

Hertsmere LHNA Update 2025

FINAL REPORT

Hertsmere Borough Council

March 2026

Quality information

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Revision History

Revision	Revision date	Details	Authorised	Name	Position
1	December 2025	Draft Report	KP	Kerry Parr	Associate Director
2	March 2026	Final Report	KP	Kerry Parr	Associate Director

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List of acronyms used in the text:

AONB	Area of Outstanding Natural Beauty
AR	Affordable Rent
AHO	Affordable Home Ownership
BRMA	Broad Rental Market Area
CLT	Community Land Trust
HB	Housing Benefit
HRF	Housing Requirement Figure
HMO	House in Multiple Occupation
LHA	Local Housing Allowance
LHN	Local Housing Need
LHNA	Local Housing Needs Assessment
LHNF	Local Housing Need Figure
LPA	Local Planning Authority
LQ	Lower Quartile
MHCLG	Ministry of Housing, Communities, and Local Government
MOD	Ministry of Defence
NPPF	National Planning Policy Framework
ONS	Office for National Statistics
PPG	Planning Practice Guidance
PRS	Private Rented Sector
RP	Registered Provider
SR	Social Rent
UC	Universal Credit

1. Executive Summary

1.1 Objectives and Outline

1.1.1 Hertsmere Borough Council commissioned AECOM to undertake a Local Housing Needs Assessment (LHNA) update. This study has included:

- a review of the existing LHNA, undertaken for South West Herts (published March 2024), and cross checking the approach with the latest National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) published December 2024.
- updating evidence where appropriate so that it is consistent with the NPPF and PPG (2024), including the local housing need figure derived from the Standard Method.
- addressing any gaps in the existing evidence base, in particular evidence relating to the demographic, housing stock and housing market characteristics of the sub-areas within Hertsmere.

1.2 South West Herts LHNA 2024 Review

1.2.1 The South West Herts LHNA Update was undertaken by Icenii in 2024, providing housing evidence for the South West Hertfordshire functional Housing Market Area (HMA) as well as the individual constituent authorities of Dacorum, Hertsmere, St Albans, Three Rivers, and Watford.

1.2.2 As the South West Herts LHNA was undertaken recently (updated in March 2024) and uses Census 2021 and other recent datasets, it is not necessary to update the majority of the evidence. AECOM has reviewed the approach, assumptions and core outputs and consider the assessment to be robust and in line with guidance at the time. As such, this study focuses on updating the evidence to reflect the NPPF and PPG (published in December 2024 and partially updated in February 2025) after the South West Herts LHNA update was completed and to provide additional detail in key areas which are relevant to emerging Local Plan policies.

1.2.3 At the time of writing, proposed reforms to the planning system, including a new draft NPPF, are being consulted on. These were published in December 2025, with consultation closing in March 2026¹. It is currently understood that Hertsmere Borough Council are looking to take forward their Local plan under the December 2024 NPPF. However, if there are delays in the plan making timeline then the new NPPF, once published, will need to be taken into consideration.

¹ <https://www.gov.uk/government/consultations/national-planning-policy-framework-proposed-reforms-and-other-changes-to-the-planning-system>

- 1.2.4 A summary of the outputs required by NPPF and PPG for Hertsmere, drawing on the South West Herts LHNA update and this LHNA update, is included in Table 1-1.

1.3 Local Housing Need 2025 Update

- 1.3.1 NPPF 2024 paragraph 62 describes how the overall need for housing should be established through an LHNA using the ‘Standard Method’ as set out in national PPG. In addition to this local need, any needs that cannot be met within neighbouring areas should also be taken into account.
- 1.3.2 The baseline housing need figure for Hertsmere Borough is calculated using the Standard Method outlined in PPG in December 2024.
- 1.3.3 The final result of this exercise is a minimum local housing need figure for Hertsmere Borough of 1,010 (rounded) net additional dwellings per year. This equates to 15,143 (rounded) dwellings over the Local Plan period 2026-2041.
- 1.3.4 This figure is 38.1% higher (+278.53 dwellings per annum) than the result of 731 dwellings per annum calculated by the South West Herts Local Housing Needs Assessment Update (March 2024), under the previous version of the standard method.

1.4 Affordable Housing and Social Rent Requirement

- 1.4.1 The South West Herts LHNA estimated the total net need for Affordable Housing in Hertsmere as 589 homes per annum. This is comprised of 433 affordable homes for rent and 156 affordable home ownership properties and equates 58% of the overall need for housing as identified by the updated Standard Method (2025) calculation for Hertsmere.
- 1.4.2 It is relevant to note that the estimate of the need for affordable home ownership properties assumes some of the gross need is met through the sale of lower quartile priced properties in the open market. If these market sale properties are excluded from the supply, the net need for affordable home ownership properties would be higher. AECOM estimate potential need for 274 affordable home ownership dwellings under this scenario. This would result in a higher overall need for Affordable Housing of 707 homes per annum which would equate to 70% of the overall need for housing as identified by the Standard Method calculation for Hertsmere.
- 1.4.3 The South West Herts LHNA does not provide a definitive requirement for Social Rented homes based on the estimate of affordable housing needs but concludes that there is need for both Social and Affordable Rented homes with the split a matter for policy choices and consideration of viability. AECOM has undertaken additional analysis to draw out some of the nuances around the

affordability of these different tenures, and particularly the interaction with the benefit system. It is relevant to note that:

- 1.4.4 Local Housing Allowance (housing benefit rates) across the 3 broad rental market areas covering Hertsmere is sufficient to cover both Social and Affordable Rent but is insufficient for lower quartile priced private rented properties.
- 1.4.5 The affordability of Social and Affordable Rent to individual households is complicated because of the way the benefits system works. For some households, the tenure makes no difference to their disposable income because housing benefit flexes according to the rent.
- 1.4.6 However, Hertsmere households affected by the benefit cap are likely to be better off in Social Rented housing. There are 480 households in Hertsmere who are affected by the benefit cap (see Table 5-5). Most of these households are single parent families with children (334 households) with AECOM's scenario testing demonstrating that some of these households are likely to have insufficient funds to meet their basic living costs after paying their rent.
- 1.4.7 AECOM set out three broad policy options for Hertsmere to consider in setting any requirement for the proportion of Social Rent delivered, from delivering 100% of rented Affordable Housing as Social Rent, a target of 60% in line with Government ambitions, or a more modest proportion e.g. 25%, but targeted at specific property types for households most likely to need it i.e. families affected by the benefit cap. Such a policy would need to be tested in a viability assessment with any impact on the volume of Affordable Housing delivered overall also taken into account.

1.5 Sub-area Analysis

- 1.5.1 Hertsmere Borough Council may wish to develop Local Plan policies which are tailored to the characteristics of particular sub-areas depending on its strategy and issues and challenges that some local areas face. Key geographical variations in demographics, tenure, housing stock and housing market characteristics have been drawn out, with the following observations at the sub-area geography:
- 1.5.2 **Potters Bar:** low proportion of children but relatively high proportion of families with non-dependent children² (14%) which can indicate affordability problems for young households. Potters Bar has the highest number of licensed HMOs in the borough, at 57.5% of all HMOs in Hertsmere (100 licensed HMOs). Potters Bar had the highest proportion of older people in the borough (22%).

² ONS definition – “Sometimes called ‘adult children’, a non-dependent child is a person living with their parent(s) and who is either aged 19 years or over and has no spouse, partner, or child living in the household, or aged 16 to 18 years and who is not in full-time education and has no spouse, partner, or child living in the household”

There was a small proportion of social rented properties (12.6%) and a relatively high proportion of flats (22%) overall but the highest proportion of mid-sized (3-bedroom) homes in the borough (41%). Consider specialist provision for older people given higher proportion in this area.

- 1.5.3 **Borehamwood:** highest proportion of families with children (32.5%), lowest share of homeowners (53%), highest share of social renters (26%) and the highest number of applicants on the HBC waiting list living here (over half of all applicants). One third of properties are flats and the highest proportions of 1-bed and 2-bed dwellings in the borough. Relatively cheaper property sales prices compared to rest of borough. Consider whether need for tenure diversification e.g. increased opportunities for affordable home ownership given the concentration of renting.
- 1.5.4 **Bushey:** age profile similar to borough and c.30% families with dependent children and 25% older households. High proportion of flats (31%) but relatively balanced size mix, with mix not dissimilar to the borough as a whole. House prices similar to borough.
- 1.5.5 **Radlett:** highest rate of home ownership (77%) and lowest rate of social renting (8%), over half of dwellings are detached and 4-bed or larger, fewer small properties, highest house prices across the borough for both median (c.£1m) and lower quartile (£663k in 2025). Consider whether need for tenure diversification e.g. increased provision of Affordable Housing, including for rent, given high rates of ownership and high cost of housing, as well as potential specialist housing for older people due to a larger proportion of people age 65+ compared to the borough.
- 1.5.6 **Rural** – including settlements Elstree, Shenley, South Mimms, Ridge, Aldenham, and Letchmore Heath: Age of population similar to borough as a whole but relatively higher share of older working age people (45-64). Smaller proportion of flats and smaller dwellings, but reasonable proportion of social rented housing (15.5%), although Hertsmere Borough Council are aware that this may be concentrated in certain areas (e.g. Elstree Village), with unmet need in others. Larger share of mid-sized 3-bed dwellings and relatively higher house prices.
- 1.5.7 The extent to which the characteristics of each sub-area determine the need for different policies e.g. on Affordable Housing or the mix of new homes, will depend on the overall strategy for the borough.

1.6 Additional Evidence

- 1.6.1 To strengthen the South West Herts LHNA evidence, AECOM has added some additional evidence and commentary on:
- Care leavers, to supplement LHNA evidence on the housing needs of looked after children. There are a small number of care leavers registered

for housing with Hertsmere Borough Council who may benefit from specialist housing with support.

- Community led housing, to supplement the evidence on self/custom build housing.
- Service families. There are a substantial number of ex-service personnel living in Hertsmere (almost 2,000 individuals) but there are no service families or ex-service personnel currently registered on Hertsmere's waiting list. It is unclear whether there are no such households in need or whether this information is not recorded by the Council.

