appendix A, Map 2.

Analysis of areas within County Durham has been conducted using the Office for National Statistics’ Lower Super Output Areas (LSOAs). These Census-defined geographical units provide a consistent and reliable framework for both current analysis and future monitoring.

The map detailed below shows the percentage change in the PRS, by LSOA (Lower Super Output Area), across the whole of the county. The darker the shading, the higher the percentage change. Many of the LSOAs have an increase of over 40%, with some areas experiencing an increase of between 80% and 140% between 2011 and 2025.

**Map 3: Percentage Change in PRS by Lower Super Output Areas**



## Identifying the private rented sector (PRS)

According to Census data, the proportion of households in County Durham residing in privately rented accommodation increased from 12.6% in 2011 to 17.2% in 2021, equating to over 40,000 privately rented properties, according to Census data.

To estimate the scale of the private rented sector in County Durham, an initial modelling process was developed in 2020, but further refined since to provide updated estimates, using datasets including a list of all properties that are currently licenced or have a licensing application, address lists of socially rented properties for exclusion, housing benefit records for inclusion and council tax records for verification. Other smaller internal datasets were also used.

## The PRS in County Durham

Since 2021, County Durham comprises of 330 Lower Super Output Areas (LSOAs), of which 199 are estimated to have a higher proportion of private rented sector (PRS) properties than the national average of 19.2%. This equates to 60.3% of the county's LSOAs exceeding the national benchmark.

New estimates indicate that 21.6% of residential properties across the county—approximately 52,000 dwellings—are privately rented, significantly above the national average. Within the 330 LSOAs, PRS concentrations vary significantly, with estimates ranging up to 60.1%.

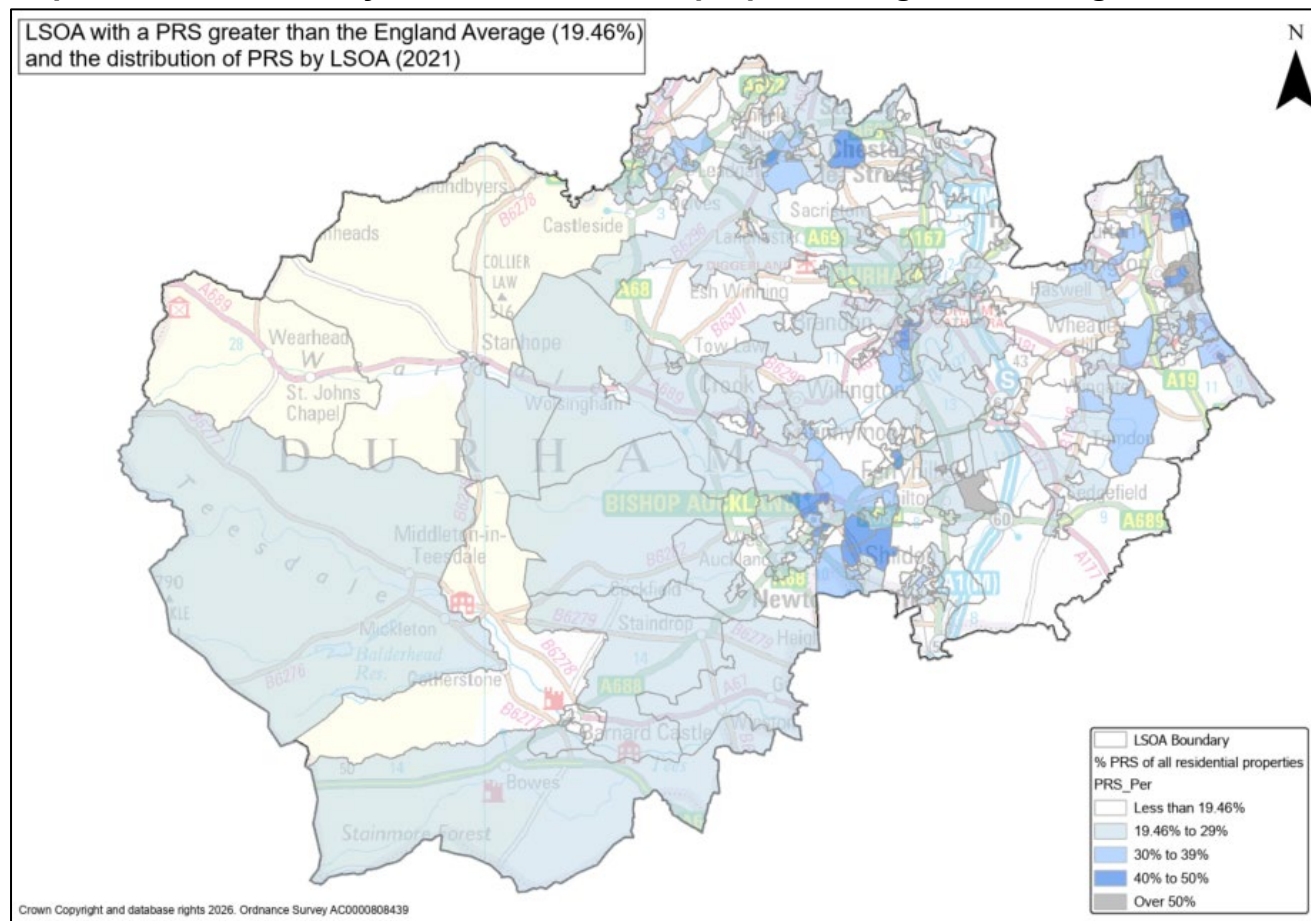
The following table presents the ten LSOAs with the highest proportion of PRS properties. A list of all PRS estimates in a proposed designated area is provided in Appendix A, Table 7.

**Table 2: Top ten LSOAs by proportion of PRS**

<b>LSOA</b>	<b>All residential properties</b>	<b>Estimate PRS 2025</b>	<b>% Estimate PRS of total residential 2025</b>
Ferryhill Dean Bank North	791	475	60.1%
South Moor Central	722	405	56.1%
Easington Colliery North	731	400	54.7%
Dawdon North 2	581	306	52.6%
Ferryhill Station and Chilton Lane	676	353	52.3%
Horden Central	783	405	51.7%
Blackhall Colliery South	800	388	48.5%
Murton East	728	332	45.7%
Henknowle North	633	287	45.3%
Spennymoor Central	774	347	44.8%

The below map illustrates the spatial distribution of the LSOAs identified as having a higher proportion of private rented sector properties than the national average.

## Map 4: LSOAs in County Durham with a PRS proportion higher than England



### Freeholder geographics in County Durham

As of May 2026, analysis shows that just less than half (49.27%) of freeholders with licences in the selective licensing scheme are based nationally, outside of the North-East; while only 35.18% reside within County Durham itself. A further 13.49% are located elsewhere in the North-East, and a small proportion (2.06%) are overseas. This means that approximately 65% of property owners are not local to County Durham, with a significant number operating from outside the region.

**Table 3: Freeholder geographical distribution**

Freeholder Status	Count	Percentage
National	6454	49.27%
County Durham	4436	35.18%
North-East	1721	13.49%
Overseas	276	2.06%

This geographic distribution has important implications for the private rented sector in the county. Owners who live outside the area may have less direct oversight of their properties, which can lead to challenges in maintaining housing standards and responding promptly to tenant issues. It may also increase reliance on managing agents, potentially adding costs and reducing accountability.

For the council, this creates a need for robust enforcement and communication strategies to ensure compliance with licensing requirements and to safeguard tenants' living conditions. Ultimately, the high proportion of non-local landlords could impact the quality and stability of the private rental market in County Durham.

# The strategic case for Selective Licensing in County Durham

## Strategic Overview

The County Durham Housing Strategy 2024–2029 sets out a strategic framework to address housing challenges across the county. It guides investment and coordinates action to improve housing quality, affordability, and sustainability, while supporting broader goals around economic growth, health, and community resilience.

The strategy is built around five core priorities:

1. Increase the delivery of new housing, including secure, affordable housing, to meet housing needs together with the infrastructure required
2. Ensure that everyone has access to appropriate, safe, and secure housing that support health and wellbeing
3. Ensure a comprehensive range of housing options for older and vulnerable people, disabled people, and children and young people, including specialist accommodation and support
4. Ensure high quality, energy efficient houses, and effective landlord services
5. Ensure high quality placemaking, creating safe, accessible, prosperous, and sustainable places to live

Improving standards in the PRS is a key priority. Currently, 12% of PRS properties in County Durham contain at least one Category 1 hazard—such as damp or mould—compared to 10% in owner-occupied homes and 5% in social housing<sup>1</sup>. These conditions are strongly linked to poor health outcomes, including respiratory illnesses and mental health issues, and disproportionately affect vulnerable groups such as children, older adults, and low-income households.

