# New towns in Enfield and Greenwich could alleviate London’s mounting housing and homelessness crisis



Enfield and Greenwich have emerged as key contenders in the UK government's ambitious plan to establish new towns aimed at addressing the capital's acute housing crisis. The proposed developments, located in Crews Hill, Enfield, and Thamesmead, Greenwich, seek to deliver up to 35,000 new homes. This initiative aligns with the broader Labour Party commitment to create 12 new towns and build 300,000 homes across the country, with an emphasis on speed, safety, and thorough environmental assessments. Enfield Council leader Ergin Erbil underscored the urgency of swiftly increasing housing stock, noting the substantial pressure on Londoners that has forced many out of the city or into temporary accommodation.

This pressure is starkly illustrated by recent data from London Councils, revealing a severe and escalating homelessness crisis. Over 175,000 individuals are currently residing in temporary accommodation — approximately one in every 50 Londoners. The financial implications are profound; boroughs are experiencing a 40% surge in spending on temporary housing, now totaling around £90 million monthly. This spending has pushed several boroughs towards the brink of bankruptcy, with a cumulative budget shortfall across services projected to reach £700 million. A significant part of this financial strain arises from a housing benefit subsidy gap frozen at 2011 levels, which fails to keep pace with rising accommodation costs.

Compounding the situation is a dramatic increase in landlords withdrawing properties from the temporary accommodation sector. A survey by London Councils reported a 120% rise in landlords pulling out between September 2022 and April 2023, resulting in the loss of 6% of London's total temporary accommodation stock. This has intensified the housing shortage amid soaring private rents and an overall scarcity of affordable homes. The impact is visible: nearly 170,000 Londoners, including one in 23 children, are homeless or living in temporary accommodation, underpinning the urgency of the new town developments.

Adding to the housing emergency, waiting lists for social housing in London have reached a decade-high. Government data indicates that 336,366 households are currently listed on local authority waiting lists, marking a 32% increase since 2014 and representing one-quarter of all social housing applicants in England. This backlog underscores the severe imbalance between housing demand and supply, further exacerbating homelessness figures, with over 183,000 individuals in temporary housing arrangements.

Financial stresses on London boroughs are reaching critical levels. London Councils has highlighted a £330 million overspend on homelessness budgets for 2024-25, describing the homelessness emergency as the single greatest financial risk facing local authorities. Boroughs are currently spending around £4 million a day on temporary accommodation, a figure far exceeding the inadequate government subsidy. Last year’s nearly 40% increase in monthly spending on temporary accommodation to £90 million signals an unsustainable trajectory that threatens councils' financial viability. Without enhanced government support, boroughs face the risk of issuing a Section 114 notice—a declaration that effectively signals bankruptcy.

Amid these pressing challenges, the proposed new towns in Enfield and Greenwich represent a vital opportunity to mitigate London’s housing crisis. If constructed rapidly yet responsibly, these developments could offer a substantial influx of much-needed affordable homes, potentially easing the strain that has led to skyrocketing homelessness and financial instability among councils. Nevertheless, success hinges not only on the pace and safety of building but also on sustained political commitment and adequate funding support to resolve the complex, deeply entrenched housing supply issues facing the capital.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.standard.co.uk/news/uk/enfield-greenwich-shortlisted-new-towns-b1250308.html), [[2]](https://www.standard.co.uk/news/uk/enfield-greenwich-shortlisted-new-towns-b1250308.html)
* Paragraph 2 – [[3]](https://www.standard.co.uk/news/london/london-councils-homelessness-temporary-accommodation-autumn-budget-b1181551.html), [[7]](https://www.londoncouncils.gov.uk/news-and-press-releases/2024/ps90m-monthly-spending-homeless-accommodation-threatens-bankrupt)
* Paragraph 3 – [[4]](https://www.londoncouncils.gov.uk/newsroom/2023/survey-shows-120-increase-london-landlords-quitting-temporary-accommodation-sector)
* Paragraph 4 – [[5]](https://www.londoncouncils.gov.uk/news-and-press-releases/2025/londons-social-housing-waiting-lists-reach-10-year-high)
* Paragraph 5 – [[6]](https://www.londoncouncils.gov.uk/news-and-press-releases/2025/ps330m-homelessness-overspend-housing-crisis-threatens-bankrupt-london), [[7]](https://www.londoncouncils.gov.uk/news-and-press-releases/2024/ps90m-monthly-spending-homeless-accommodation-threatens-bankrupt)
* Paragraph 6 – [[1]](https://www.standard.co.uk/news/uk/enfield-greenwich-shortlisted-new-towns-b1250308.html), [[2]](https://www.standard.co.uk/news/uk/enfield-greenwich-shortlisted-new-towns-b1250308.html), [[3]](https://www.standard.co.uk/news/london/london-councils-homelessness-temporary-accommodation-autumn-budget-b1181551.html), [[4]](https://www.londoncouncils.gov.uk/newsroom/2023/survey-shows-120-increase-london-landlords-quitting-temporary-accommodation-sector), [[5]](https://www.londoncouncils.gov.uk/news-and-press-releases/2025/londons-social-housing-waiting-lists-reach-10-year-high), [[6]](https://www.londoncouncils.gov.uk/news-and-press-releases/2025/ps330m-homelessness-overspend-housing-crisis-threatens-bankrupt-london), [[7]](https://www.londoncouncils.gov.uk/news-and-press-releases/2024/ps90m-monthly-spending-homeless-accommodation-threatens-bankrupt)