Table 1-1: Summary of Key Evidence

Key LHNA Output	Hertsmere Evidence	Source
Overall need for housing using the Standard Method	1,010 homes per annum	AECOM calculation (2025 using MHCLG Standard Method)
Total Affordable Housing Need	589-707 per annum	SW Herts LHNA 2024 (lower estimate) AECOM 2025 update (higher scenario)
<i>Of which, need rented Affordable Housing</i>	433 per annum	SW Herts LHNA 2024
<i>Of which, need affordable home ownership</i>	156-274 per annum	SW Herts LHNA 2024 lower figure (assumes LQ priced properties meet some affordable home ownership need) AECOM 2025 update higher scenario (assumes only affordable home ownership resales can meet affordable home ownership need)
<i>Of which, need Social Rent</i>	Uncertain but 480 households have benefits capped in Hertsmere. Figure could be used as a minimum quantum of Social Rented housing required.	AECOM, using StatXplore
Establish the size, type, and tenure of housing.	All sizes required across all tenures with relatively lower % of small market properties and largest shares for 3-4 beds; in affordable sector, largest share required for 2-3 beds.	SW Herts LHNA 2024 modelled mix of housing (Table 8.19)
Specialist housing for older people	48 homes per annum for housing with support 23 homes per annum for housing with care Modelling suggests primarily need market tenure	SW Herts LHNA using SHOP@ model (Table 9.19), annualised by AECOM
Need for wheelchair accessible housing M4(3)	Up to 5% in market (M4(3)A) Around 10% in affordable housing (M4(3)B)	SW Herts LHNA using English Survey of Housing (2018/19 rates) and adjusted for population ageing

2. Objectives and Outline

- 2.1.1 Hertsmere Borough Council commissioned AECOM to undertake a Local Housing Needs Assessment (LHNA) update. This includes a thorough review of the existing LHNA, undertaken by Icení for South West Herts (update published March 2024) and cross checking the approach with the latest National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) published in December 2024 (partially updated in February 2025).
- 2.1.2 The purpose of this LHNA Update is to fill any gaps in the existing evidence base and update areas where national policy and guidance has been updated since the LHNA 2024 was undertaken.
- 2.1.3 The NPPF sets out a number of requirements for local plans in developing their evidence in relation to planning for new homes, as set out in Box 2-1. These requirements are taken into account in this report.

Box 2-1: NPPF 2024 requirements for LHNAs

NPPF 2024 paragraph 62 describes how the need for housing should be established through an LHNA, using the standard method as set out in national Planning Practice Guidance (PPG).

In addition to this local need, once it is established, any needs that cannot be met within neighbouring areas should also be taken into account in the amount of housing to be planned for. The NPPF continues as follows:

“63. Within this context of establishing need, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. These groups should include (but are not limited to) those who require affordable housing (including Social Rent); families with children; looked after children; older people (including those who require retirement housing, housing-with-care and care homes); students; people with disabilities; service families; travellers; people who rent their homes and people wishing to commission or build their own homes.”

Paragraph 64 specifies that for any affordable housing identified, planning policies should specify the type required, and expect this need to generally be met on-site. The following paragraph continues:

“65. Provision of affordable housing should not be sought for residential developments that are not major developments, other than in designated rural areas (where policies may set out a lower threshold of 5 units or fewer). To support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount.

65. Provision of affordable housing should not be sought for residential developments that are not major developments, other than in designated rural areas

(where policies may set out a lower threshold of 5 units or fewer). To support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount”.

66. Where major development involving the provision of housing is proposed, planning policies and decisions should expect that the mix of affordable housing required meets identified local needs, across Social Rent, other affordable housing for rent and affordable home ownership tenures”.

Finally, the NPPF, in its paragraph 69, states that Strategic policy-making authorities should establish a housing requirement figure for their whole area, which shows the extent to which their identified housing need (and any needs that cannot be met within neighbouring areas) can be met over the plan period. The requirement may be higher than the identified housing need if, for example, it includes provision for neighbouring areas, or reflects growth ambitions linked to economic development or infrastructure investment.

The subsequent paragraphs deal with the provision of housing requirements to designated neighbourhood areas.

Source: NPPF December 2024 (amended February 2025)

2.1.4 This report is structured as follows, in line with the scope agreed with Hertsmere Borough Council:

- **Section 3: Existing LHNA Review** –review of the South West Herts LHNA (March 2024 update) against the NPPF and PPG (December 2024) requirements, highlighting key assumptions and identifying any gaps.
- **Section 4: Local Housing Need** – an update of the Standard Method calculation in line with the new methodology brought in alongside the new NPPF in 2024 and with the updated data inputs for 2025.
- **Section 5: Social/Affordable Rent Split** – a key area of focus, with the NPPF 2024 explicitly identifying the needs of households that require Social Rent. This section analyses rents, incomes, and benefits, presents potential scenarios for households in the borough and sets out broad policy options. It does not update the overall need for Affordable Housing undertaken in the 2024 LHNA.
- **Section 6: Sub-Area Analysis** –presents and analyses key housing stock, demographic, and price datasets for agreed sub-areas, providing evidence to help the Council develop policies at a localised level.
- **Section 7: Additional Updates** – covers any further updates or small gap-filling, such as care leavers and community-led development.

3. Existing LHNA Review

3.1 Overview

- 3.1.1 The South West Herts LHNA Update was undertaken by Icenii in 2024, providing housing evidence for the South West Hertfordshire functional Housing Market Area (HMA) as well as the individual constituent authorities of Dacorum, **Hertsmere**, St Albans, Three Rivers, and Watford.
- 3.1.2 The scope of this AECOM study is to provide updates to the 2024 LHNA, particularly in relation to new requirements put in place by the latest (December 2024, updated February 2025) NPPF and PPG. The role of this study is not to revisit analysis undertaken by the 2024 LHNA, but to add further detail, such as through sub-area analysis, to aid Local Plan policy development.
- 3.1.3 Table 3-1 at the end of this section provides a summary of the LHNA key requirements from NPPF and PPG. As the South West Herts LHNA was undertaken recently (updated in March 2024) it is not necessary to update the majority of the evidence, due to a large amount of the evidence not able to be updated (i.e. 2021 Census), and at the time of writing, the policy context still being relevant. AECOM has reviewed the approach, assumptions and core outputs and consider the assessment to be robust and in line with guidance at the time.
- 3.1.4 AECOM's 2025 update focuses on updating the evidence to reflect the NPPF and PPG (published in December 2024 and partially updated in February 2025 after the South West Herts LHNA update was completed) and to provide additional detail in key areas which are relevant to emerging Local Plan policies.
- 3.1.5 There are two key areas of the existing LHNA evidence where AECOM has sought to provide additional detail. These are the affordable housing need estimates and the housing mix evidence.

3.2 Affordable Housing Needs

- 3.2.1 The South West Herts LHNA 2024 identifies the net need for rented affordable housing and affordable home ownership products, with Figure 3-1 providing a summary. The estimate of overall affordable housing need in Hertsmere is 589 homes per annum, made up of 433 rented affordable homes and 156 affordable home ownership properties.

Figure 3-1: Affordable Housing Need, South West Herts Authorities

Table 7.53 Overall Annual Affordable Housing Need

	Rented Affordable Need	Affordable Home Ownership Need (pa)	Total Affordable Need
Dacorum	494	243	737
Hertsmere	433	156	589
St Albans	449	353	802
Three Rivers	364	163	527
Watford	518	150	668
SW Herts	2,258	1,065	3,323

Source: Affordable housing need analysis

Source: South West Herts LHNA, 2024

3.2.2 There are some caveats to consider with this estimate:

- The estimate of the need for affordable home ownership assumes that low cost home ownership supply (used to translate gross need into net need) is made up of affordable home ownership resales plus 50% of lower quartile open market sales. While it is possible that some households may be able to afford to buy on the open market if they are able to access properties priced below lower quartile levels, it is difficult to quantify this accurately. It is uncertain to what extent the cheapest properties for sale would be a suitable size or condition to meet the needs of those considered to be in need of affordable home ownership dwellings (e.g. they may all be flats, smaller dwellings not suitable for families, or require considerable renovation which may not be affordable to these households). Hertsmere Borough Council recognise this, noting that lower quartile properties in the borough are highly likely to be smaller flats, in locations such as Borehamwood. Furthermore, a key barrier to home ownership for this group of households is access to a sufficient deposit. This often means that LQ priced properties are inaccessible even if they are otherwise suitable.
- The South West Herts 2024 LHNA presents alternative scenarios, including excluding the supply of LQ priced properties, as shown in Figure 3-2. However, this is only presented at a South West Herts geography, with the district/borough figures using the middle scenario.

Figure 3-2: Net Need for Affordable Home Ownership Scenarios

Table 7.41 Estimated Net Need for Affordable Home Ownership (arising per annum)

	AHO resales only	AHO resales plus 50% of LQ sales	AHO resales plus 100% of LQ sales
Total gross need	1,938	1,938	1,938
LCHO supply	39	872	1,705
Net need	1,899	1,066	233

Source: JGC/Iceni analysis derived from a range of sources

Source: South West Herts LHNA, 2024

- 3.2.3 AECOM have estimated the potential need for affordable home ownership in Hertsmere based only on affordable home ownership resales (excluding LQ priced properties from the supply).
- 3.2.4 The gross need for affordable home ownership in Hertsmere is estimated to be 298 dwellings per annum (2021-2041).
- 3.2.5 In order to estimate the net need, taking account of affordable home ownership resales only, a 5% resale rate per annum is applied to the stock of shared ownership dwellings in 2021 (488)³. This result is 24 resales per annum which can be used to meet some of the gross need for affordable home ownership. This creates an estimated net need of 274 affordable home ownership dwellings in Hertsmere per annum over the period 2021-2041.
- 3.2.6 If this higher scenario for affordable home ownership need is taken forward, this would result in an overall need for Affordable Housing of 707 dwellings per annum i.e. 433 social/affordable rented homes plus 274 affordable home ownership dwellings per annum.
- 3.2.7 It is important to keep in mind that these are estimates of the need for affordable housing and the need for affordable home ownership can be best viewed as potential demand. Most of these households are not in acute housing need – they do not lack housing – but would prefer to own their own home rather than rent. They often have other choices in the market, including continuing to rent, or perhaps moving to a cheaper area, which may limit the actual demand for affordable home ownership products in practice. Nevertheless, in the context of the overall local housing need figure under the new Standard Method being substantially higher than in the past, it is important to capture the full affordable housing need within this.

