# **Scrutiny Report**





Scrutiny committees gather evidence on issues affecting local people and can make recommendations based on their findings.

Health, Housing and Adult Services – 30th January 2025

# **Homelessness and Temporary Accommodation**

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Reason for report	Requested for work programme by planning group To inform executive policy development Pre-decision scrutiny Item referred by other body Other (see summary)	

# **Summary Purpose**

To update the Health, Housing and Adult Services Scrutiny Committee on homelessness in Milton Keynes. With a particular focus on our duty as a Local Authority, who is approaching and why, the use of temporary accommodation, our strategy to support the needs of those facing homelessness and moving on from temporary accommodation.

#### **Local Authority Duty**

Every local authority in England must make sure that advice and information about homelessness and its prevention is available to anybody in its district.

The advice available should cover information about:

- Preventing homelessness
- Securing accommodation when homeless
- The rights of persons who are homeless or threatened with homelessness, and the duties of the authority under homelessness legislation.
- Any help that is available from the local authority, or from other sources for homeless people and people who may become homeless (even if they don't meet the definition of 'threatened with homelessness')
- How to access that help

The Council has a duty to help prevent homelessness (the prevention duty). If the person is already homeless, the Council has a duty to help secure accommodation for at least six months (the relief duty).

#### Criteria

A person does not need to be sleeping rough to be legally homeless. The Housing Act 1996 defines a person as homeless or threatened with homelessness if they are either:

- If it is likely that they will become homeless within 56 days.
- Have no accommodation available to occupy.
- Are at risk of violence or domestic abuse.
- Have accommodation but it is not reasonable for them to continue to occupy it.
- Have accommodation but cannot secure entry to it.
- Have no legal right to occupy their accommodation.
- Live in a mobile home or houseboat but have no place to put it or live in.

To be classed as statutory homeless, and requiring accommodation, an applicant must meet certain criteria. These criteria are known as the 5 tests, which are as follows:

- Homelessness
- Eligibility
- Priority need
- Intention
- Local connection

A person is homeless if there is no accommodation available for them to occupy in the UK or abroad. For example: Someone sleeping rough or who cannot return to their accommodation because of a court order. The accommodation must be available for the homeless person and anyone who normally resides with them as a family member or might reasonably be expected to reside with them. The person is homeless if accommodation is not available for the whole household.

#### **The National Picture**

Homelessness is increasing throughout the UK, but levels in Milton Keynes remain disproportionate for the size of the city, with most areas ranking higher linked to larger cities such as London, Manchester, and Birmingham.

Local Authorities reported homelessness initial assessments for 90,990 households, which was an increase of 10.3% from April to June 2023<sup>1</sup>.

On 30 June 2024, 123,100 households were in temporary accommodation, which is an increase of 16.3% from 30 June 2023. Households with children increased by 15.1% to 78,420<sup>2</sup>.

# Rough Sleeping in Milton Keynes<sup>3</sup>

Since 1 October 2021 support to people who are street homeless has been provided by 16 MKCC-employed colleagues 365 days of the year who provide the following:

- Locating rough sleepers reported to us when seen in the community.
- Providing face to face advice and support in the community at known rough sleeper locations to encourage engagement and offer accommodation.
- Working with specialist agencies to meet support needs.

<sup>&</sup>lt;sup>1</sup> Statutory homelessness in England: April to June 2024 - GOV.UK

<sup>&</sup>lt;sup>2</sup> <u>Tables on homelessness - GOV.UK</u>

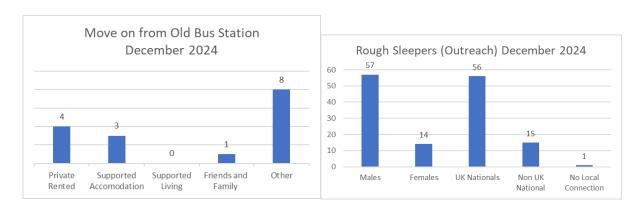
<sup>&</sup>lt;sup>3</sup> Rough sleepers | Milton Keynes City Council

- Risk assessments on the streets where a person refuses support and/or accommodation.
- Creating move-on plans into suitable accommodation taking account of risk and complexity.