One of the most pressing challenges is the limited availability of good quality PRS housing. Many areas across the county suffer from high concentrations of empty, abandoned, and neglected dwellings, particularly in locations with weaker housing markets and higher levels of deprivation. These properties not only reduce housing supply but also contribute to community decline and poor living environments. To address these issues, the strategy outlines a multi-faceted approach:

- **Regulation and Licensing** - The Council's Selective Licensing Scheme (2022–2027) is a key intervention aimed at improving property management, reducing housing hazards, and tackling anti-social behaviour in the private rented sector. It is supported by the Durham Rental Standard; a voluntary accreditation scheme designed to promote landlord engagement and raise accommodation standards. Together, these initiatives form part of a wider strategic approach, delivered in collaboration with partners including the police and the fire service.
- **Inspections and Enforcement** - Regular inspections are carried out across the PRS, targeting Houses of Multiple Occupation (HMOs), empty homes, properties with low Energy Performance Certificates (EPCs), and those under the Durham Rental Standard. Enforcement action is taken against landlords who fail to meet legal and licensing requirements. The Council's empty homes and PRS policies will detail further actions to address long-term vacancies and poor housing conditions, particularly in properties that have been empty for six months or more.

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<sup>1</sup> English Housing Survey 2023-24, [English Housing Survey data on dwelling condition, security and fire safety](#)

- **Guidance and Education** - New guidance is being issued to landlords and tenants on damp and mould prevention, aligned with national standards and ombudsman expectations. Residents are also being informed about housing hazards and how to access support for remediation.

### **Durham's Ambition for the Private Rented Sector**

Durham County Council is committed to promoting a more professional and well-managed private rented sector through targeted advice, guidance, and partnership working. Central to this ambition is the existing Selective Licensing Scheme (2022–2027), which aims to improve property standards, reduce anti-social behaviour, and enhance landlord accountability. This is complemented by the Durham Rental Standard, a voluntary accreditation scheme designed to raise housing quality through landlord engagement. A range of initiatives support this strategic direction.

**The Rough Sleepers Initiative (RSI)** has enabled the deployment of outreach and accommodation officers, as well as substance misuse support, to assist individuals experiencing homelessness. These services align with selective licensing by helping tenants sustain tenancies and reducing community impact.

**Council Managed Homes** provides access to decent, affordable rental accommodation for individuals on low incomes or those excluded from mainstream housing. This includes rough sleepers and those with support needs. This also includes the bedspaces provided through the Single Homeless Accommodation Programme (SHAP).

Under the **Buy to Lease programme**, the Council has acquired and refurbished 40 properties using Homes England and capital funding. These homes are managed by the Councils Housing Assets and Investment Team to support individuals transitioning from supported accommodation to semi-independent living.

**Supported Housing Improvement Programme** enables us to increase our support and involvement in the non-commissioned supported housing sector by improving property and management standards of supported accommodation and improving knowledge to better manage the supply of supported accommodation. The programme involves quality support tailored to meet individual tenant needs and provides value for money for both providers, tenants and the Council. It provides improved engagement and support to service users from the Council and includes a supported accommodation charter to help establish and maintain high standards.

**The Managing Money Better** initiative provides residents with free advice and home visits to help reduce energy costs and access grants for insulation and heating improvements.

Finally, the strategy places strong emphasis on regeneration, particularly in areas with poor-quality PRS stock, high vacancy rates, and anti-social behaviour. Selective licensing plays a vital role in driving up standards and enabling long-term improvements through investment and collaborative working.

## **HMOs and the Student Population in County Durham**

County Durham is home to Durham University which is regularly ranked in the top ten in the University Guide League nationally, and in the top 100 internationally, and as such attracts many students from around the country and the world. In recent years, the University has also expanded its capacity increasing the number of registered students<sup>2</sup> to 21,588 in 2023/24 from 14,300 in 2003/04.

This has led to an increased demand for off-site accommodation mainly found in the form of local residential properties that have been registered as HMOs. More recently there has also been an increase in building single large-scale developments of privately owned and run accommodation blocks within the Durham City area.

Current data indicates that there are around 900<sup>3</sup> licenced Mandatory HMOs in and around Durham City. An additional 75 Mandatory HMOs are distributed across the wider county area.

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<sup>2</sup> Durham University Statistics 2023/24: [About us - Durham University](#)

<sup>3</sup> Metastreet Mandatory HMO Licences issued

## **Current legal powers**

Local authorities hold a range of statutory powers to address issues such as anti-social behaviour, poor housing conditions, and tenancy management, including:

### **Part 1 Housing Act 2004 enforcement**

Improvements by way of formal notice being served. Landlords can be prosecuted or served with a civil penalty if notice not complied with and council can do work in default. Process is time consuming with appeal provisions extending the time for compliance. There is no obligation on the landlord to be proactive in improving the property conditions. Work in default can be effective but expensive and adds the risk of costs not being recovered. Prosecutions often do not cover the council's costs and do not necessarily achieve improvements in property condition.

### **Anti-social behaviour (ASB) powers**

Formal notices can be served to the occupant which would resolve anti-social behaviour (ASB) if notice complied with. Premises closures – respite for community short term but does not improve landlord practices longer term. Action available is usually on the tenant and there is no provision to place any obligation on landlords to proactively manage their properties to reduce or prevent ASB in their properties.

### **Prosecutions and civil penalties for housing offences**

As well as penalising landlords for their poor practices can also act as a deterrent to other landlords operating in a similar manner. Prosecutions or civil penalties do not secure improvements to property conditions or place any obligation on the landlord to be proactive in improving conditions. The absence of licensing reduces the scope for the Council to impose civil penalties for identified housing breaches.

## **Licensing options for local authorities**

The Housing Act 2004 introduced licensing in relation to privately rented properties. There are three different types of schemes, one mandatory (i.e. a national scheme that applies to certain Houses in Multiple Occupation (HMOs)) and two discretionary schemes that each allow Local Authorities to designate areas within those schemes at a local level.

### **Mandatory HMO Licensing**

Part 2 of the Housing Act 2004 provides for licensing of HMOs if they meet the definition of an HMO as prescribed under section 55 of the act.

The original mandatory licensing scheme introduced in April 2006 applied to HMOs with three or more storeys and five or more persons forming two or more households. From October 2018 mandatory licensing was extended to all HMOs occupied by five persons or more in two or more households, regardless of the number of storeys, and where the householders lack or share amenities such as a toilet, personal washing facilities and/or cooking facilities. It also applies to purpose-built flats where there are up to two flats in the block and one or both are occupied as an HMO.

### **Additional HMO Licensing (discretionary)**

Part 2 also makes provision to introduce Additional Licensing where Local Authorities believe that a significant proportion of HMOs that do not fall into mandatory HMO licensing are not being managed effectively and are, as a result, causing problems for both the occupants and members of the public. In 2012 Durham County Council engaged the Building Research Establishment to survey, review and report on the physical condition and management standards in non-licensed HMOs within the county. Their conclusion was that additional licensing was not justified.

Since then, the council has approved a countywide Article 4 Direction, which will require planning permission for any new HMOs, regardless of size. This measure aims to manage the concentration of HMOs and protect community balance. Public consultation has taken place, and the Article 4 Direction is to be implemented from 17 August 2026.

### **Selective Licensing (discretionary)**

Part 3 of the Housing Act 2004 gives Local Authorities the powers to designate either part or the whole of their area as selective licensing providing certain conditions are met. A Selective Licensing Scheme applies to private rented properties and, where there is such a scheme, those managing or in control of private rented accommodation will need to obtain a licence directly from the Local Authority for each property they let.

The Selective Licensing of Houses (Additional Conditions) (England) Order 2015 advises that a selective licensing designation may only be made if the area satisfies one or more of the following conditions:

The area must be experiencing one or more of the following-

- Low housing demand
- Significant and persistent anti-social behaviour
- Poor property conditions\*

- High levels of migration\*
- High levels of deprivation\*
- High levels of crime\*

\*In addition, if this condition applies then the designated area must have above average levels of private rented accommodation.

### **Legacy schemes**

Durham County Council previously operated three selective licensing schemes in Dean Bank, Chilton West, and Wembley (Easington Colliery) between 2008 and 2019. These areas, impacted by the decline of the coal industry, faced low property values, high vacancy rates, and issues such as crime and anti-social behaviour.

Evaluations carried out at the end of the schemes identified that selective licensing had made a positive impact within these areas with a reduction in reported crime and anti-social behaviour and positive improvements being seen in both the condition and management of private rented properties.