3.3 Housing Mix

- 3.3.1 The LHNA 2024 undertakes modelling of the mix of new homes required at a regional (South West Herts) and district level, taking into account occupancy patterns, projections based on household growth, and an adjustment based on overcrowding by tenure.

³ Based on number of households living in Shared Ownership dwellings in 2021 (Census)

3.3.2 It identifies a future housing mix for Hertsmere as shown in Figure 3-3. The study also identifies that the majority of homes delivered in South West Herts should be delivered as houses rather than flats, with some delivery of bungalows, although it identifies that significant delivery of bungalows is unlikely.

Figure 3-3: Modelled Mix of Housing, Hertsmere

Table 8.19 Adjusted Modelled Mix of Housing by Size and Tenure – Hertsmere

	Market	Affordable home ownership	Affordable housing (rented)	
			General needs	Older persons
1-bedroom	4%	18%	23%	42%
2-bedrooms	24%	39%	33%	58%
3-bedrooms	43%	30%	34%	
4+-bedrooms	29%	13%	10%	

Source: Housing Market Model (with adjustments)

Source: South West Herts LHNA, 2024

3.3.3 Key points to note from the modelled housing mix include:

- All sizes of homes are needed in the market and affordable sectors over the plan period.
- In the market sector, the largest share of homes likely to be required is 3-bed properties (43%) with similar proportions of 2 and 4-bed homes (24% and 29% respectively). There is limited modelled demand for the smallest, 1-bed, homes in the market sector.
- In the social/affordable rented sector, the greatest need is for 2-3 bed homes, accounting for over 2/3 of the properties needed over the plan period. There is relatively smaller need for large 4+ bedroom properties but AECOM would emphasise that whilst the number of large properties needed is smaller in total, households needing these homes are often in acute need and tend to face the longest waits to be housed due to limited availability within the existing stock.
- The likely size mix required for affordable home ownership properties is similar to the affordable rented sector i.e. mostly mid-sized properties but with slightly higher requirements for 1-bed and 4-beds compared to the rented sector.

3.3.4 These modelled estimates reflect likely needs at the borough level. However, the Council may wish to consider the characteristics of the distinct sub-areas within Hertsmere to develop any policies on housing mix in the Local Plan (see Section 5).

3.3.5 Table 3-1 below outlines key NPPF and PPG requirements for the evidence required to develop housing policies within Local Plans, highlighting whether the South West Herts LHNA 2024 meets the requirements and where this

report provides updates or fills gaps introduced by the latest policy and guidance.

Table 3-1: Assessment of the South West Herts LHNA 2024 and Updates Required in line with NPPF/PPG 2024

NPPF/PPG	Included in 2024 SW Herts LHNA?	Updates or Changes Required to 2024 SW Herts LHNA?	Gap Filling
Establish the need for housing using the standard method set out in PPG	Yes, although not current methodology	Yes, the standard method has been updated (December 2024) since the SW Herts LHNA. AECOM will undertake the latest calculation for establishing housing need.	-
Establish the size, type, and tenure of housing.	Yes	No	-
Needs of different groups – those that require Affordable Housing (including Social Rent)	Yes	Yes – in relation to Social Rent, the existing study considers rents and affordability, but AECOM will expand further, undertaking benefits scenario testing.	-
Needs of different groups – families with children	Yes	No	-
Needs of different groups – looked after children	Yes, covers the current and projected needs of children in care	No	Update not required to align with NPPF, but AECOM can expand further to look at care leavers.
Needs of different groups – older people including those who require retirement housing, housing with care, and care homes)	Yes	No	-
Needs of different groups – students	Yes	No	-
Needs of different groups – people with disabilities	Yes	No	-

Needs of different groups – service families	No	Yes	Yes
Needs of different groups – travellers	No – the needs of gypsies and travellers are considered through separate evidence-base studies	No – the needs of gypsies and travellers are considered through separate evidence-base studies	-
Needs of different groups – people who rent their homes	Yes	No	-
Needs of different groups – people wishing to commission or build their own homes	Yes	No	Could expand on community led housing more widely (i.e. outside of self-build)

4. Local Housing Need

4.1 Introduction

- 4.1.1 This section calculates Hertsmere Borough Council’s Local Housing Need (LHN) figure using the standard method. This can be considered the baseline expression of the scale of need, which may be subject to other factors applied when policies are developed for the emerging Local Plan. As noted in PPG, it is not a housing requirement, but rather the first step in the process of deciding how many homes need to be planned for.
- 4.1.2 The standard method has been subject to a number of adjustments in recent years, most recently in December 2024. The current approach, introduced under the new Government along with changes to the NPPF and wider planning system, is not expected to change in the near future.
- 4.1.3 NPPF 2024 paragraph 62 describes how the overall need for housing should be established through an LHNA using the ‘Standard Method’ as set out in national PPG. In addition to this local need, once it is established, any needs that cannot be met within neighbouring areas should also be taken into account and the amount of housing planned for.
- 4.1.4 PPG states that “housing need is an unconstrained assessment of the number of homes needed in an area. Assessing housing need is the first step in the process of deciding how many homes need to be planned for. It should be undertaken separately from assessing land availability, establishing a housing requirement figure, and preparing policies to address this such as site allocations”⁴.
- 4.1.5 It goes on to say that “once local housing need has been assessed, as set out in this guidance, authorities should then make an assessment of the amount of new homes that can be provided in their area. This should be justified by evidence on land availability, constraints on development, and any other relevant matters”⁵.
- 4.1.6 A Local Housing Need Figure (LHNF) is therefore a ‘policy-off’ figure. This means that, whilst it takes account of the factors set out in the NPPF, it is an expression of total potential housing need unconstrained by the limits of the land available to build on. It is also unconstrained by the impact of policies that either facilitate or obstruct development. A policy-off figure can then be

⁴ Paragraph: 001 Reference ID: 2a-001-20241212 at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

⁵ Paragraph: 040 Reference ID: 2a-040-20241212 at <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

reviewed in light of further evidence, including environmental constraints, land availability, relevant Local Plan objectives and policies, and the unmet needs of neighbouring authorities to formulate a ‘policy-on’ housing requirement figure (HRF).

- 4.1.7 It should be noted that the Duty to Cooperate, which required Local Planning Authorities and similar bodies to cooperate on strategic cross-boundary matters and to consult each other continuously, was repealed as a legal test in Schedule 7 of the Levelling Up and Regeneration Act 2023. Under the new plan making system, Government is introducing a flexible alignment test. However, until the new test is in place, Planning Inspectors will rely on the “soundness test” for Local Plans, which judges whether plans are well-founded, justified, and effective. The first test of soundness, set out in NPPF paragraph 36, is whether plans are positively prepared, including being informed by agreements with other authorities so that unmet need from neighbouring areas is accommodated where practical to do so and consistent with sustainable development.

4.2 Standard Method

- 4.2.1 The baseline housing need figure for Hertsmere Borough is calculated using the Standard Method outlined in PPG in December 2024 and updated (in part) in February 2025⁶.
- 4.2.2 Step 1 is to set the baseline, which is 0.8% of the existing housing stock for the local authority. The most recent available dwelling stock estimates by local authority, published by the ONS, are to be used⁷.
- According to the latest ONS estimates of the total number of dwellings for local authorities, accurate to 2024 and published in May 2025, Hertsmere Borough dwelling stock amounts to 45,481 dwellings.
 - 0.8% of this figure is 363.85.
- 4.2.3 Step 2 is to adjust the baseline based on the affordability of housing in the area. The relevant indicator is the median workplace-based affordability ratios, published by the ONS⁸. The median affordability ratio over the five most recent years for which data is available should be used.
- The latest ONS affordability ratios, accurate to 2024 and published in March 2025, give a 5-year ratio of 14.34.

⁶ <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

⁷ <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>

⁸

<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>

4.2.4 No adjustment is applied where the ratio is 5 or below. For each 1% the ratio is above 5, the housing stock baseline should be increased by 0.95%. The precise formula is as follows:

$$\text{Adjustment factor} = \left(\frac{\text{five year average affordability ratio} - 5}{5} \right) \times 0.95 + 1$$

- Applying this calculation to Hertsmere’s affordability ratio of 14.34 results in an adjustment factor of 2.7746.
- The baseline stock figure calculated in Step 1 above is 363.85. Multiplying this figure by the adjustment factor of 2.7746 produces a result of 1,009.53, which is rounded to 1,010.

4.2.5 In previous versions of the Standard Method calculation, a final step applied a cap to limit the affordability adjustment. This is no longer part of the current approach.

4.2.6 The final result of this exercise is a minimum LHNF for Hertsmere Borough of 1,010 (rounded) net additional dwellings per year. This equates to 15,143 (rounded) dwellings over the Local Plan period 2026-2041.

4.2.7 This is 38.1% higher (+278.53 dwellings per annum) than the result of 731 dwellings per annum calculated by Icení as part of the South West Herts Local Housing Needs Assessment Update (March 2024), under the previous version of the standard method. This is noted only to highlight the impact of the new standard method approach on the volume of housing needed in Hertsmere Borough and across many other local authorities.

4.3 Housing Policy Implications of the Standard Method Need Figure

4.3.1 As noted above, the new Standard Method result is 38% higher than the figure calculated in the previous LHNA. This significant increase reflects the intention of the latest (2024) version of the Standard Method to boost housing delivery across the country, and is not a challenge exclusive to Hertsmere Borough.

4.3.2 Across England, the total increase on the previous Standard Method amounts to +21% according to MHCLG analysis⁹. The same research shows that the new national total would equate to an increase of 61% on the annual volume of housing delivered between 2021/22 and 2023/24.