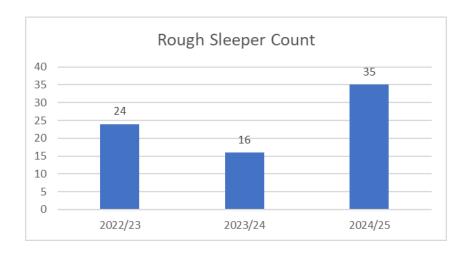
Many people who have been or are at risk of rough sleeping have additional needs that can be a barrier to stepping away from the street, e.g., mental health and drugs and alcohol addiction. We have supported housing services for people who need intensive support around their ability to maintain a tenancy and engage with other services. Norman Russell House supports thirteen people who remain for 6-12 months before being supported to move on; support is provided 24 hours per day. Norman Russell House as part of the Milton Keynes Rough Sleeping Pathway which also includes the Next Steps Accommodation Programme and floating support.

The Old Bus Station provides an alternative to nightly rental of hotel rooms with the additional benefit of staff being available to provide support and advice to try to end rough sleeping. The Old Bus Station accommodates up to 19 single men who need support to move from the street or are at risk of homelessness. The Old Bus Station is located above the MK Winter Night Shelter that provides support to people who are homeless and/or rough sleeping including welfare benefit support, access to food, showers, and clothing. The MKCC emergency accommodation at the Old Bus Station will be delivered in partnership with Unity Park. In addition to the Old Bus Station, Milton Keynes has a pathway to accommodate single females in either shared accommodation or supported living accommodation.

#### Snapshot of activity December 2024:



#### The graph below shows the past 3 years rough sleeper annual count:



This year, there has been a rise in the number of rough sleepers found during the annual count in Milton Keynes. Several factors contribute to this increase:

- Mental Health and Addiction: Many people at risk of rough sleeping have additional needs, such as mental health issues and addiction to drugs and alcohol, which can be barriers to leaving the streets.
- Housing Service Requirements: While there are supported housing services available, the demand for such intensive support has increased, putting a strain on available resources.
- Economic Factors: Economic pressures, such as landlords serving notice (Section 21 or Section 8) and the challenges of securing accommodation with Universal Credit, have contributed to the rise in homelessness.

These factors combined have led to the observed increase in rough sleepers in the area.

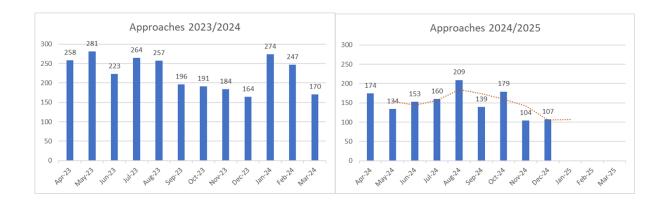
#### **MKCC** current demand

In Milton Keynes we have seen a reduction in the number of households approaching for an initial homeless assessment.

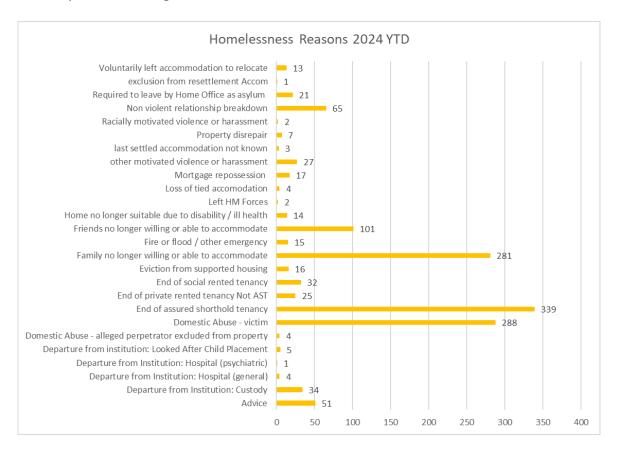
Detailed in the graphs below we can see during Q1 2023/24, 762 initial assessments were carried out compared to Q1 2024/25, 461 initial assessments were carried out, a reduction of 39%.