## **Existing scheme (2022-2027)**

Durham County Council's existing Selective Licensing Scheme, introduced on 1 April 2022, will run until 31 March 2027. It covers 103 of the 324 LSOAs across the county (amended by Office for National Statistics (ONS) to 330 LSOAs in April 2021), through four targeted designations concentrating on the conditions met of low demand, anti-social behaviour (ASB), deprivation and a triple designation meeting criterion for all three.

Each LSOA in one of the existing designations met strict criteria. A list of all existing designated areas is available in Appendix A, List 1.

The four existing designations are:

### **Designation 1 (met by the condition of Low Housing Demand)**

Evidence typically includes:

- High vacancy rates.
- Falling property values compared to surrounding areas.

### **Designation 2 (met by the condition of anti-social behaviour)**

Designation is allowed where:

- The area is experiencing a significant and persistent problem caused by ASB.
- Some or all private landlords have failed to take reasonable steps to tackle ASB linked to their properties.
- Licensing must be part of a coordinated approach that will help reduce or eliminate ASB when combined with other interventions.

### **Designation 3 (met by the condition of Deprivation)**

Designation is allowed if an area has:

- A high level of deprivation, as measured by official indices such as the Index of Multiple Deprivation (IMD).
- High levels of PRS

### **Designation 4 (met by the three conditions of Low Demand, ASB and deprivation)**

These areas are included in a triple designation meeting criterion for all three of the above designations.

Implementing selective licensing gives the local authority the legal power to tackle these issues and regulate private landlords and enforce standards, such as property condition requirements, tenancy management obligations, and measures to tackle anti-social behaviour.

During the lifespan of the existing selective licensing scheme, there have been various measures of enforcement carried out in relation to either failing to obtain the necessary licence or breaching the set licence conditions.

Below is a summary of enforcement carried out, some of which resulted in both prosecution and/or a fine for the landlords involved:

**Table 4: Summary of enforcement**

<b>Offences Investigated</b>	<b>Total</b>
Non-Compliance	3,740
Breach of Licence Conditions	15
<b>Outcomes</b>	<b>Total</b>
Informal Warnings	1,276
Formal Warnings	180
Improvement Notices	170
Civil Penalties	163
Prohibition Orders	16
Management Orders	16
Emergency Remedial Orders	90
Prosecutions	22

## **Alternative measures**

### **Renters Rights Act 2025**

The Renters' Rights Act 2025 received Royal Assent on 27 October 2025, with most provisions taking effect in May 2026. The Act represents a major overhaul of the private rental sector, aiming to improve security and standards for tenants while ensuring fair processes for landlords. Key measures include:

- Abolition of Section 21 “no-fault” evictions, ending assured shorthold tenancies and replacing them with open-ended periodic tenancies.
- Stronger grounds for possession under Section 8, including mandatory notice periods for landlords wishing to sell or move back in.
- Limits on rent increases (once per year via formal notice) and a ban on rental bidding wars.
- Tenant rights enhancements, such as the right to request pets, protection against discrimination, and improved safety standards.
- Creation of a Private Rented Sector Database and a Landlord Ombudsman.

The Act will not abolish the need for selective licensing, as it serves a different purpose. Licensing allows councils to target local issues and carry out proactive inspections, which the new database alone cannot replace. As the Act also introduces a national landlord portal and registration system, which will share data with councils, this will help to reduce duplication and streamline compliance, but councils will still rely on licensing for enforcement and property condition checks.

### **Durham Rental Standard**

The Durham Rental Standard (DRS) is a voluntary accreditation scheme developed with the National Residential Landlords Association (NRLA) to recognise and promote high standards in the private rented sector across County Durham.

The scheme supports landlords by offering guidance to help them provide safe, high-quality homes, while giving tenants confidence that their landlord meets professional standards. Accredited landlords have their properties subject to periodic compliance checks, including inspections and audits, to ensure they continue to meet the scheme's requirements. The scheme is open only to individual landlords, not letting agents, unless the agent also owns the property in a personal capacity.

In County Durham there has been a relatively low number of landlords who have joined the scheme in comparison to the overall number of private rented properties across the County.

### **Empty homes initiatives**

The Council already charge a premium rate of council tax for long term empty properties to deter owners from leaving them empty and have recently consulted on raising this premium further. The Council are proactive in their approach for tackling empty homes, often using a multi-agency approach as well as offering loans and grants to assist homeowners to bring properties back to a decent standard. We have exceeded empty homes targets and believe the continuation of selective licensing will allow us to build on the improvements already made.

## **Targeted area-based intervention**

Various time limited projects are ongoing within our communities, using a targeted multi agency approach (through the Safer Durham Partnership and Community Action Team) to deal with a range of local issues. This intervention is resource intensive and often only provides improvements in the short term.

The Horden Regeneration Plan is a major £10.7 million investment aimed at transforming the “Numbered Streets” area, with housing at its core. Funding from the Northeast Combined Authority’s Brownfield Housing Fund and Durham County Council will support the development of over 100 new homes, including a mix of affordable and market properties such as two-to-four-bedroom houses and bungalows. These new homes will replace outdated, poor-quality housing and help tackle long term empty properties.

Developed in partnership with residents, the plans reflect extensive community consultation. Alongside new housing, the project includes improvements to local infrastructure—such as better walking and cycling links.

Overall, the initiative aims to create a high-quality, sustainable community that attracts new investment and improves quality of life for Horden residents.

Having reviewed the options above, it is not considered that they would provide the mechanism to deliver the same level of improvements as selective licensing and meet the objectives in the Housing Strategy. We believe that selective licensing would work alongside these other measures to achieve the needed improvements and have a positive impact on residents living in the private sector as well as the wider community.

There is no single intervention that will achieve an overall solution to a problem, and each measure will have its limitations. Selective Licensing provides a co-ordinated approach for strong effective partnerships that links agencies and services using a range of interventions.

## **Our proposal for Selective Licensing from April 2027**

This report addresses the key points above and details the evidence to demonstrate which of the criteria is satisfied in each of the proposed designated areas within County Durham.

Guidance has been produced by the Ministry of Housing, Communities and Local Government (MHCLG), advising that the Council must identify the objectives a designation will help to achieve and whether there are other courses of action that would achieve the same objective.

It also states that to be considered, any Selective Licensing Scheme must form part of the Council's overall housing strategies including homelessness, anti-social behaviour and empty homes.

Between April 2015 and December 2024, a local authority was required to apply to the Secretary of State for approval of any scheme which covers more than 20% of the privately rented homes in the local authority area. However, since December 2024 the Secretary of State has granted General Approval for local authorities to approve their own schemes, as required.

The Council must consult on its proposals for at least 10 weeks prior to introducing selective licensing.

Extensive data collection and analysis has been carried out against each of the conditions, set out in the Housing Act 2004 and the General Approval 2024.

The council are proposing to introduce a selective licensing scheme covering 20,000 properties (27%) of County Durham by area, and 38% of the estimated PRS total, where we feel the necessary conditions set out are met.

The Council is seeking four proposed designations where areas meet the condition(s) of:

- low housing demand;
- anti-social behaviour;
- deprivation; and
- low housing demand, anti-social behaviour and deprivation (all three conditions).

We propose all private rented sector properties in the following areas be designated by meeting the stated condition:

### **Designation 1**

These 22 areas meet the condition of low demand:

- Blackhall Colliery North
- Catchgate South\*
- Cockton Hill North
- Cockton Hill East
- Consett South
- Consett West
- Dalton Park
- Dawdon South 2
- Ferryhill North\*
- Ferryhill South

- Greencroft\*
- Haswell
- Havannah South
- Henknowle North
- Leadgate Central
- Murton East
- Newfield
- Shildon West
- Stanley Crook
- Trimdon Grange\*
- West Cornforth
- Willington West\*

\*Five areas not within existing scheme – newly proposed based on data of decreasing demand since 2020.

## **Designation 2**

These 11 areas meet the condition of anti-social behaviour:

- Catchgate North
- Chester Central 1\*
- Chester Central 2
- Coundon North\*
- Ferryhill Dean Bank South
- Low Spennymoor
- Murton Central
- Passfield North
- Spennymoor Mount Pleasant\*
- Spennymoor Whitworth Park\*
- Sunnybrow

\*Four areas not within existing scheme – newly proposed based on data of increased ASB since 2020.