4.3.3 To meet the uplifted overall housing need identified through the new Standard Method, for Hertsmere and the country as a whole, would represent a notable

⁹ <https://researchbriefings.files.parliament.uk/documents/CDP-2025-0100/CDP-2025-0100.pdf>

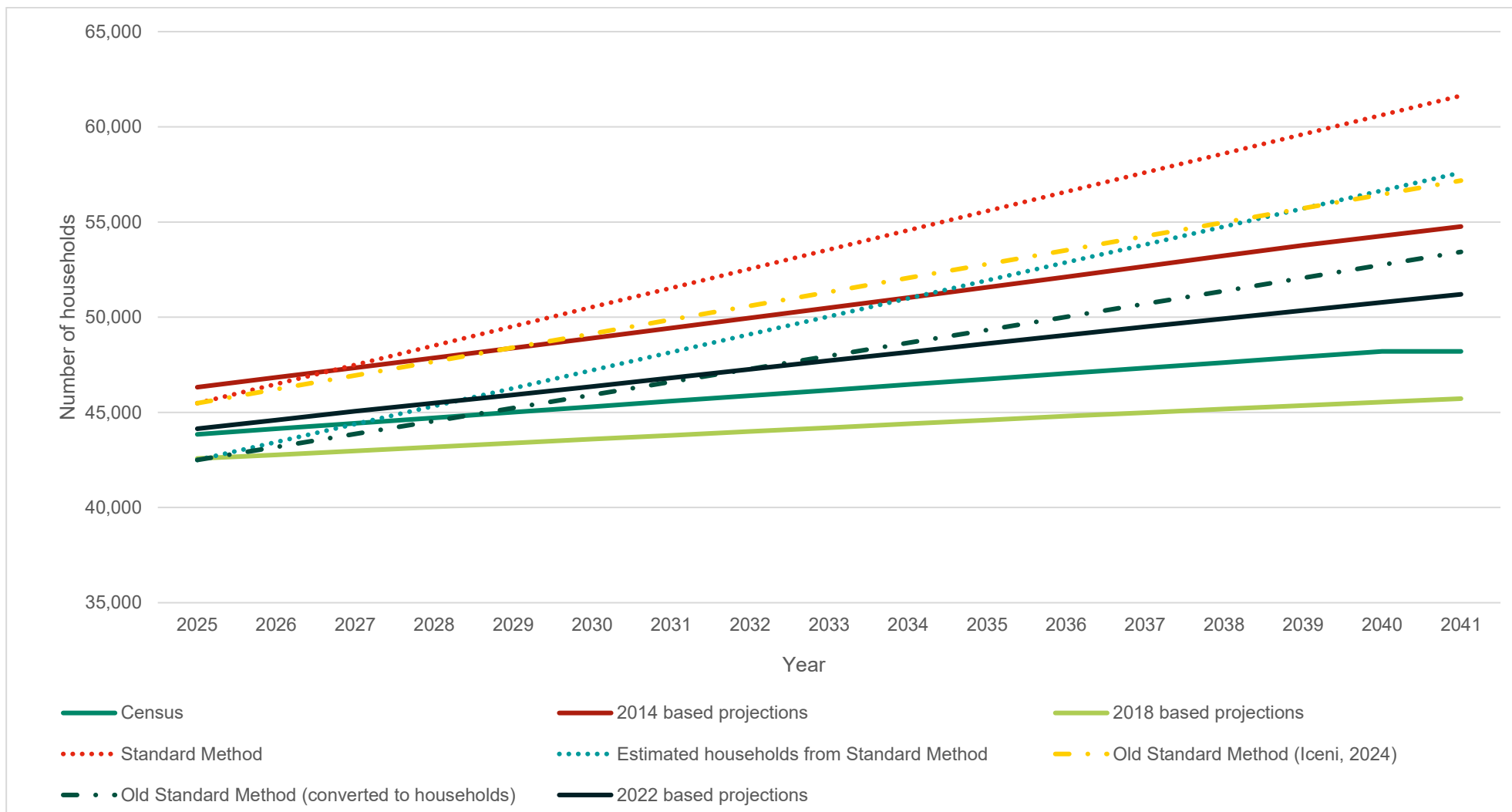
step-change in its housing requirement and, ultimately, housing delivery. This raises a number of questions:

- What are the characteristics of the people and households who will occupy these additional homes? Where will they come from?
- Is a different mix of new housing needed to achieve a higher housing requirement and a step-change in delivery?
- How will a step-change in the delivery of new homes impact Affordable Housing?
- Will the additional housing be occupied by households who are economically active and able to fill new jobs created in the area?

4.3.4 It is helpful to look at the rate of growth expected by the Standard Method in comparison to the previous Local Housing Need (identified in the 2024 South West Herts LHNA) and household projections. Figure 4-1 shows the projections from 2025 to 2041, with the scenarios outlined below:

- Census projections – projected household growth to 2041 based on growth rates between the 2011 and 2021 Censuses.
- 2014-based household projections – most commonly used in previous iterations of the Standard Method.
- 2018-based household projections.
- 2022-based household projections – released in October 2025.
- South West Herts LHNA Standard Method for Hertsmere.
- South West Herts LHNA Standard Method for Hertsmere – converted to households from dwellings to allow comparison with household projections.
- Current (as of November 2025) Standard Method for Hertsmere.
- Current (as of November 2025) Standard Method for Hertsmere – converted to households from dwellings to allow comparison with household projections.

Figure 4-1: Standard Method comparison with household projections, Hertsmere



Source: ONS household projections, 2011 Census, 2021 Census, South West Herts LHNA Update (2024), MHCLG, AECOM Calculations

4.3.5 Figure 4-1 shows that the estimated households from the current Standard Method results in the highest number of households by 2041, with this followed by the extrapolated 2014-household projections and then the South West Herts LHNA Standard Method figure (converted to households). It is interesting to note that the 2014-based household projections suggest greater growth at the beginning of the plan period (2025-2034), with the Standard Method (converted to households) only overtaking in 2034.

5. Social/Affordable Rent Split

5.1 Introduction

- 5.1.1 The 2024 NPPF introduced the requirement that the specific need for Social Rent is assessed and reflected in planning policies. It is therefore important to assess the potential split in need between Social Rent and Affordable Rent within the overall need for affordable rented housing.
- 5.1.2 The 2024 South West Herts LHNA calculates the need for affordable rented tenures and affordable home ownership products across the sub-region and in Hertsmere specifically. This is not repeated or updated within the scope of this study.
- 5.1.3 Whilst the South West Herts LHNA considers the interaction between Social Rent, Affordable Rent, and affordability, AECOM has undertaken further specific localised analysis on the interaction between rents, income, and the benefits system. This report then presents a number of options in relation to the balance between Social/Affordable Rent and the implications of each approach.
- 5.1.4 This section considers the available evidence to inform Local Plan policy on the proportion of Social Rented housing that may be needed within Hertsmere Borough. While this section considers the need for Social Rent from the perspective of affordability, it does not take into account viability or the appetite for Registered Providers or others to develop and manage Social Rented homes. These are considerations that need to be taken into account when developing any policy on the proportion of Social Rented housing sought through the Local Plan.

5.2 Rents and Local Housing Allowance

- 5.2.1 In order to understand the potential affordability of different rented tenures and the relationship between rents, incomes, and benefits, it is first important to understand the cost of private, social, and affordable rents in Hertsmere, as well as Local Housing Allowance (LHA) rates.
- 5.2.2 Local Housing Allowance rates are used to determine the amount of Housing Benefit / Universal Credit with housing entitlement that households are eligible for. Households entitled to this will receive their actual rent or the LHA rate they are eligible for, whichever is lower.
- 5.2.3 LHA rates are calculated across Broad Rental Market Areas (BRMAs), with Hertsmere falling into 3 BRMAs (see Figure 5-1) – South West Herts BRMA¹⁰

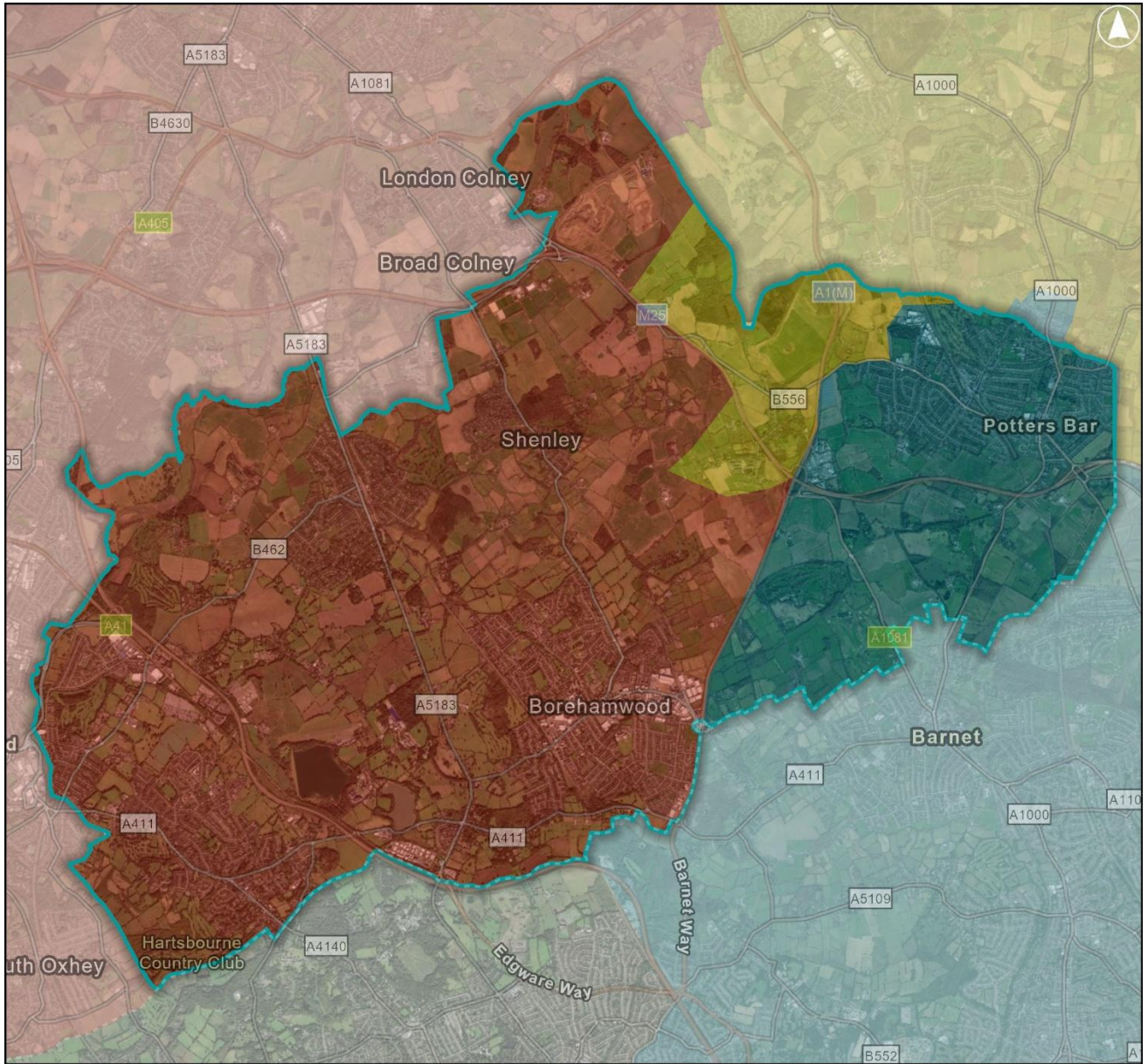
¹⁰ Map - <https://lha-direct.voa.gov.uk/DownloadHelper.aspx?file=%2fDocsTemp%2fMAPS%2fMAP%7e98%7eSouth%2bWest%2bHerts%7e2011-04-01.pdf>