This is a direct result of the prevention work currently carried out, this forms part of the duty to refer process, introduced through the Homelessness Reduction Act 2017, which places a duty on specified public authorities to identify and refer service users who they think may be homeless or threatened with homelessness to local authority homelessness/housing options teams. Having a robust front door, good working relationships with housing providers and financial assistance have all helped realise the reduction in approaches.

We have successfully reduced the number of placements for homeless temporary accommodation (TA) by implementing a robust front door approach and various incentive initiatives. The council has focused on enhancing their initial assessment and support processes to prevent homelessness at the earliest stage. This includes providing comprehensive advice and guidance to individuals at risk of homelessness, which helps them secure alternative housing solutions before reaching the point of needing TA. Additionally, MKCC has introduced financial incentives and support measures to assist households in securing private rented sector accommodation, thereby reducing the reliance on high cost nightly let TA.



Demand has changed significantly from previous years however, the reasons for households approaching remains similar. The main reason for homelessness in Milton Keynes is landlords serving notice to those privately renting, (section 21 or section 8) domestic abuse and family/friends asking to leave their home.



Assured Shorthold Tenancies (ASTs) ending is one of the top three reasons for Homelessness, ASTs are ended by landlords who want to sell their property or move family members in rather than due to rent arrears. Prevention in these cases is often not possible. Additional financial support is needed when a household is in receipt of Universal Credit which presents a barrier to them securing accommodation in the private rented sector (PRS).

Domestic abuse remains in the top three reasons for homelessness as detailed in the graph above. Over previous years we have seen an increase in the number of people leaving their home due to domestic abuse. MKCC works in partnership with MK ACT<sup>4</sup> to provide a joint domestic violence intervention service in Milton Keynes that offers:

- Accommodation and Follow-up Services
- Emergency refuge accommodation
- Specialist support for children in accommodation
- Volunteer counselling service at the refuge.
- Crisis Intervention Service
- Specialist advisors
- IDVA (Independent Domestic Violence Advisor) Service offers specialist court support.

<sup>&</sup>lt;sup>4</sup> Domestic Abuse Strategy 2020-25

# **Temporary Accommodation current position**

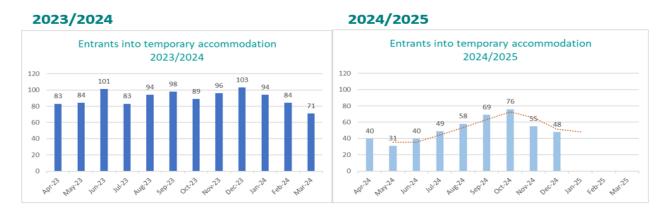
In Milton Keynes as of December 2024, there were 1075 households occupying temporary accommodation, a decrease of 3.85% compared to the same period in 2023. Households with children occupying temporary accommodation increased from 505 households in December 2023 to 635 households, in December 2024 an increase of 27%.

So, although the number of households in TA has decreased, the number of households with children has seen an increase. We believe that this has mostly been attributed to the ending of ASTs as Landlords seek to increase rents which become unaffordable for families with children. Equally we know that moving on these families also remains challenging in terms of affordability and is taking longer than we would like.

The number of households placed 'Entrants' into temporary accommodation has also significantly reduced over the last year, as detailed in the graph below however, the overall numbers of those placed in temporary accommodation remain generally high as there has been limited ability to move on into settled accommodation.