## **Designation 3**

These 30 areas meet the condition of deprivation:

- Acre Rigg North
- Acre Rigg South
- Annfield Plain
- Dawdon South 1
- Dene House Central
- Easington Colliery South
- Eden Hill Central
- Eden Hill North
- Eden Hill South
- Henknowle South
- Horden North

- Horden South
- Horden West
- Howletch East
- Midridge South
- Murton Moor & Soth Hetton
- Passfield East
- Seaham Harbour South
- Shildon East
- Shotton East
- Stanley Hall North
- Stanley Hall West
- West Central
- West North
- West South
- Wheatley Hill South
- Willington Central
- Wingate West
- Woodham Village SW
- Woodhouse Close South

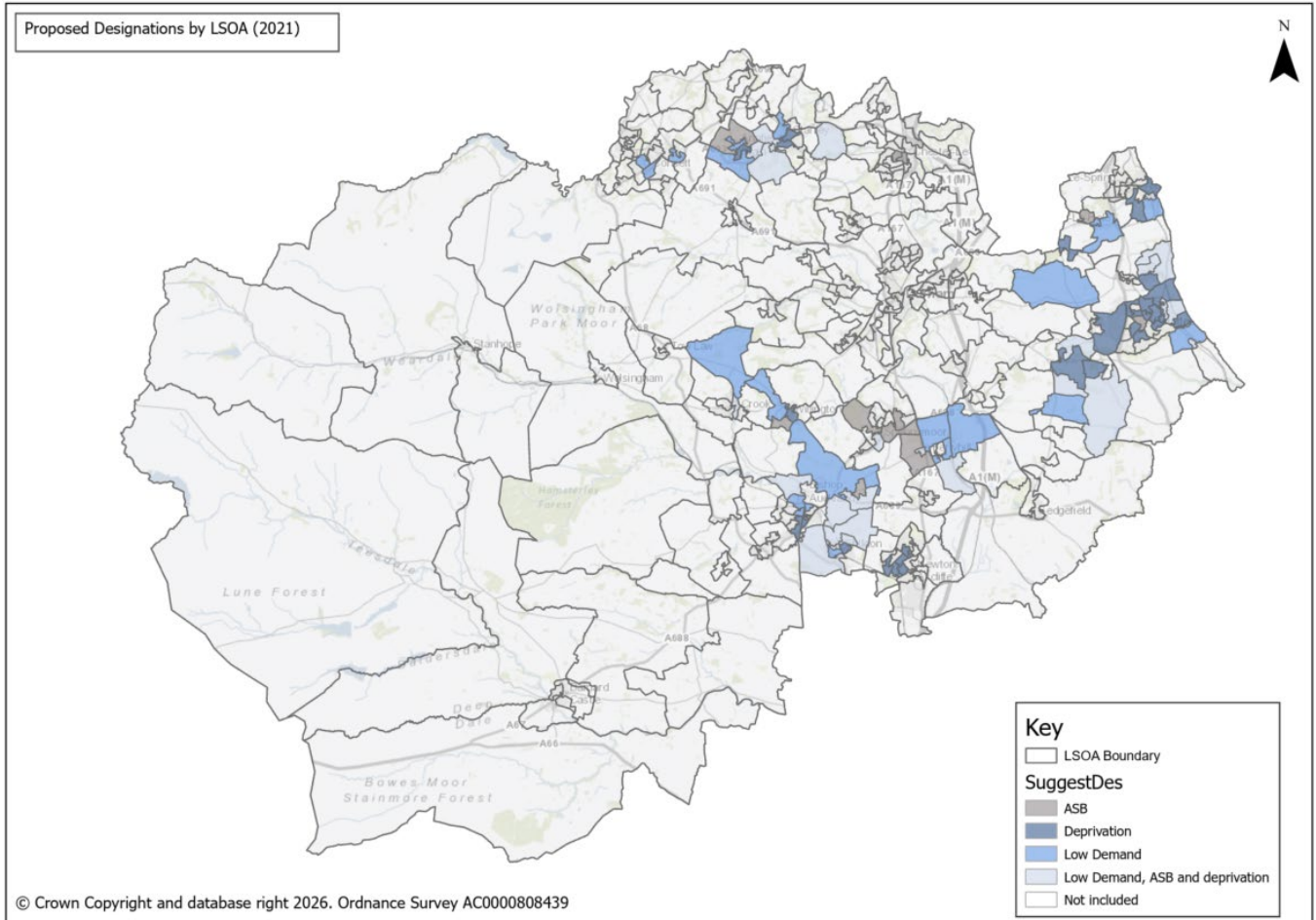
#### **Designation 4**

These 24 areas meet the criteria for all three conditions, low demand, ASB and deprivation.

- Blackhall Colliery South
- Coundon Grange
- Coundon South
- Crook Central 2
- Dawdon North 2
- Deaf Hill
- Easington Colliery Central
- Easington Colliery North
- Eldon
- Ferryhill Dean Bank North
- Ferryhill Station & Chilton Lane
- Grange Villa
- Horden Central
- Horden East
- New Kyo
- New Shildon
- South Moor Central
- South Moor North
- South Moor South
- Spennymoor Central
- Station Town
- Sunnydale
- Toronto
- Wheatley Hill North

The map below shows all areas within County Durham and our proposed designations 1 to 4.

### Map 5: Proposed designations in County Durham by LSOA



## **Areas not included for proposed designation**

There are 243 LSOAs within the county that do not form part of the proposal for selective licensing. At this point in time, they do not meet the Government guidance criteria set out by the Secretary of State. Officers will monitor various datasets relating to these areas and, should any meet the criteria in the future, Cabinet will be asked to consider a new designation for selective licensing.

A list of all 330 LSOAs in County Durham (included and not included in our proposals) can be found in Appendix A.

## **Exemptions to Selective Licensing**

There are some exemptions to selective licensing, a full list is available in the Selective Licensing of Houses (specified exemptions) (England) order 2006. Examples include HMOs that are required to be licensed under part 2 of the Housing Act 2004, business lets, and tenancies let under certain family arrangements.

## **Consequences of failing to apply for a licence or breaching the licence conditions**

Failure to apply for a licence is an offence and upon summary conviction the landlord could be face an unlimited fine. If a landlord should breach any of the licence conditions upon summary conviction could face an unlimited fine per offence.

As an alternative to prosecution the landlord could face a civil penalty notice up to £40,000.

In addition, the local authority or the tenant can apply for a Rent Repayment Order if a property has not been licenced. Up to 24 months' rent can be claimed from the landlord by making an application for the First Tier Residential Property Tribunal.

## **Licence Conditions**

The licence conditions will include mandatory conditions set out in schedule 4 of the Housing Act 2004 as well additional licence conditions designed to assist in meeting the objectives of the scheme. We will seek views on these conditions during the formal consultation process. The proposed conditions can be found in Appendix B.

## **Outcomes**

We would expect the following outcomes from our proposed designations:

- Improving Management Standards – some landlords are simply not aware of the minimum requirements or their responsibilities as providers of housing and continuing selective licensing beyond March 2027 will allow us to support and assist these landlords, provide training and share good practice which will lead to an improvement in the overall quality and management of these properties.
- Improvement of property standards - selective licensing would allow the authority to access properties and ensure necessary improvements around disrepair and unfitness removing the need for the tenant to make a complaint. DCC will continue to inspect all HMOs but will also inspect a significant proportion of other private rented properties, with a targeted approach – risk based.
- Reduction in anti-social behaviour – through the licence conditions, landlords will be responsible for responding to complaints of anti-social behaviour within their properties.

- Promotion of the private rented sector – encouraging landlords to let property to a higher standard. We propose to deliver training, as required, to support landlords in adopting good practice.

### Charges and fees

The Council has developed a fee structure for the scheme and is proposing the following fees for the licence period.

In accordance with the EU Services Directive we have had regard to the local government guidance listed on the Local Government Associations “Open for business” webpage.

**Table 5: Proposed Fee (without discount)**

<b>Fee</b>	<b>Part A (at application)</b>	<b>Part B (at licence issue)</b>	<b>Total fee payable (if licence granted)</b>
Standard fee	£300	£400	£700

The full proposed details for fees and discounts are included in Appendix C.

## Detailed analysis of proposed designations

The table below shows the number of LSOAs in each percentage bracket, based on % of PRS properties in each area. The orange bar shows the number of areas that fall below the national average (19.2%) for PRS properties.

**Table 6: Number of LSOAs**

PRS % Estimate Bracket	Number of LSOAs
0-19%	155
20-40%	156
41-60%	19

### Evidence of low demand in County Durham

An area can be designated under low demand, if it can demonstrate that the area suffers from low housing demand or is likely to become such an area. The local authority should consider the following:

- Average House Price - the value of residential premises in the area in comparison to the value of similar premises in other areas which the authority considers to be comparable.
- Vacancy Rate – the number of premises left vacant and the length of time they remain vacant.
- Turnover Rate – the rate at which the occupiers change in the residential premises.
- Number or residential properties available to rent or buy and the length of time they remain unoccupied.
- The general appearance of the locality and number of boarded up shops and properties.

