

**PRESS RELEASE - Embargoed until Thursday 29<sup>th</sup> January 2025 at 9am**

## **Newbridge report presents practical solutions to ease temporary accommodation pressures**

- Newbridge Advisors set up a taskforce made up of sector experts in 2025 to identify scalable ways to deliver solutions to the temporary accommodation crisis in London.
- Multiple models identified by Newbridge Advisors could cut council costs, but solving the issues requires coordinated action across sectors.
- Key recommendations aimed at all actors include restoration of Local Housing Allowance (LHA) rates, diversification of current funding strategies, reform of welfare benefits and boosting resourcing and skills in local authorities.

*Newbridge Advisors has published a new report examining the scale of the temporary accommodation crisis and outlining a series of practical, financially sustainable steps that national and local partners can take to relieve pressure on councils and improve outcomes for people currently living in temporary housing.*

The number of households living in temporary accommodation continues to rise dramatically. By June 2025, over 130,000 households in England were in temporary accommodation, with more than 84,000 of those households including children. Over 25,000 households have been in temporary housing for over five years. The financial burden on councils is considerable, with an estimated £2.84 billion spent on support in the last financial year alone.

In response to these challenges, Newbridge created a dedicated taskforce in May 2025 to explore financing solutions to this crisis with a focus on London. This group brought together experts from London local authorities, registered providers and the Greater London Authority (GLA) to focus on options, which allow local authorities to sustainably discharge their homelessness duty.

The taskforce's report sets out a wide range of approaches that are already being deployed in London, and can be built upon, including models that increase the supply of private rented homes at LHA levels and options that better harness public and private investment, providing stable returns while lowering the costs to local authorities.

The report makes several clear recommendations to government, local authorities, investors and registered providers. It emphasises the need to restore LHA subsidy rates to align with current market trends, modernise welfare systems to prevent more households from facing homelessness and explore financial mechanisms that can boost investor confidence while lowering borrowing costs. It calls on local authorities to strengthen their internal resources with appropriate skills and capacity, adopt a more diverse approach to sourcing homes and ensure that residents receive ongoing support to maintain long-term tenancies. Investors are asked to work in partnership with councils to develop scalable solutions, while registered providers are requested to make full use of their stock as part of a shared effort to reduce temporary accommodation pressures.

### **Janani Paramsothy, Associate Director at Newbridge, who put together the taskforce said:**

"The rise in temporary accommodation, and the conditions in which families can be stuck for years, is one of, if not the, most pressing issues manifesting as part of the housing crisis. While the expansion in social homes is sorely needed to address this, we hope that this report has set out more immediate actions which all interested actors can take to tackle the problem more urgently".

Newbridge's analysis shows that every model assessed offers potential to reduce the cost burden on councils when compared with current cost of housing people in temporary accommodation. Some options become fully financially viable when supported by targeted grant funding, creating savings for the public sector while providing thousands of families with better quality, more secure homes. The report emphasises that no single model will solve the issue. Instead, collective action across the housing and investment sectors is required to prevent homelessness wherever possible and to provide appropriate, affordable homes where it cannot be avoided.

**Tom Copley, Deputy Mayor of London for Housing and Residential Development said:** "We all need to play a part in this vast challenge. Central Government is playing a major role giving people stability and security over housing, not least through its National Plan to End Homelessness, investment in social housing and much needed rental reforms. We need private sector partners to provide innovative solutions, effective data, and investment to promote both innovative short-term solutions and stable pathways out of homelessness. This report makes a valuable contribution towards this section of the market".

**Delia Beddis, Partner at Newbridge Advisors said:** "The sector knows we need to deliver more social housing; however, the challenge in delivering new housing means we need other ways to provide sustainable housing so people can move out of unsuitable temporary accommodation".

"The scale of the current financial challenge faced by councils to meet the cost of people living in temporary accommodation cannot continue and councils cannot deliver the solutions alone. A toolkit of options is available and needs to be widened further to provide access to housing options that work for councils with different risk appetite and funding capacity".

**Angie Hooper, New Business Director at L&Q said,** "Every night, tens of thousands of families in London go to sleep in temporary accommodation. An acute shortage of social homes is forcing many into private rooms, hostels, hotels and B&Bs, at a huge cost to local authorities. I'm pleased to be part of this taskforce, building on the work of Project 123 - a collaboration between G15 members and London Councils. By bringing insight together from across the sector, we've developed solutions which are practical, scalable and centred on dignity. The scale of the challenge is huge, but I'm optimistic we can make real progress in reducing homelessness and helping people into stable, decent homes."

***The full report is attached.***

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#### **Notes to Editors:**

Newbridge Advisors LLP has been providing specialist advisory support across social housing, infrastructure, regeneration and sustainability since 2012 – offering bespoke advice from senior industry experts with proven track records in their fields.

Read more about the [sectors](#) Newbridge Advisors work in and their [previous work](#). More information can be found here: <https://newbridge.co.uk/>

The Temporary Accommodation Taskforce members included:

- Delia Beddis, Partner, Newbridge Advisors

- Janani Paramsothy, Associate Director, Newbridge Advisors
- Harry Parker, Associate Director, Newbridge Advisors
- Cameron Mackie, Associate Director, Newbridge Advisors
- Fenella Beckman, Lewisham Council
- Richard Sorenson, Lambeth Council
- Sam Faulding, Newham Council
- Kayt Wilson, Enfield Council
- Guy Hefferin, Greater London Authority
- Angie Hooper, L&Q
- Richard Evans, Hyde Housing Group.

**Media enquiries:**

If you have any enquiries or would like to arrange an interview, please contact Nishall Garala, Senior Account Manager, Social, at [nishall.garala@social.co.uk](mailto:nishall.garala@social.co.uk).