By working closely with local landlords and property agents, the council has been able to negotiate longer-term tenancies for those in temporary accommodation, further stabilizing housing situations for vulnerable households. These combined efforts have led to a significant decrease in the number of homeless placements, improving outcomes for both the council and the affected individuals.

# Entrants Into temporary accommodation



The market rents in Milton Keynes are not affordable to some families, there is a limited supply of housing stock available for those waiting on the housing register which includes those facing homelessness on the register, which has led to longer stays in temporary accommodation. The main issue with affordability in Milton Keynes is due to the Local Housing Allowance (LHA). LHA determines the maximum financial support available for renters in the private rented sector. The rates are set within Broad Rental Market Areas (BRMA) and are reviewed annually. The government has committed to raising LHA rates to the 30th percentile of local market rates in April 2024 which we hope will have some positive impact.

Overall, while the increase in LHA<sup>5</sup> rates can provide much-needed relief for renters, it also underscores the ongoing challenges of housing affordability in Milton Keynes. The

<sup>&</sup>lt;sup>5</sup> Information about claiming Housing Benefit | Milton Keynes City Council

combination of rising LHA rates and high demand for affordable housing creates a complex landscape for both renters and local authorities.

Below chart describes gap in market rent and what our top up looks like across the different property sizes.

Milton Keynes	Median Market Rent	LHA Rate	Top up required (Incentive scheme)
1 bed	£1163	£775	£388
2 bed	£1300	£925	£375
3 Bed	£1650	£1195	£455
4 bed	£1950	£1495	£455

In terms of available stock and affordability preventing move on into PRS – summary around market situation (currently on Rightmove<sup>6</sup>).

- Studios + 1 Beds = 195 currently available, of which only 25 are under £800pcm and all (bar one of them) is a HMO so you cannot obtain a self-contained property for £800 which is already over the LHA. (To get a self-contained you need to be looking at a minimum of £850, and there are also HMOs being advertised for that price as well).
- 2 beds = 161 available, there is only one under £1000
- 3 beds = 131 available, none under £1200 the cheapest is £1250
- 4 beds = 75 available, 2 under £1500

The table below details the current position of Temporary accommodation as at 31/12/24.

Data on Households in Temporary accommodation as at December 2024		
Total Number of Households occupying Temporary Accommodation	1075	
@ 31/12/2024		
Average number of placements into temporary accommodation each	51 households	
month 2024/25		
Average number of leavers from temporary accommodation each	58 households	
month 2024/25		
Global average length of stay in temporary accommodation	312 days	
Number of Households with children in B&B accommodation	0 households	
Number of Households occupying Harben House	68	
Number of Households occupying TA outside of MK	112	
Number of Households with children in Temporary Accommodation	635	
Number of children in temporary Accommodation	1647	

Temporary accommodation is only offered if homelessness cannot be prevented after exhausting negotiations and mediation with either the landlord or person asking a household to leave.

Temporary accommodation is provided on an interim basis whilst enquiries are being carried out. Accommodation can be in Milton Keynes or outside Milton Keynes, depending on supply available. Temporary accommodation can be:

<sup>&</sup>lt;sup>6</sup> Rightmove - UK's number one property website for properties for sale and to rent

- Shared accommodation
- Hotel accommodation
- Hostel
- Nightly let self-contained properties
- MKCC properties
- Supported living accommodation.

Temporary accommodation spends as at Period 8 – November 2024

Temporary Accommodation and Homelessness Prevention	
Accommodation	
Staffing	
Homelessness Prevention	
Total Expenditure	
Income	
Total Expenditure (after income)	

P8 forecast for Jan-25 CLT					
2024/25					
Budget	Forecast Expenditure	Over/(under) spend			
£16.875m	£17.989m	£1.113m			
£0.785m	£0.802m	£0.017m			
£1.442m	£0.709m	(0.733m)			
£19.102m	£19.499m	£0.397m			
(9.880m)	(9.747m)	£0.134m			
£9.222m	£9.752m	£0.531m			

The current homelessness prevention grant amount is £2.806m (including the £0.642m top up received in year)

#### Working in partnership and providing Support

There is a clear and evidenced commitment from Senior Leaders to end Homelessness and Rough sleeping in Milton Keynes and it is a corporate priority as detailed in the Council Plan<sup>7</sup>.