Low demand is dictated by lower average house prices and higher vacancy rates - turnover is used as supplementary evidence as an area does not necessarily need to have high turnover rates to be designated. An area with high turnover may indicate low demand but in some areas with low turnover this may be due to high numbers of empties where people do not wish to move.

We should compare against values from similar areas, and we have decided to predominantly compare against the North-East region. Due to County Durham being unique in its demography and geography it is difficult to compare to a matching area. As we have decided to use the (Office of National Statistics) LSOA defined geographical areas to build our selective licensing areas- and that many of the datasets we have used are internal datasets- it was not always possible to compare data to the North-East region. Therefore, it was decided that for:

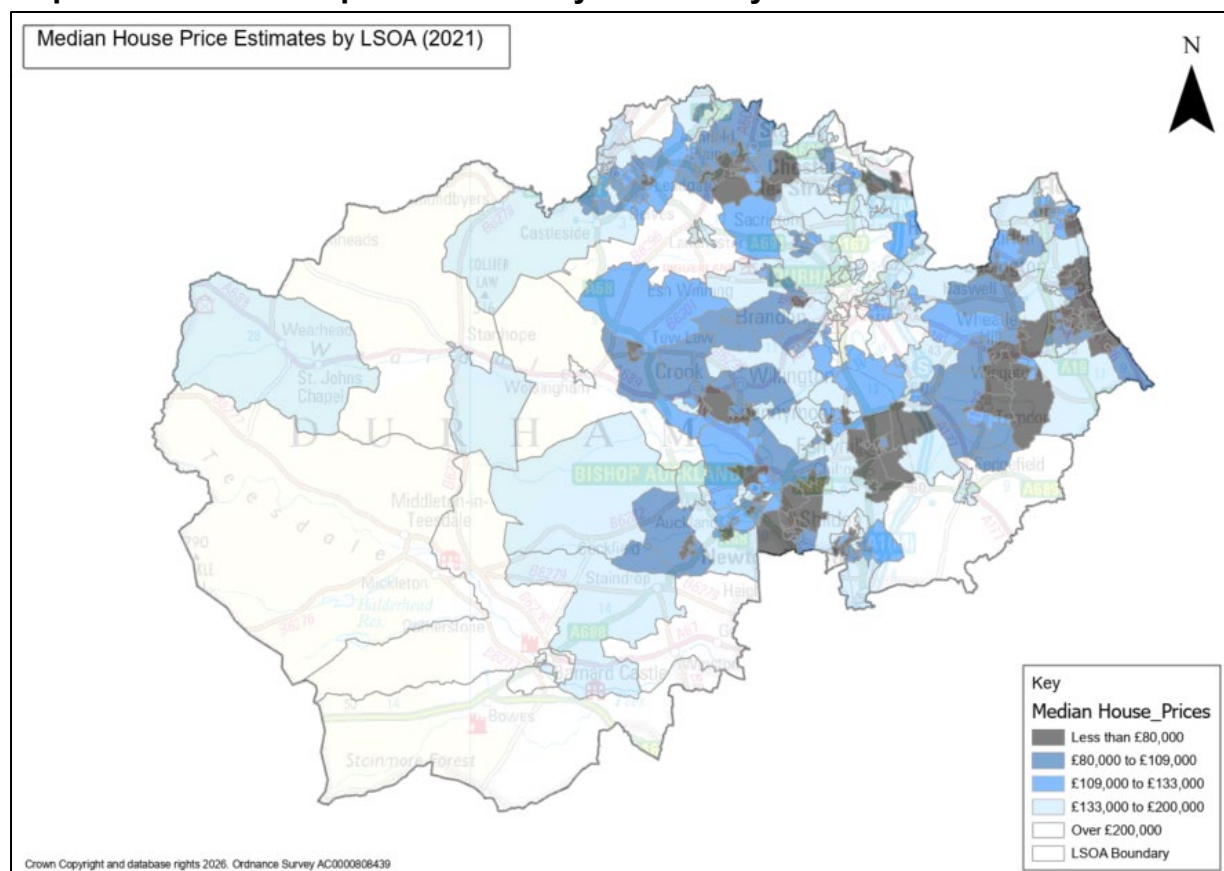
- internal datasets, comparisons would be made against the county average and,
- for datasets available nationally, comparisons would be made against the North-East region.

In accordance with the General Approval guidance, the below are the tests that local authorities should apply when seeking approval from Council for designation for selective licensing based on low demand:

The value of residential premises in the area, in comparison to the value of similar premises in other areas which the authority considers to be comparable (whether in terms of type of housing, local amenities, availability of transport):

- The average house price in County Durham is £144,335 compared with £151,300<sup>4</sup> for the North-East region (April 2022-March 2025).
- 189 of the 330 LSOA areas (57%) are below the North-East average. Average property prices range from £40,850 (Horden Central) to £474,294 in Crossgate Moor South.
- 35.8 % of properties within the county are terraced properties with 70.6% falling into the lower council tax bands of A and B<sup>5</sup>.
- The average median monthly rent in the North-East of England, is £767. In County Durham it is £668, 13% lower.

**Map 6: Median house prices in County Durham by LSOA**



The number of residential premises which are available to buy or rent, and the length of time for which they remain unoccupied:

The overall vacancy rate across the county is 3.8% which is higher than the regional average (3.2%), with 2.6% being vacant for 6 months or more.

The latest data used (see table below) in this analysis covered up to 31st March 2026 and showed that in total there were 9,290 empty homes in County Durham out of a potential 245,535 residential addresses; of these empty homes, 67.9% have been vacant for over 6 months (6,308).

<sup>4</sup> North East House Price average: [UK House Price Index: data downloads June 2025 - GOV.UK](https://www.gov.uk/government/statistics/uk-house-price-index-data-downloads-june-2025)

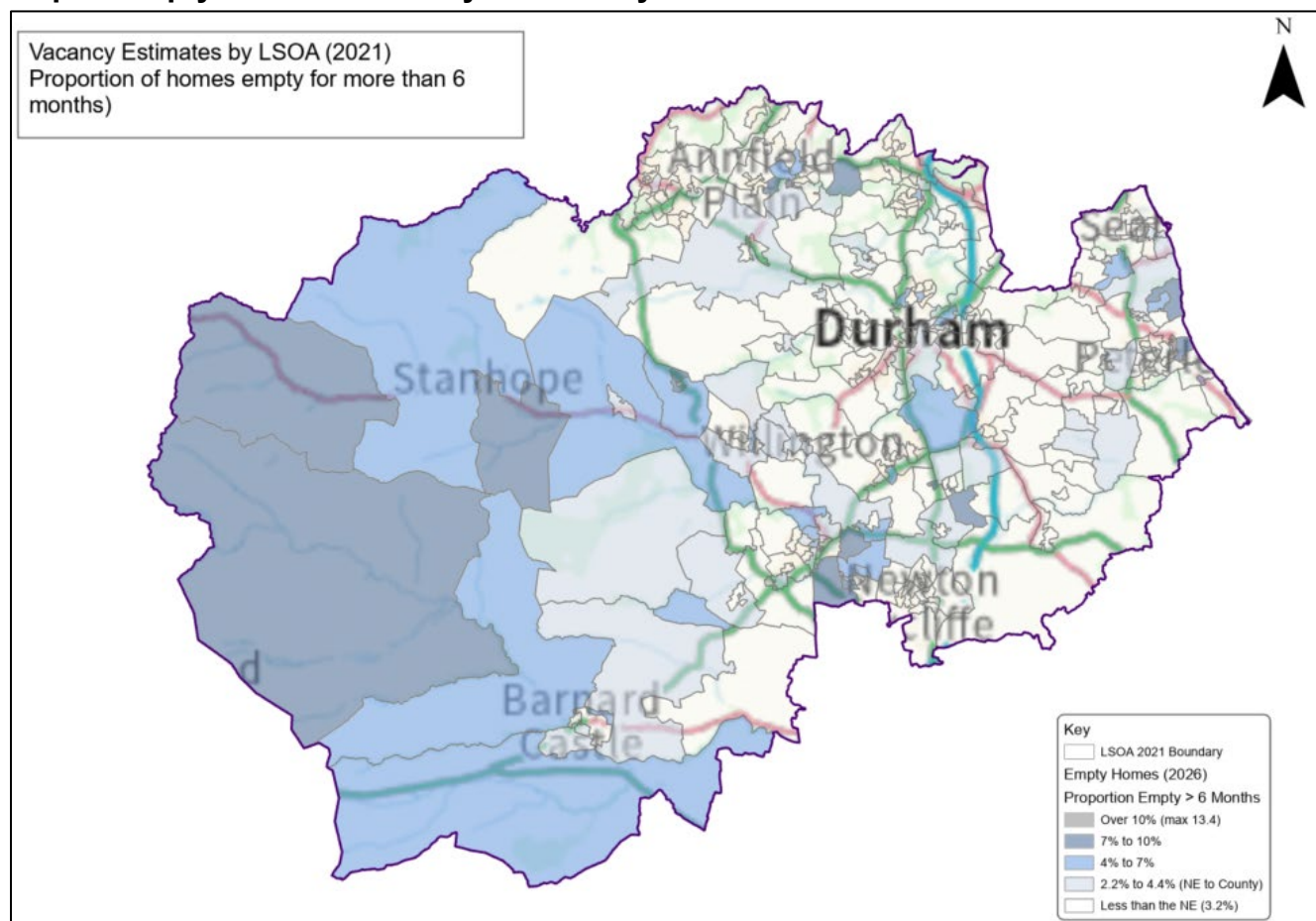
<sup>5</sup> Council Tax band statistics: [Data and reports | LG Inform](https://www.lginform.co.uk/data-reports)