(which includes Borehamwood, Radlett, Bushey, Elstree, and Shenley), South East Herts BRMA¹¹ (which includes South Mimms), and Outer North London BRMA¹² (which includes Potters Bar). Table 5-1 shows the LHA rates across these BRMAs depending on the number of bedrooms a household is eligible for.

¹¹ Map - <https://lha-direct.voa.gov.uk/DownloadHelper.aspx?file=%2fDocsTemp%2fMAPS%2fMAP%7e97%7eSouth%2bEast%2bHerts%7e2011-03-01.pdf>

¹² Map - <https://lha-direct.voa.gov.uk/DownloadHelper.aspx?file=%2fDocsTemp%2fMAPS%2fMAP%7e150%7eOuter%2bNorth%2bLondon%7e2010-07-01.pdf>

Figure 5-1: Broad Rental Market Areas covering Hertsmere



- Hertsmere boundary
- South East Herts
- Outer North London
- South West Herts



Earthstar Geographics, Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community. Contains public sector information licensed under the Open Government Licence v3.0. Contains OS data © Crown copyright and database right 2025.

Table 5-1: Local Housing Allowance Rates (weekly), Hertsmere, September 2025

	South West Herts BRMA	South East Herts BRMA	Outer London	North BRMA
Studio / Shared Accommodation	£115.37	£109.32		£136.93
1-bedroom	£218.63	£192.16		£264.66
2-bedroom	£287.67	£241.64		£322.19
3-bedroom	£345.21	£315.29		£390.08
4-bedroom	£460.27	£391.23		£506.30

Source: Valuation Office Agency

- 5.2.4 In relation to bedroom eligibility, single person households under the age of 35 are only entitled to the shared accommodation rate except in specific circumstances (e.g. care leavers). In family households, 2 children under the age of 10 (regardless of sex) are expected to share a bedroom, with the age threshold increasing to 16 for 2 children of the same sex.
- 5.2.5 Households eligible only for the ‘shared accommodation’ rate are likely to have limited options in the rental market, with Houses in Multiple Occupation (HMOs) an important option for often younger, single, low income households. The scale of HMOs in an area can reflect challenges relating to affordability for these groups, although determining the size of the sector is complex. The Housing Act 2004 distinguishes between licensable HMOs, which have 5 or more occupants, non-licensable HMOs with fewer than 5 residents, and Section 257 properties which take the form of self-contained blocks of flats. Within the scope of this study, we can consider the scale of the licensed HMO sector.
- 5.2.6 As of December 2025, the HMO Register for Hertsmere recorded 174 licensed HMOs, with over half of these (57.5%, or 100 properties) located in Potters Bar. A further 55 (31.6%) were located in Borehamwood, with 12 (6.9%) in Bushey, 4 (2.3%) in Aldenham, and 1 respectively in each of Radlett, Ridge, and Garston. Although this identifies a clear concentration in the larger settlements of Potters Bar and Borehamwood, which is not unusual due to access to services and generally larger private rented sector, this is limited to licensed HMOs with 5 or more bedrooms. There is likely to be a further, often larger, stock of smaller non-licensed HMOs, which it is not within the scope of this study to explore the scale of.
- 5.2.7 If all of the licensed HMOs in Hertsmere were fully occupied, they could house up to 1,054 individuals, highlighting that this is a key low-cost rental option for

households in Hertsmere Borough. Numerous market segments might be expected to live in HMOs, including university students, young professionals (often with pre-existing relationships), independent working individuals (contracted separately with the landlord), benefit-funded individuals, vulnerable people using HMOs as a transitional arrangement or placement, and asylum seekers living in HMOs on a temporary or long-term basis. As there is no university in Hertsmere it is likely that students are a limited group using HMOs in the borough, with the other client groups likely all represented within the occupancy mix.

- 5.2.8 It should be noted that although a household may be eligible for a certain level of LHA, the benefit cap may limit the total amount of benefit a household can receive. The LHA rate is therefore a theoretical entitlement that not all households will actually receive in practice, as discussed further in the following section (Benefits Scenarios).
- 5.2.9 For the purpose of the benefits scenarios, lower quartile private rents, Social Rents, and Affordable Rents were determined for households eligible for one to three bedrooms. Table 5-2 below shows these rents in comparison to the corresponding LHA rates. Social and Affordable Rents presented are for the district as a whole, whilst lower quartile private rents are for the areas of the BRMA that are located in Hertsmere¹³. Green highlighting shows where the corresponding LHA rate covers the rent, whilst red highlighting shows where it does not.
- 5.2.10 This shows that all three LHA rates are sufficient to cover Social Rent and Affordable Rent across Hertsmere. However, none of the LHA rates are sufficient to cover the cost of lower quartile private rents in the areas of Hertsmere within each BRMA. This demonstrates that there are clear challenges in Hertsmere for households in the private rented sector (potentially due to a lack of suitable affordable rented tenures) reliant on benefits. This is explored further with specific household scenarios in the next section. With regard to Social Rent and Affordable Rent, the amount of benefit a household would receive would flex depending on the rent (i.e. as rents are below LHA rates, households would receive the rent rather than the higher LHA rate).

¹³ All private rents are calculated from Rightmove as of September 2025. For South East Herts BRMA rents cover South Mimms and Ridge in Hertsmere and also had to be extended to include Brookmans Park and Welham Green (not in the LPA but in the BRMA) in order to create a robust sample size.

Table 5-2: Affordability of different rental tenures with LHA rates

Number of bedrooms by tenure	South West Herts BRMA (rents, weekly)	South East Herts BRMA (rents, weekly)	Outer North London BRMA (rents, weekly)
Social Rent¹⁴			
1-bedroom	£124.58	£124.58	£124.58
2-bedroom	£142.42	£142.42	£142.42
3-bedroom	£156.01	£156.01	£156.01
Affordable Rent¹⁵			
1-bedroom	£176.78	£176.78	£176.78
2-bedroom	£220.39	£220.39	£220.39
3-bedroom	£256.69	£256.69	£256.69
Lower Quartile Private Rent			
1-bedroom	£290.70	£248.55	£299.42
2-bedroom	£375.00	£412.21	£372.09
3-bedroom	£465.12	£415.52	£482.56

Source: AECOM Calculations, SDR 2024, Rightmove.co.uk, Valuation Office Agency

5.3 Typical Household Scenarios

- 5.3.1 The affordable rented sector in Hertsmere provides a vital function as the only option for a segment of households on lower incomes and many households reliant on benefits. Social Rents are cheaper than Affordable Rents, and so, in theory, leave households on lower earnings better off and more able to afford their other living costs, such as food and fuel. However, the interaction of rents, benefits, and incomes is also important to consider when determining which is more appropriate to deliver.
- 5.3.2 An important factor to consider in examining hypothetical household scenarios is the benefit cap, which is a limit on the total amount of benefit anyone can receive. It applies to most people aged 16 or over who have not yet reached State Pension age. The benefits caps outside of Greater London are:

¹⁴ Regulator of Social Housing Statistical Data Return, 2024

¹⁵ Regulator of Social Housing Statistical Data Return, 2024

- For a couple (with or without children) - £423.46 per week;
- For a single parent (with children in the home) - £423.46 per week; and
- For a single adult - £283.71 per week.

5.3.3 In order to demonstrate the relationship between household types, rents, incomes, and benefits, AECOM has developed a range of scenarios to examine the affordability of different rented tenures within each scenario¹⁶. The analysis is not exhaustive as household circumstances are varied. The analysis looks specifically at the following household types:

- Single parent with 2 children;
- Couple with 3 children;
- Single person aged 30; and
- Older couple.

5.3.4 For each household scenario the three rented tenures discussed above (Social Rent, Affordable Rent, lower quartile private rent) are compared to examine affordability under the same earnings and benefits entitlements. This is undertaken for all three BRMAs to demonstrate variation across the borough. A key element of the analysis is understanding the impact of household earnings in addition to benefits, as well as households reliant solely on benefits.