There is extensive support available to those facing homelessness from advice and guidance in preventing homelessness, including toolkits and bespoke housing solutions<sup>8</sup>.

For those occupying temporary accommodation we have dedicated teams who seek pathways into supported living accommodation, or independent settled accommodation. The temporary accommodation team offer outreach support to help people manage license agreements and maximising opportunities in reducing their personal out goings and increasing income by signposting back to employment, education, training or ensuring that someone is receiving all benefits they are entitled to.

Our teams provide extensive welfare support that is set out in Personal Housing Plans for those facing homelessness, referrals to partner agencies and Children's and Adults social care teams including MK Extra is integral to our commitment in supporting people and safeguarding. We also have Housing Solutions officers based in health and mental health provisions including probation to support integrated pathways into housing that prevents

<sup>&</sup>lt;sup>7</sup> Council Plan 2022 – 2026 | Milton Keynes City Council

<sup>&</sup>lt;sup>8</sup> Housing solutions and homelessness advice | Milton Keynes City Council

homelessness on discharge or prison release. This prevention strategy has had significant impact over the last year<sup>9</sup>.

As Domestic Abuse has risen over previous years we work in partnership with MK ACT and have a dedicated Domestic Abuse Team that includes an Independent Domestic Violence Adviser (IDVA) including two Domestic Abuse Support Officers that provide extensive support whilst occupying temporary accommodation which is working extremely well.

Our Partnership with Public Health enables us to maximise opportunities to promote, stop smoking, sexual health, and support for drugs alcohol and gambling by supporting community events for those facing homelessness or at risk of homelessness.

Our landlord incentive scheme offers financial support which also includes negotiations with agents and private landlords to secure settled accommodation by our Supply & Acquisitions Officers. Further information on our Landlord Incentive offer can be found in the AST section later in this report.

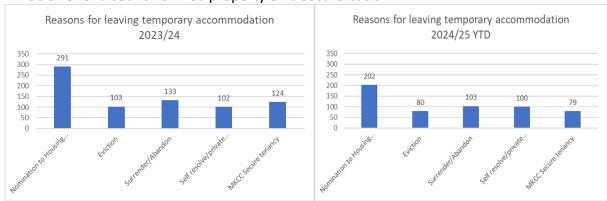
There is an extensive financial offer that includes assistance with rent in advance, deposits, rent guarantee and rent top up including financial assistance for those facing hardship through Household Support Funding. (HSF) The financial support we offer removes barriers for those that may have been excluded from securing accommodation in the private rented sector or with a housing association.

We also Support people to find their own home by providing up to date and current advice and guidance negating the need for some to present to us as Homeless<sup>10</sup>.

# Move on from Temporary accommodation.

Move on from temporary accommodation can take time and is dependent upon the housing supply available. If a full housing duty is owed applicants are placed in Band B, assuming there is no other priority need that would place them in Band A, on the housing register until a time either an offer of an MKCC property can be made or a nomination to a housing association is accepted.

As detailed in the graphs below, move on from temporary accommodation has been slower in 2024/25 compared to 2023/24 when we look at nominations to housing providers and MKCC offer of a council owned property on a secure basis.



<sup>&</sup>lt;sup>9</sup> Homelessness and Rough Sleeping Strategy 0.pdf

<sup>&</sup>lt;sup>10</sup> Help finding your own home | Milton Keynes City Council

There are some barriers that restrict move on from temporary accommodation, this includes rent debt. Offers of housing will not be made to those in high rent arrears with MKCC and where possession action has begun.