**Table 7: Vacant Dwellings**

Vacancy category	Data point	County Durham (Q4 25/26)	North-East (2025)
All vacant	Count	9,290	42,504 <sup>[1]</sup>
All vacant	% of homes in the area	3.8%	3.2%
Vacant >6 months	Count	6,308	18,164
Vacant >6 months	% of homes in the area	2.6%	1.4%
Vacant >6 months	% of all vacant	67.9%	42.7%
Vacant >12 months	Count	4,530	Not available
Vacant >12 months	% of homes in the area	1.8%	Not available
Vacant >12 months	% of all vacant	48.8%	Not available

<sup>[1]</sup> North East Vacant Dwellings - [Live tables on dwelling stock \(including vacants\) - GOV.UK](#)

**Map 7: Empty homes in County Durham by LSOA**



We have also analysed data from Rightmove for all properties available to rent or buy through that website for the period April 2022 to March 2025 before proposing our designations. This data is available in Appendix A, Table 3.

*The turnover of occupiers of residential premises (in both rented and owner-occupied properties):*

- The total number of sales in 2024 was 8,438 (3.2% of total properties, all tenure type), compared with 43,081 in the North-East (3.2% of total properties, all tenure type).<sup>6</sup>
- Over this period over 25,500 dwellings had two or more changes of occupier in County Durham, (a rate of 1003.2 per 10,000 residential dwellings).

The turnover rate is the rate at which the occupiers in a residential dwelling change and can be used as supplemental evidence rather than a statutory measure of 'Low Demand.'

The turnover rate in County Durham was estimated using council tax data by looking at the number of changes of a dwellings status within the council tax database. Over the three-year period April 2022 to March 2025, dwellings that showed two or more changes in occupier were counted and aggregated up to LSOA, proposed licensing areas, and the county. This data is available in Appendix A, Table 4.

*The general appearance of the locality and the number of boarded up shops and properties:*

When considering the appearance of each locality, we have taken the following into consideration when designating an area on low demand:

- Vacant properties
- Fly tipping
- Pests

By addressing the issues associated with low demand, such as anti-social behaviour and empty properties, selective licensing should make our communities safer and a more desirable place to live and work.

### **Evidence of anti-social behaviour (ASB) in County Durham**

An area can be designated meeting the condition of ASB if it can be shown the area is experiencing a significant and persistent problem caused by anti-social behaviour. In analysis of ASB, we have considered the following:

- Police ASB
- Fire Brigade Secondary Fires
- Durham County Council (DCC)

Since the introduction of the existing Selective Licensing Scheme in April 2022, ASB has decreased in County Durham by 1.7% (from 34,912 incidents per year) compared to 2021/22, which is the baseline for our data- prior to the scheme commencing.

However, for data analysis and consistency, we have used the most up to date information available, covering the last three-years data from 2023/24 to 2025/26.

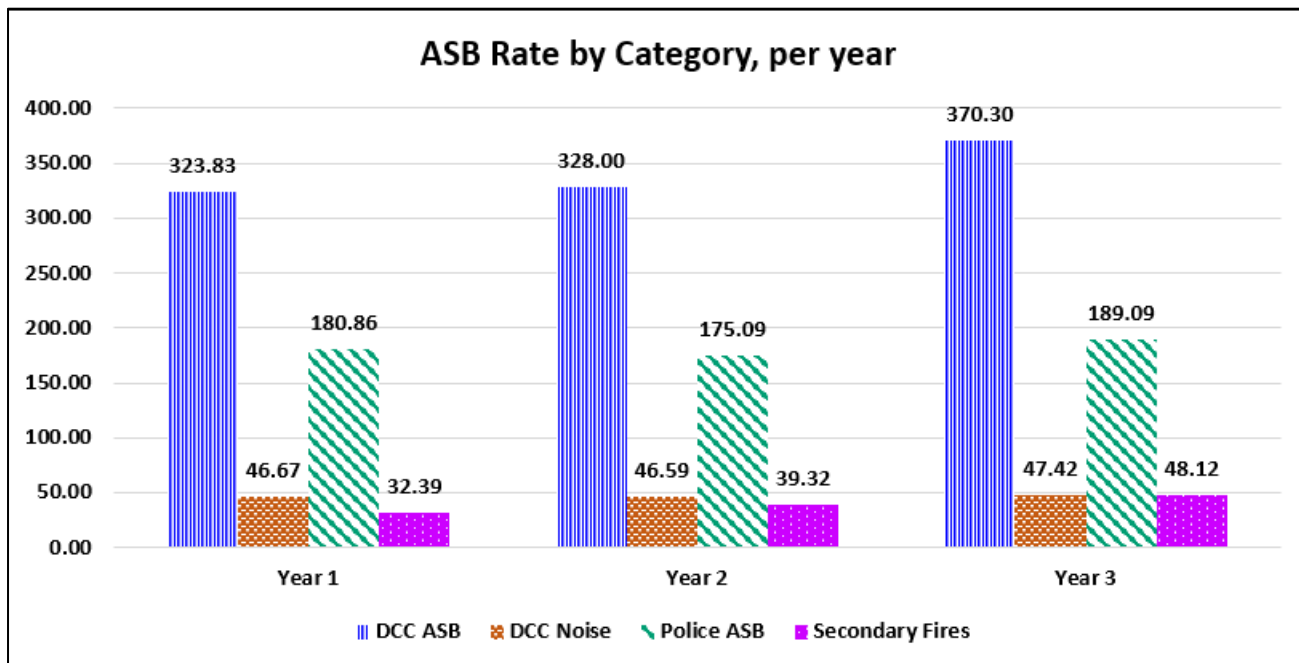
The last three-year dataset shows overall anti-social behaviour (ASB) incident totals in County Durham of approximately 30,569 in year 1, 30,844 in year 2, and 34,296 in year 3.

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<sup>6</sup> Valuation Office Agency data

The rate of ASB by category is shown in the graph below showing an increase in DCC noise, Police ASB and secondary fires and DCC ASB in the previous three-year period. It should be noted that during this time the Neighbourhood Warden service has maintained a proactive approach to identifying problem areas and promoting their service.

**Graph 1: ASB Rate by Category, per year (County Durham)**



The table below shows the top 20 highest PRS percentage areas across County Durham with their ASB incident rate per 10,000 population (last three years), from the largest proportion of PRS to the lowest. The majority of areas below the national average for PRS have lower levels of ASB compared to areas with higher levels of PRS, where many areas suffer from significant ASB.

The full list of LSOAs and ASB rates can be found in Appendix A, Table 5.