5.3.5 There are a number of assumptions made within the scenarios and calculations, including:

- Net income is used rather than gross because benefit income is a net figure. This enables comparable figures to be added together when households are earning as well as claiming benefits.
- The affordability threshold assumes that households spend a maximum of 40% of their net income on rent. Where cells are highlighted red in Table 5-3 below and Tables A-1 to A-3 in Appendix A, these are scenarios where households would be spending more than 40% of their income on rent.
- It is assumed that individuals in each household are not disabled or caring for others (thereby entitled to other benefits). This is in order to limit the variables and reduce complexity within the illustrative scenarios. It cannot be assumed that households with increased benefits (e.g. through disability benefits) are better off due to the increased costs associated with having and managing disabilities.
- In order to attempt to understand the implications on disposable income after rent to households, the average spend on food and energy for the

¹⁶ These scenarios are based on the benefit system as at September 2025. If reforms are made to benefit entitlements (e.g. the overall benefits cap) this would impact on the affordability results presented.

relevant household size has been estimated¹⁷ based on British Gas average bill guidelines and ONS data on food and non-alcoholic drinks expenditure for different households. Where cells are highlighted red in Table 5-3 below and Tables A-1 to A-3 in Appendix A, these are scenarios demonstrate where the disposable income after rent is not sufficient to cover estimated food/energy costs.

5.3.6 Table 5-3 shows the modelled scenario results for a single parent household with two children. In scenario 1a the parent is not working or earning, and in scenario 1b the parent in the same household is on a lower quartile income¹⁸. Within each sub scenario the impact of different rental tenures on the proportion of the household's income spent on rent and their disposable income after rent is shown. The remaining household scenarios are presented in Appendix A.

¹⁷ These figures are illustrations used to reflect that adding other living costs (outside of rent) makes it harder for these households. There are other living costs that are not considered here (e.g. water, internet, travel, clothes) which would leave households with even less disposable income, if any.

¹⁸ Hertsmere gross lower quartile earnings in 2024 were £23,359 per annum, or £449.21 per week. The weekly net figure is £391.11. The net figure is used as it is comparable to the benefit income received, which is untaxed.

Table 5-3: Scenario 1 – Single parent household with two children

	Outer North London BRMA						South West Herts BRMA						South East Herts BRMA					
	Scenario 1a: Single parent, 2 children, no earnings			Scenario 1b: Single parent, 2 children, LQ earnings			Scenario 1a: Single parent, 2 children, no earnings			Scenario 1b: Single parent, 2 children, LQ earnings			Scenario 1a: Single parent, 2 children, no earnings			Scenario 1b: Single parent, 2 children, LQ earnings		
	AR	SR	PRS	AR	SR	PRS	AR	SR	PRS	AR	SR	PRS	AR	SR	PRS	AR	SR	PRS
Bedroom entitlement	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Earnings (gross, weekly)	-	-	-	£449.21	£449.21	£449.21	-	-	-	£449.21	£449.21	£449.21	-	-	-	£449.21	£449.21	£449.21
Earnings (net, weekly)	-	-	-	£391.11	£391.11	£391.11	-	-	-	£391.11	£391.11	£391.11	-	-	-	£391.11	£391.11	£391.11
LHA rate	£322.19	£322.19	£322.19	£322.19	£322.19	£322.19	£287.67	£287.67	£287.67	£287.67	£287.67	£287.67	£241.64	£241.64	£241.64	£241.64	£241.64	£241.64
Actual rent (weekly)	£220.39	£142.42	£372.09	£220.39	£142.42	£372.09	£220.39	£142.42	£375.00	£220.39	£142.42	£375.00	£220.39	£142.42	£412.21	£220.39	£142.42	£412.21
Total benefit income, of which:	£446.87	£436.61	£446.88	£334.05	£256.08	£436.74	£446.87	£436.61	£446.87	£334.05	£256.08	£402.12	£446.87	£436.61	£446.88	£334.05	£256.08	£355.97
- <i>Universal Credit</i> ¹⁹	£380.16	£369.90	£380.17	£284.90	£206.93	£387.59	£380.16	£369.90	£380.16	£284.90	£206.93	£352.97	£380.16	£369.90	£380.17	£284.90	£206.93	£306.82
- <i>Child benefit</i>	£43.30	£43.30	£43.30	£43.30	£43.30	£43.30	£43.30	£43.30	£43.30	£43.30	£43.30	£43.30	£43.30	£43.30	£43.30	£43.30	£43.30	£43.30
- <i>Council Tax Support</i>	£23.41	£23.41	£23.41	£5.85	£5.85	£5.85	£23.41	£23.41	£23.41	£5.85	£5.85	£5.85	£23.41	£23.41	£23.41	£5.85	£5.85	£5.85
Total net income (earnings and benefits excluding CTS²⁰)	£423.46	£413.20	£423.47	£719.31	£641.34	£822.00	£423.46	£413.20	£423.46	£719.31	£641.34	£787.38	£423.46	£413.20	£423.47	£719.31	£641.34	£741.23
% net income spent on rent	52%	34%	88%	31%	22%	45%	52%	34%	89%	31%	22%	48%	52%	34%	97%	31%	22%	56%
Disposable income after rent (weekly)	£203.07	£270.78	£51.38	£498.92	£498.92	£449.91	£203.07	£270.78	£48.46	£498.92	£498.92	£412.38	£203.07	£270.78	£11.26	£498.92	£498.92	£329.02

Source: AECOM using ‘Entitledto’ benefit calculator, ONS Annual Survey of Hours and Earnings

¹⁹ Universal Credit is used in these scenarios as they are assumed to be new claims. Some households in Hertsmere will be claiming legacy benefits and will not yet be moved on to Universal Credit. The amount claimed should be the same overall.

²⁰ Council Tax Support amount is excluded from the net income + benefit amount as it is assumed this would be spent directly on Council Tax and would not be available for other living expenses.

5.3.7 The key observations from the analysis of household type, earnings, and benefits, displayed in Table 5-3 above and in Tables A-1, A-2, and A-3 are outlined below:

- **Scenario 1a: single parent household with two children is reliant solely on benefits:** Table 5-3 shows that in all three BRMAs, households living in Affordable Rent or the private rented sector would spend over 40% of their income on rent. If living in Affordable Rented housing the proportion of income spent on rent is 52%, with this increasing to 88%-97% when the household lives in lower quartile private rented housing. This is clearly unaffordable, with the Crisis Homelessness Monitor (England, 2025)²¹ identifying that as of November 2024, 48% of private renters claiming Universal Credit (housing element) experienced a shortfall between LHA and their rent.
- The same household in Social Rented housing would be spending 34% of their income on rent. Households living in Social Rented housing would have an additional £67.71 disposable income per week after rent compared to those in Affordable Rent. This is because households living in Affordable Rented housing in this scenario are subject to the benefit cap. If the cap was not in place, the household would be able to claim an additional £67.71 per week, meaning their disposable income after rent would be the same as the family in Social Rented housing. In essence, Social Rent or Affordable Rent would make no difference to the household's disposable income if the benefit cap was removed. The household is also capped in the private rented sector and would receive £170.38 more per week in the Outer North London BRMA, £89.61 in the South East Herts BRMA, and £135.78 in the South West Herts BRMA if the cap was not in place. The scenarios where the benefit cap is in place are shown in Table 5-4.
- **Scenario 1b, as with 1a but with the parent now on lower quartile earnings as well as receiving eligible benefits.** As earnings reduce the overall benefit entitlement through Universal Credit, in this scenario benefits are not subject to the cap. In this scenario households living in Social Rented or Affordable Rented housing would be spending less than 40% of their income on rent. However, households on lower quartile rents in the Outer North London BRMA would be spending 45% of their income on rent, 48% in South West Herts BRMA, and 56% in the South East Herts BRMA. The key difference to households reliant solely on benefits is the amount of disposable income available to households after rent. Although the proportion of income spent on rent varies across between Social Rent and Affordable Rent, the disposable income available to households after

²¹ <https://www.thinkhouse.org.uk/site/assets/files/3278/cr1125.pdf>

rent is the same. This is because their benefit entitlement flexes according to the rent level.

- Looking at the disposable income available to households after rent in Scenarios 1a and 1b, across all three BRMAs, for the household living in the private rented sector this would not be sufficient to cover the basic estimated food and energy costs, which do not take into account wider living costs, including transport, clothing, and other essentials.
- Table A-1 in Appendix A examines at **Scenario 2a – a couple with three children reliant solely on benefits**. In this scenario, households living in Affordable Rent would spend 61% of their income on rent, compared to 37% in Social Rented housing. The proportion of household income spent on rent in the private rented sector varies between 98% and 114% between the BRMAs. The amount of disposable income after rent also varies significantly between tenures, with £267.46 for Social Rented households, £166.78 for Affordable Rented households, and £7.95 for households living in lower quartile private rented housing in the South East Herts BRMA. In both the Outer North London BRMA and South West Herts BRMA, the rent is higher than the household income, with households in all three tenures impacted by the benefits cap, discussed further in Table 5-4.
- **Scenario 2b adds lower quartile earnings (for one adult) to the same household**. As a result of this, where the household lives in Social Rented housing they spend 21% of their income on rent and 31% in Affordable Rented housing. In the private rented sector this ranges from 46% to 50%. The disposable income after rent for this household type is significantly higher than in Scenario 2a, at £579.44 for households living in Social Rented or Affordable Rented housing, and between £480.07 and £488.03 living in lower quartile private rented housing. An important element to note in this scenario is that households in Scenario 2b are eligible for a higher amount of Universal Credit than households in Scenario 2a because in Scenario 2a the household is impacted by the benefits cap, whilst in Scenario 2b they are not. This is because households are not affected by the cap if their combined earnings after tax and National Insurance are £846²² a month or more, which is the case if one parent in this household was a lower-quartile earner in Hertsmere.
- **Scenario 3 shows a single person aged 30, both reliant solely on benefits and a lower quartile earner**. This shows clear affordability challenges for young single adults, likely linked to LHA room rates. For the purpose of the benefits scenario testing, 1-bedroom rents are used as current room rates were either unavailable or very small sample sizes. Table A-2 shows that in Scenario 3a, across all tenures and BRMAs the household would be spending over 40% of their income on rent, with this ranging from 57% to 140%. If living in Social Rent and Affordable Rent the

²² <https://www.gov.uk/benefit-cap/when-youre-not-affected>

household would just be able to afford basic energy/food costs, but little else, and in the private rented sector rents would cost more than the benefits received. When this household is a lower quartile earner, affordability improves, although only households in Social Rented accommodation would spend less than 40% of their income on rent (32%), with those in Affordable Rented accommodation spending 40%, and those in the private rented sector between 64% and 74%.