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.standard.co.uk/news/uk/enfield-greenwich-shortlisted-new-towns-b1250308.html> - Please view link - unable to able to access data
2. <https://www.standard.co.uk/news/uk/enfield-greenwich-shortlisted-new-towns-b1250308.html> - Enfield and Greenwich have been shortlisted for new town developments under the UK government's plan to 'get Britain building again'. The proposed projects in Crews Hill, Enfield, and Thamesmead, Greenwich, aim to provide up to 35,000 new homes. Enfield Council leader Ergin Erbil emphasised the importance of rapid and safe construction, highlighting the pressure on Londoners leading to increased homelessness and temporary accommodation. The developments are part of Labour's promise to create 12 new towns and 300,000 new homes across the UK.
3. <https://www.standard.co.uk/news/london/london-councils-homelessness-temporary-accommodation-autumn-budget-b1181551.html> - London Councils reports a significant rise in homelessness, with over 175,000 individuals now living in temporary accommodation, equating to one in 50 residents. This surge has led to a 40% increase in spending on temporary housing, reaching £90 million per month. The financial strain is pushing boroughs towards potential bankruptcy, with a projected £700 million budget shortfall across all services. The housing benefit subsidy gap, frozen at 2011 levels, exacerbates the issue, highlighting the urgent need for increased government funding.
4. <https://www.londoncouncils.gov.uk/newsroom/2023/survey-shows-120-increase-london-landlords-quitting-temporary-accommodation-sector> - A London Councils survey reveals a 120% increase in landlords withdrawing properties from temporary accommodation between September 2022 and April 2023, with 3,531 notices received across 15 boroughs. This loss equates to 6% of London's total temporary accommodation stock, intensifying the homelessness crisis. The shortage of affordable housing and rising private rents are key factors, with nearly 170,000 Londoners, including one in 23 children, now homeless and in temporary accommodation.
5. <https://www.londoncouncils.gov.uk/news-and-press-releases/2025/londons-social-housing-waiting-lists-reach-10-year-high> - Data from the government shows 336,366 households on London local authority waiting lists for social housing in 2024, the highest figure in over a decade. This represents a 32% increase since 2014, with London accounting for 25% of England's total. The acute shortage of affordable homes is a key factor behind the homelessness emergency, with over 183,000 Londoners currently homeless and living in temporary accommodation arranged by their local borough.
6. <https://www.londoncouncils.gov.uk/news-and-press-releases/2025/ps330m-homelessness-overspend-housing-crisis-threatens-bankrupt-london> - London Councils warns that the worsening homelessness emergency is the 'single biggest risk' to boroughs' finances, with a £330 million overspend on homelessness budgets in 2024-25. The number of homeless Londoners requiring temporary accommodation has reached the highest level ever recorded, with boroughs collectively spending £4 million daily on temporary accommodation. The mismatch between temporary accommodation costs and government subsidies is a major financial strain for London boroughs.
7. <https://www.londoncouncils.gov.uk/news-and-press-releases/2024/ps90m-monthly-spending-homeless-accommodation-threatens-bankrupt> - London Councils reports that boroughs' monthly spending on temporary accommodation for homeless households grew by almost 40% last year, reaching £90 million a month. The rising rates of homelessness and severe shortage of affordable accommodation have put major strain on boroughs' budgets, with London Councils labelling this a 'critical danger' to their financial stability. The cross-party group is calling for more government support to help councils meet these costs and reduce the risk of requiring a Section 114 notice.