**Table 8: Top 20 PRS percentage and ASB incident rates per LSOA**

LSOA 2021	ASB Rate (per 10k population)	Estimated PRS %
Ferryhill Dene Bank North	10116.01	60%
South Moor Central	6235.65	56%
Easington Colliery North	8364.37	55%
Dawdon North 2	3918.92	53%
Ferryhill Station and Chilton Lane	6561.68	52%
Horden Central	12439.02	52%
Blackhall Colliery South	6219.31	48%
Murton East	4215.31	46%
Henknowle North	4463.32	45%
Spennymoor Central	3590.73	45%
New Kyo	3290.21	44%
Easington Colliery Centra	4052.73	44%

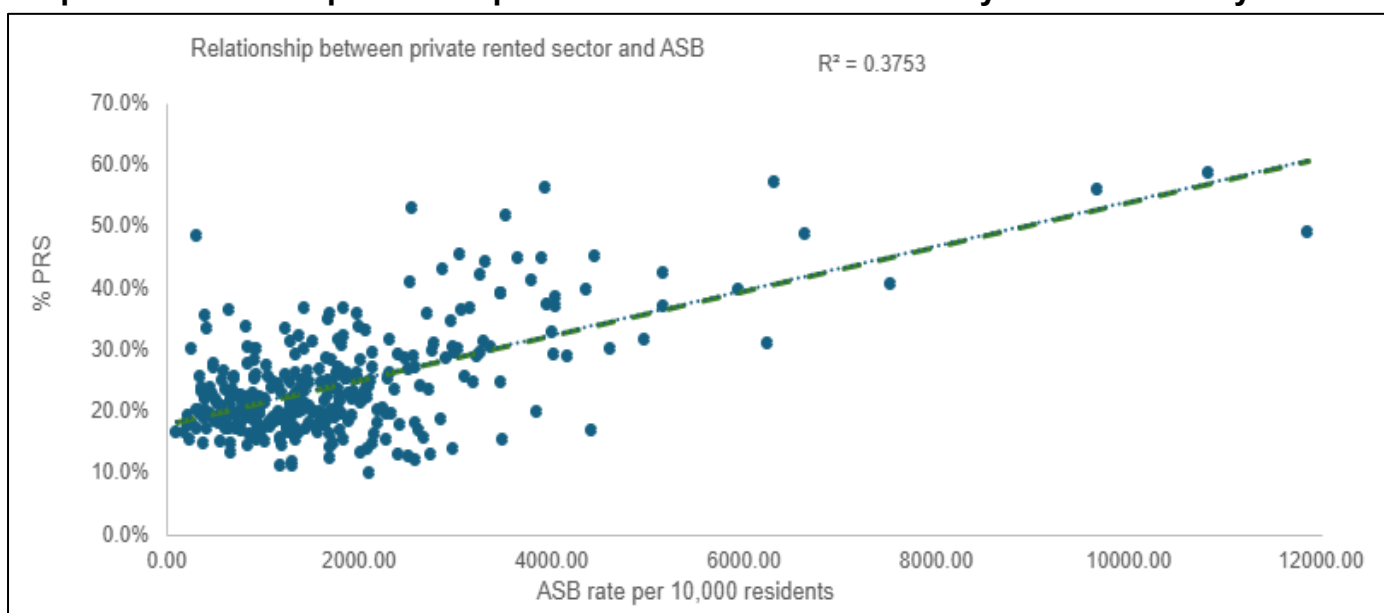
Coundon Grange	5420.14	44%
Grange Villa	4551.33	44%
Toronto	5146.84	42%
Dawdon South 2	2570.93	41%
Nevilles Cross South and Merryoaks	284.16	41%
Eldon	3938.69	41%
Cockton Hill East	5728.16	40%
Coundon South	3018.20	40%

Each of the three datasets contain further indicators to sub-divide ASB into categories. In some cases, these categories do not directly relate to this selective licensing process and so were removed before the analysis was undertaken.

Over the three-year period detailed above there were an estimated 95,709 incidents categorised under ASB across County Durham equalling a rate of 1,827.69 incidents per 10,000 residents.

The graph below shows the relationship between the PRS and ASB in County Durham and the trend is that where the PRS is higher, so is the ASB rate for the area.

**Graph 2: Relationship between private rented sector and ASB by LSOA in County Durham**



Although Police ASB and local authority noise rates has fallen slightly, the data shows that over the last three-year period there have been increases in DCC ASB and secondary fires. The proportion of Local Authority ASB incidents increased from 55.47% to 56.54%. Local Authority Noise has decreased slightly from 8.0% to 7.24% of total complaints and secondary fires increase from 5.55% to 7.35% of the total. Police ASB proportions fell from 30.98% to 28.87% of all ASB incidents.

The following tables and chart detail these changes, showing ASB in County Durham over the last three years and the overall three-year proportions by ASB category.

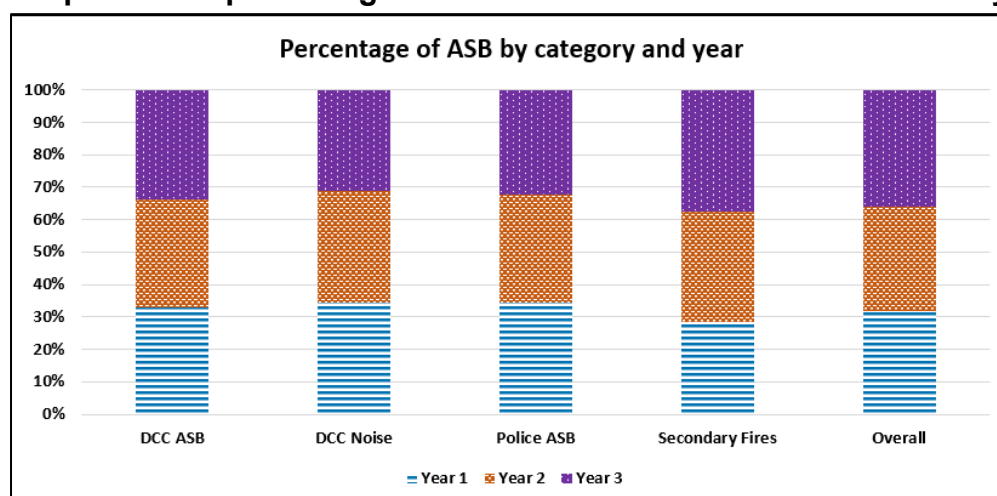
**Table 9: ASB category – proportions over last three years**

ASB Category	Proportion of ASB Incidents by category Year 1	Proportion of ASB Incidents by category Year 2	Proportion of ASB Incidents by category Year 3	Proportion of ASB Incidents by category Overall
DCC ASB	55.47%	55.69%	56.54%	55.92%
DCC Noise	8.00%	7.91%	7.24%	7.70%
Police ASB	30.98%	29.73%	28.87%	29.82%
Secondary Fires	5.55%	6.68%	7.35%	6.56%
Overall	31.94%	32.23%	35.83%	100%

**Table 10: ASB category – rates over last three years**

ASB Category	Rate per 10,000 residents Year 1	Rate per 10,000 residents Year 2	Rate per 10,000 residents Year 3	Rate per 10,000 residents Overall
DCC ASB	323.83	328.00	370.30	1022.13
DCC Noise	46.67	46.59	47.42	140.68
Police ASB	180.86	175.09	189.09	545.05
Secondary Fires	32.39	39.32	48.12	119.83
Overall	583.75	589.01	654.93	1,827.69

**Graph 3: ASB percentage totals between 2022 and 2025 in County Durham**



ASB percentages (across three years) for all areas proposed under Designation 2 (meeting the condition of ASB) or Designation 4 (meeting the conditions of Low Demand, ASB and Deprivation) can be found in Appendix A, broken down by category type.

In areas where there are high levels of ASB, the Council’s enforcement officers will expect landlords to assist in tackling any problems with the properties they manage, acting through their tenancy agreements if necessary. This should lead to a reduction in ASB and improve the local area.

The data indicates that ASB is an issue concentrated in specific high-deprivation and low-demand areas, rather than a system-wide escalation. Continued monitoring at LSOA level will be essential to evaluate the effectiveness of these strategies and adapt resources accordingly. The Council will continue to respond to ASB as it is reported and work with landlords to overcome this problem.