- Finally, **Scenario 4 looks at an older couple in receipt of state pension and no other income or earnings** (e.g. private pensions). These households are in receipt of Housing Benefit rather than Universal Credit as older households have not been moved across to the newer Universal Credit systems. Table A-3 shows that households in all tenures and BRMAs are eligible for Housing Benefit. Households living in Social Rent and Affordable Rent would spend less than 40% of their income on rent (24% and 31% respectively), with households private renting in South East Herts BRMA paying 42%, rising to 45% in Outer North London BRMA, and 47% in South West Herts BRMA. Due to benefits flexing based on rents, households in Social Rent or Affordable Rent would both have £399.08 of disposable income after rent. This is slightly lower in the private rented sector, ranging from £327.01 to £364.32.

5.3.8 Taking a closer look at the benefits cap, Table 5-4 shows, for illustrative purposes, the 5 scenarios where the benefit cap is in place in South West Herts BRMA (as an example). This shows that although removing the benefit cap significantly reduces the proportion of the household incomes spent on rent, it does not bring these below 40% where they were originally over 40%. However, removing the cap does meaningfully increase the disposable income available to households after rent, with all of the households presented able to afford basic energy/food costs with the cap removed, when households in the private rented sector could not previously.

5.3.9 All of the households shown in Table 5-4 that are impacted by the benefit cap are households with children that are solely reliant on benefits. This demonstrates that larger households are more likely to be affected by the cap, largely due to family households needing larger dwellings, with higher rents to be covered. The Crisis Homelessness Monitor (England, 2025)²³ found that most capped Universal Credit claims were from households with children, at 83%, with 69% of capped claims from households with lone parents. In addition, as noted above, those households in Scenario 2b (with a lower quartile earner) are not subject to the benefit cap.

²³ <https://www.thinkhouse.org.uk/site/assets/files/3278/cr1125.pdf>

Table 5-4: Illustration of Impact of Benefit Cap, Scenario 1a, South West Herts BRMA

	Scenario 1a – AR	Scenario 1a – PRS	Scenario 2a – AR	Scenario 2a – SR	Scenario 2a – PRS
Total net income (excl. CT support)	£423.46	£423.46	£423.47	£423.47	£423.47
% of income spent on rent	52%	89%	61%	37%	110%
Weekly disposable income after rent	£203.07	£48.46	£166.78	£267.46	–£41.65
Additional benefits with no benefit cap	£67.71	£135.78	£184.51	£83.83	£273.97
Total net income (excl. CT support) if benefits uncapped	£491.17	£559.24	£607.98	£507.30	£697.44
% of income spent on rent if benefits uncapped	45%	67%	42%	31%	67%
Weekly disposable income after rent if benefits uncapped	£270.78	£184.24	£351.29	£351.29	£232.32

Source: Entitled to benefits calculator, AECOM calculations

5.3.10 It is helpful to understand the number of households in Hertsmere impacted by the benefit cap, the types of households that are impacted, and by how much.

5.3.11 Table 5-5 shows the amount of benefit capped for different household types in Hertsmere (May 2025). It shows that single-parent households with children were most likely to be impacted by the benefits cap in Hertsmere (334 households), significantly more-so than couples with children (22 households impacted by the cap), with the latter potentially more likely to have 1 working adult and therefore not be subject to the cap (as discussed above in relation to Scenario 2b).

5.3.12 Households with capped benefits were most likely to be capped up to £50 per week, with 75 households capped by £50.01 to £75 and 70 households capped by £100.01 to £150 per week.

Table 5-5: Amount of benefit capped by household type, Hertsmere, March 2025.

Weekly amount of benefit capped	Single, no children	Single, with children	Couple, no children	Couple, with children	Unknown	Total ²⁴
Up to £25	40	83	-	-	-	122
£25.01 to £50	67	48	-	7	-	122
£50.01 to £75	21	59	-	-	-	75
£75.01 to £100	-	33	-	-	-	35
£100.01 to £150	-	65	-	-	-	70
£150.01 to £200	-	25	-	-	-	34
£200.01 to £250	-	10	-	-	-	11
£250.01 to £300	-	5	-	-	-	-
£300.01 to £350	-	-	-	-	-	-
£350.01 to £400	-	-	-	-	-	-
£400.01 to £450	-	-	-	-	-	-
£450.01 to £500	-	-	-	-	-	-
Other amount	-	-	-	-	-	-
Total ²⁵	126	334	0	22	0	480

Source: Stat-Xplore

5.4 Policy Scenarios

5.4.1 This report is only able to consider in broad terms the scale of the need for Social Rent, with the overall need for Affordable Housing in Hertsmere identified in the 2024 South West Herts LHNA. There is no guidance on how to establish the *need* for Social Rent relative to Affordable Rent or indeed the other policy considerations that need to be applied. As a starting point, there are 480 households in Hertsmere who are affected by the benefit cap and are therefore likely to be better off financially in Social Rented housing. This figure provides a useful starting point for thinking about the scale of current need.

5.4.2 AECOM's illustrative scenarios using rents, earnings, and benefits show that particular types of households (particularly household with children that are reliant on benefits) would be better off in Social Rented Housing. Similarly,

²⁴ Totals may not add due to data disclosure arrangements to avoid the release of confidential information

²⁵ Totals may not add due to data disclosure arrangements to avoid the release of confidential information

households who are able to improve their financial circumstances and no longer need to claim Universal Credit would also benefit from Social Rents (compared to Affordable Rents or the private rented sector) because these rents are lower and they would be able to retain more of their income.

5.4.3 The viability of delivering different proportions of Social Rent has not been tested in this report. However, based on the evidence above, three broad options could be considered.

5.4.4 Option 1: Require that all affordable housing for rent is provided as Social Rent.

- In theory it would be advantageous to deliver the lowest rents possible, as this is likely to be the best way to ensure that those that need Social Rent are able to access it.
- This option would provide clarity in planning policy to developers and Registered Providers so that they can factor this into their business models.
- At present, those who would benefit most from Social Rent are those subject to the benefit cap and households who have earnings or incomes such that they are not in receipt of benefits and would therefore not be able to afford the difference in rental costs between Social Rent and Affordable Rent. If Government policies around the benefits system change (i.e. raising or removal of the benefit cap) then this could have an impact on households' affordability.
- The impact on development viability is a key factor that would need to be considered with this option. In theory, Social Rent requires a greater level of subsidy to build, which would need to be provided by the developer or landowner through the land value, or by Government through grants. It is assumed at present that the extra cost would need to be covered by the developer, landowner, or purchasing Registered Provider. If this option impacts on overall development viability, then it could result in less affordable housing being delivered generally. Depending on the scale of this impact locally, Hertsmere Borough Council may need to consider whether this overall reduction would be acceptable in order to deliver higher levels of Social Rented housing.

5.4.5 Option 2: Require a balance between the two affordable rented tenure categories, such as 60% Social Rent and 40% Affordable Rent, reflecting the Government's stated ambition in the November 2025 Social and Affordable Homes Programme guidance.

- This option may be more appropriate if development viability is challenging – i.e. if option 1 has too much of a detrimental effect on the delivery of affordable housing generally.

- Hertsmere Borough Council would need to consider whether new Social Rented housing brought forward could be targeted to those that most need them. This is discussed in the ‘housing implications’ section below.
- The risk with this option, and any option that presents a broad split between Social Rent and Affordable Rent, is that developers will proposed schemes that provide the Social Rented component as smaller properties and the Affordable Rented component as larger properties, with this likely the financially preferable option. The illustrative scenarios show that Social Rents are most helpful in addressing affordability problems for larger households affected by the benefit cap (e.g. Scenario 2a). Therefore, if this option is taken forward it should recommend that the Social Rented component prioritises larger 3+ bedroom properties.

5.4.6 Option 3: Require a smaller proportion of Social Rent (e.g. around 25% with the specific percentage determined by viability modelling and housing policy) and focussed on provision of family sized accommodation.

- As Social Rent would have the greatest positive impact on larger households, this approach may be considered proportionate, especially if it is found that large proportions of Social Rent have a significant impact on the viability of affordable housing development overall.
- Hertsmere Borough Council will need to consider whether new larger Social Rented homes could be targeted to households that most need them, as if this is not possible then a greater proportion may be required.
- This option would require clear policy requirements around tenure and size to set clear expectations to developers and Registered Providers.

5.5 Housing Implications

5.5.1 There are implications for housing policy within Hertsmere Borough Council and other Councils considering bringing forward more Social Rented housing:

- Increasing the proportion of Social Rented housing required to be delivered on Section 106 sites could impact the delivery of affordable housing overall, as noted above. Social Rented housing requires a higher level of subsidy than Affordable Rent in order to deliver it, provided by the landowner, developer, purchasing Registered Provider, or Government grant. Although viability is not within the scope of this study, it is an important factor to consider. If viability is a challenge in the borough then Hertsmere Borough Council may need to consider whether it is preferable to deliver a small number of Social Rented homes to meet the most acute needs, or a larger number of Affordable Rented homes to address wider needs.
- If the Council are looking to split the delivery of Social Rent and Affordable Rent a risk to consider is that unless new affordable housing for rent is

delivered solely as Social Rent, this more affordable tenure may not be taken up by those that need it most. Over time some form of targeting within the Housing Register and allocation policy could be introduced to ensure those most in need of Social Rented housing receive it. However, this would imply the need to amend the allocation policy and give greater priority to households on the lowest incomes or subject to the benefit cap. This could create issues around fairness if a household situation is assessed at a snapshot in time and those circumstances change (i.e. a household becomes better-off but the banding is not adjusted). Limited access to Social Rented homes generally may disincentivise households from moving on once securing one, even if their financial situation improves, but this would not be a reason to not deliver Social Rented homes as at the 'snapshot in time' these households are in need of this tenure. In the long term, if there is a local and national shift towards increased provision of Social Rented housing then an overall increase in stock would mean that specific targeting of Social Rented homes to the households with the most acute affordability problems would be less of an issue.