Anti-social behaviour can also restrict offers of housing from Housing Associations. In addition, affordability can be a barrier and therefore we have introduced several incentives and opportunities for financial support to assist in bridging the gap for the term of a tenancy in the private rented sector.

To assist with supporting people into settled accommodation we also work with local landlords and property agents to arrange offers of housing in the private rented sector, in some circumstances households can remain in the temporary accommodation by negotiating with the landlord to offer a longer-term tenancy.

# **Assured Shorthold Tenancies (AST)**

At present there is limited supply of affordable accommodation in the PRS as detailed earlier in respect of LHA, therefore landlords can be selective often seeking references and tend to avoid housing people who are not in employment. Our Supply and Acquisitions team are working with landlords to secure accommodation in and outside of Milton Keynes for move on.

The below details progress with move on to PRS in an AST:

# Move on into the private rented sector



The Supply and Acquisitions Team encourage landlords to work with the Council in exchange for an incentive for the term of an AST, we also assist with rent in advance and a deposit including the introduction of a top up of rent from Local Housing allowance to an affordable rent level to meet our objective of increasing the supply of Housing.

The numbers of ASTs available to households presenting as homeless remain limited (as detailed above in Temporary accommodation section) however, we have increased the number of offers into the private rented sector significantly over the last year as detailed in the graphs below.

Since April we have completed 160 tenancies YTD.

Current total spend for top ups and incentives as part of AST offer is £317,453 YTD, we have 11 landlords we are waiting to onboard onto the scheme.

# 2025/26 Funding and Focus

The purpose of the Homelessness Prevention Grant is to give local authorities control and flexibility in managing homelessness pressures and supporting those who are at risk of homelessness. Local authorities must use the grant funding it to deliver the following priorities:

- Embed the Homelessness Reduction Act by increasing activity to prevent single homelessness and rough sleeping.
- Reduce the number of families in unsuitable temporary accommodation by maximising family homelessness prevention.
- Reduce the use of bed and breakfast accommodation for families and eliminate family B&B placements beyond the statutory six-week limit.

On 19<sup>th</sup> December 2024 the Ministry of Housing, Communities and Local Government (MHCLG)<sup>11</sup> allocated £7.2m within 2025/26 Homelessness Prevention Grant to support those facing homelessness and rough sleeping with a clear focus on the prevention of homelessness.

Programme	
Homelessness Prevention Grant 2025/26	£5,309,872
Rough Sleeping Prevention and Recovery Grant 2025/26	£1,260,204
Rough Sleeping Accommodation Programme 2025/26	£211,658
Rough Sleeping Drug and Alcohol Treatment Grant 2025/26	£494,768
Total	£7,276,502

The following work is being progressed within the service:

- Review resource in the Housing Solutions Team at initial assessment stage to work with landlords to prevent eviction.
- Launch a new communications campaign to reach out to landlords and ask them to 'Call Before You Serve' – this is aimed at preventing landlords serving a notice by negotiating and sustaining the tenancies through landlord incentives.
- Continue to progress community drop in advice and guidance sessions to prevent Homelessness in local communities and education settings (MK College)
- Continue in Identifying households in the private rented sector where rent arrears are the reason for the risk of homelessness and use Homeless prevention grant funding to assist.
- Implement a more robust approach to the management of debt for households in temporary accommodation (this can be a significant barrier to moving out of temporary accommodation).
- Joint work with colleagues in Revenue and Benefits to consider debt overall for households in temporary accommodation (this can be a significant barrier to moving out of temporary accommodation).

<sup>&</sup>lt;sup>11</sup> Homelessness Prevention Grant allocations: 2025 to 2026 - GOV.UK

The grants will also be used to fund services that offer advice and assistance to people at risk of eviction e.g., Citizens Advice MK