### Evidence of deprivation in County Durham

The guidance states that an area can be designated meeting the ‘Deprivation’ criteria if:

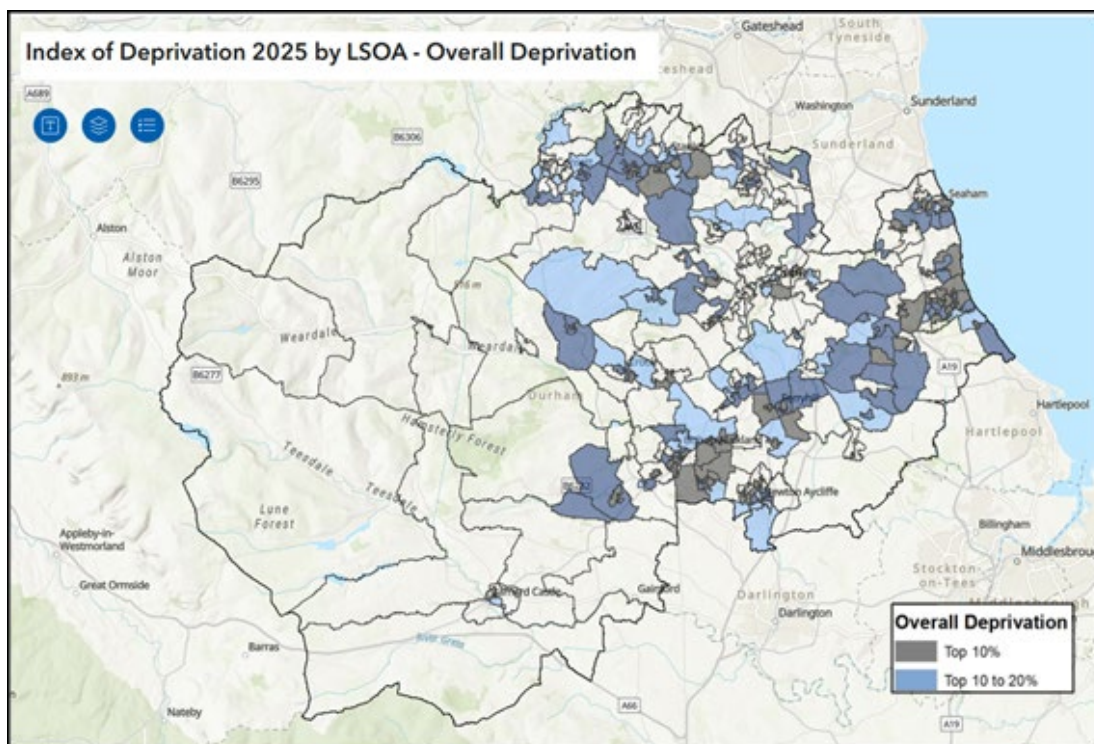
- the area is suffering from a high level of deprivation, which affects a significant number of the occupiers of properties.

For the purposes of this analysis the Index of Multiple Deprivation (IMD) 2025<sup>7</sup> was used as a basis to evaluate the areas experiencing higher levels of deprivation and it was determined, using this indicator, that this area does in fact experience higher levels of deprivation.

The Indices of Multiple Deprivation measure is based on a range of factors including income, health, employment, housing, and crime.

Overall, County Durham was ranked 40th out of 153 upper tier local authorities in England (with 1 being the most deprived). This suggests an increase in relative deprivation compared to the 2019 IMD and puts County Durham in the third most deprived decile nationally.

### Map 8: Index of Multiple Deprivation – areas within the top 20 percent



<sup>7</sup> Ministry of Housing, Communities & Local Government Index of Multiple Deprivation 2025: [English indices of deprivation 2025 - GOV.UK](#)

Of the 330 LSOAs in County Durham, 133 were in the top 20% most deprived LSOAs nationally. Of these, 56 LSOAs are in the Top 10% for deprivation nationally.

Of the 133 LSOAs in the Top 20% deprived areas nationally, 54 have above average levels of PRS properties; and have been included in our proposed Designation 3, meeting the condition of deprivation, and Designation 4, meeting the condition of low demand, ASB and deprivation.

Appendix 1, Table 6 shows all areas in County Durham that are in the top 20% most deprived nationally.

In respect to the health deprivation and disability indices within the Index of Multiple Deprivation (IMD), County Durham ranked 15<sup>th</sup> out of the 153 upper tier authorities. 129 (39.1%) of the 330 LSOAs in County Durham ranked in the top 10% most deprived areas in England. Within the top 30% most deprived there were 238 (72.1% of 330 LSOAs).<sup>8</sup>

Durham County Council seeks to give residents assistance both socially and economically to overcome challenges in these areas and our Housing Strategy is pivotal to this aim. Intrinsically linked to the strategy is the licensing of private landlords. Housing has a significant effect on health and selective licensing will allow us to tackle deprivation in a co-ordinated approach. Together with other measures we will look to improve housing standards and ensure properties are correctly managed, which should increase the well-being of tenants in these properties.

### **Supplemental evidence**

To designate areas that meet one of more of the below criteria the area also must have higher proportions of PRS (above the national average of 19.2%).

The following conditions have not been included as reason to designate an area.

#### Migration

Migration is all residential moves between different local authorities (LAs) in the UK, including those that cross the boundaries between the four UK nations: England, Wales, Scotland and Northern Ireland.

The guidance states that an area can be designated under the 'Migration' criteria if:

- that area has recently experienced or is experiencing an influx of migration into it, and
- that a significant number of the properties referred to above are occupied by those migrants.

Although in recent years there have been a number of highlighted cases in media, confirmed by our officers working in locality areas, that other local authorities have placed homeless households in County Durham without the correct support and/ or checks made on property condition of the privately rented accommodation secured directly, there is no data to support the second of the above requirements (significant numbers) by Lower Super Output Area, which would lead to the condition being met for selective licensing designation. However, through comparing the Census 2011 to 2021, we can see the population in County Durham has grown from 513,242 to 522,068 (1.7% increase).

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<sup>8</sup> [InstantAtlas Durham – Index of Deprivation](#)

Although migration has not been used as a condition to designate areas, selective licensing assists the local authority to monitor property condition of households placed into County Durham and ensures landlord engagement and compliance in these areas.

### Poor Property Conditions

Inspections conducted by the Selective Licensing Team throughout the duration of the existing scheme have been analysed to determine the prevalence and distribution of identified hazards within private rented sector (PRS) properties across County Durham. This analysis provides an evidence-based understanding of property standards and highlights the extent to which health and safety risks are present in licensed homes.

In total, over 5,000 inspections were completed since April 2022. Of these, 1,341 Category 1 hazards and 10,603 Category 2 hazards were identified through Housing Health and Safety Rating System (HHSRS) assessments.

In addition to 'DCC ASB complaints,' two other datasets were used to identify areas with poorer property conditions than the rest of the county; these were:

- Low Income Families – As it is difficult to estimate the number of families on low incomes for small areas (in this case LSOA) a proxy measure was used by analysing the HM Revenues and Customs: Children in low-income family's local measure, also known as the local child poverty measure,
- DCC Household Energy Efficiency Rating: Households in Fuel Poverty. This dataset looks to assess each residential property in County Durham using the Department for Business, Energy & Industrial Strategy - Standard Assessment Procedure<sup>9</sup> (SAP). Each property is given an SAP score which relates to the energy efficiency of the property. Properties that fall in the lower categories of 'E,' 'F' and 'G' are assumed to be in fuel poverty. This can be for several reasons including the type and construction method of the building, wall type (solid, cavity wall, etc.) and type of heating system/fuel used.

Licensing can increase housing standards – each licence shows the number of occupants allowed to reside in the property, determined by the size of the rooms and access to bathrooms and a kitchen.

### Crime

To designate an area under the 'Crime' criteria the guidance states that to qualify:

- that the area suffers from high levels of crime and that the criminal activity affects those living in the properties.
- the datasets used in this analysis were Police Crime and Fire Brigade Primary Fire incidents.

Although County Durham does not suffer from high levels of crime when compared to the North-East, 160 out of 330 LSOAs in County Durham are in the top 30% most deprived in the Index of Multiple Deprivation (IMD) in respect of crime. 61 of these areas are in the top 10% most deprived nationally in respect of crime.

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<sup>9</sup> <https://www.gov.uk/guidance/standard-assessment-procedure>

## Summary

The Private Rented Sector (PRS) represents an important part of the housing market, and there is a clear opportunity to recognise and support responsible landlords while addressing the minority who provide poor-quality accommodation or ineffective tenancy management, particularly where this impacts some of our most vulnerable residents.

The housing strategy sets out ambitions to raise standards and improve overall quality within the PRS, and selective licensing, alongside complementary measures, plays a key role in achieving these outcomes. By driving up property conditions and management practices, it can help build greater confidence in neighbourhoods.

Improved standards within the PRS can also encourage owner occupiers to remain in, or return to, these areas, as visible progress is made and concerns are actively addressed, helping to prevent further decline and supporting more sustainable communities.

For investors, selective licensing helps create a fair and consistent regulatory environment. This encourages landlords to maintain and enhance their properties, while those unwilling to meet expected standards may choose to exit the sector, contributing to an overall improvement in quality.

As outlined in this report, Durham County Council has explored alternative approaches. However, ongoing challenges remain across parts of the county. These include the management of anti-social behaviour, reduced demand in areas with a high concentration of private rented housing, and wider issues of deprivation, particularly in communities where the PRS proportion exceeds the national average.

Selective licensing provides a structured way to address these challenges by promoting higher standards of property management and accountability. This, in turn, increases confidence for prospective tenants and ensures that residents benefit from better-quality homes, supported by effective monitoring and enforcement of required standards.