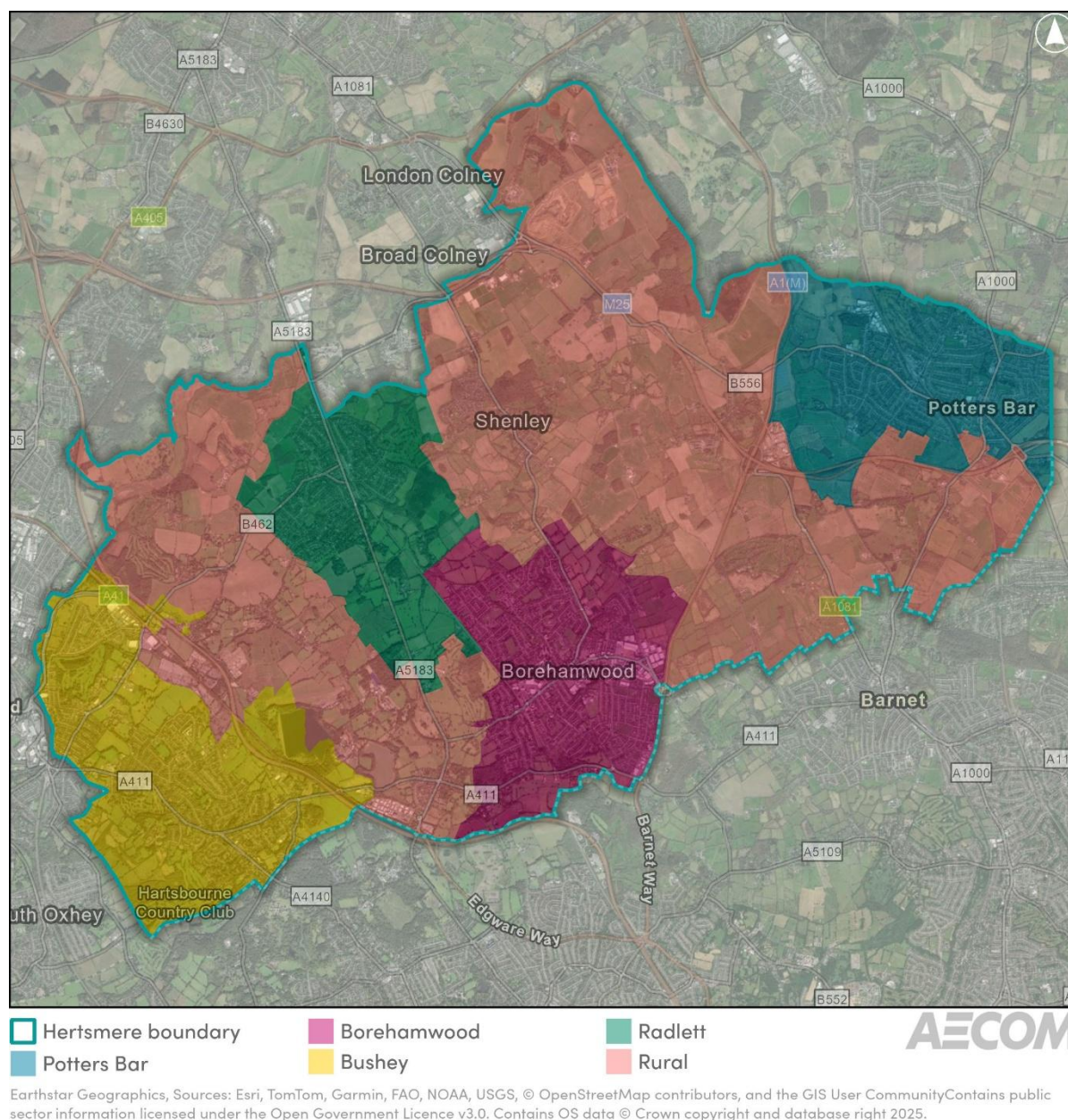
- As discussed previously, larger households with children affected by the benefit cap are the main group that benefit from Social Rented housing compared to Affordable Rented housing. While the impact on older households has not been explored in full, the illustrative scenario in Table A-3 appears to show that these households may be better able to afford Affordable Rented housing than other household types. Although there may be some exceptions, this suggests that the focus of Social Rented delivery could be in general needs accommodation.

6. Sub-area Analysis

6.1 Geographies

- 6.1.1 At the scoping stage of this study it was agreed with Hertsmere Borough Council that some sub-area data analysis would be undertaken to supplement the borough-level analysis undertaken in the 2024 South West Herts LHNA. This would enable the local authority to apply local level nuance to policies in the emerging Local Plan if desired.
- 6.1.2 The following key sub-district geographies were agreed with Hertsmere Borough Council:
- Potters Bar;
 - Borehamwood;
 - Bushey;
 - Radlett; and
 - Rural – including settlements such as Elstree, Shenley, South Mimms, Ridge, Aldenham, and Letchmore Heath.
- 6.1.3 Figure 6-1 shows these sub-areas and how they make-up Hertsmere, with Table B-1 in Appendix B listing the Census Output Areas (OAs) which make up the geographies.

Figure 6-1: Map of Hertsmere and Sub-Areas



6.2 Housing Stock

6.2.1 Table 6-1 shows the tenure households in Hertsmere and the sub-areas occupied at the time of the 2021 Census. This shows that Borehamwood had the lowest rate of homeownership, with 53.3% of households owning their own home, compared to 64.2% across Hertsmere as a whole, and 76.8% in Radlett (the area with the highest rate of home ownership). Despite lower levels of ownership (either outright or with a mortgage) in Borehamwood, this sub-area had the highest proportion of households living in shared ownership dwellings (1.8%), above the Hertsmere average of 1.1%.

6.2.2 Turning to rented tenures, Borehamwood had the highest proportion of households living in social rented housing (26.2%), with the smallest proportion living in Radlett (8.2%). Bushey (12.2%), Potters Bar (12.6%), and

the Rural area (15.5%) all had proportions below the Hertsmere average of 17.3%. The proportion of households living in the private rented sector was broadly similar in Borehamwood (18.6%) and the Rural area (18.2%), with Bushey in line with the borough, at 17.1% and 17.3% of households respectively private renting. Rates of private renting were slightly lower in Potters Bar and Radlett, corresponding with these geographies having higher rates of ownership.

6.2.3 This suggests that Affordable Housing, both rented and ownership, in Hertsmere has been focused on Borehamwood, with more stock and delivery in other areas, particularly Radlett.

Table 6-1: Tenure, Hertsmere Sub Areas, 2021

	Hertsmere	Borehamwood	Bushey	Potters Bar	Radlett	Rural
Owned	64.2%	53.3%	69.7%	71.1%	76.8%	64.9%
Shared ownership	1.1%	1.8%	1.0%	0.4%	0.5%	1.3%
Social rented	17.3%	26.2%	12.2%	12.6%	8.2%	15.5%
Private rented	17.3%	18.6%	17.1%	15.9%	14.5%	18.2%

Source: 2021 Census

6.2.4 Taking a closer look at affordable housing, the Hertsmere Housing Register (as of 01/11/2025) shows applicants on the waiting list for social/affordable rented housing in the borough. Of the 698 'live' applicants on the Housing Register, there is currently an uneven distribution between the sub-areas²⁶:

- Borehamwood – 370 households (53.0% of live applicants);
- Bushey – 98 households (14.0% of live applicants);
- Potters Bar – 106 households (15.2% of live applicants);
- Radlett – 21 households (3.0% of live applicants); and
- Rural – 50 households (7.2% of live applicants).

6.2.5 Comparing this to the split of households in Hertsmere, at the time of the 2021 Census, 35.8% of households overall live in Borehamwood, with 26.9% in Bushey, 21.0% in Potters Bar, 7.5% in Radlett, and 8.8% in the Rural Area. This demonstrates that there is a clear skew in Housing Register applicants in Borehamwood. This is likely due to Borehamwood having the highest proportion of households living in social rented housing in the borough (see Table 6-1), 37.2% (260) of live applications on the Housing Register are listed as resizing due to under-occupation or over-occupation (e.g. older children of the opposite sex no longer able to share a bedroom). These households

²⁶ The Housing Register breaks down applicant locations by postcode. This is split into the sub-areas using Ward level-postcode data, in line with later house price analysis.

already live in Social Rented or Affordable Rented housing and so a geographical skew towards areas with existing stock, such as Borehamwood, is to be expected.

6.2.6 Table 6-2 looks at the type of accommodation households occupied in Hertsmere and the sub-areas. It shows that there was significant variation in the proportion of households living in flats, with 33.5% of households in Borehamwood and 31.1% of households in Bushey living in flats, compared to 22.3% in Potters Bar, 21.2% in Radlett, and (not unusually) the smallest proportion in the Rural area (16.7%). When looking at houses, Radlett is dominated by detached dwellings, with 52.0% of households living in this accommodation type, compared to 18.7% across Hertsmere and just 8.9% in Borehamwood. Semi-detached housing was most common in Potters Bar (48.4% of households living in this dwelling type), followed by the Rural area (32.4%), which was in line with borough levels. 20.4% of households across Hertsmere lived in terraced dwellings, with Borehamwood (29.7%) and the Rural area (23.3%) above borough levels, and Bushey (16.9%), Potters Bar (12.3%), and Radlett (7.5%) below.

Table 6-2: Accommodation type, Hertsmere sub areas, 2021

	Hertsmere	Borehamwood	Bushey	Potters Bar	Radlett	Rural
Detached	18.7%	8.9%	21.6%	16.9%	52.0%	25.8%
Semi-detached	32.4%	27.6%	30.0%	48.4%	19.0%	32.4%
Terraced	20.4%	29.7%	16.9%	12.3%	7.5%	23.3%
Flat	28.1%	33.5%	31.1%	22.3%	21.2%	16.7%
Caravan / Temporary Structure	0.4%	0.4%	0.4%	0.0%	0.3%	1.7%

Source: 2021 Census

6.2.7 Turning to dwelling size, Table 6-3 breaks down the size mix of dwellings in the chosen geographies at the time of the 2021 Census. 1-bedroom dwellings were most prominent in Borehamwood (16.0%), aligning with Table 6-1 and Table 6-2 which demonstrate a higher proportion of rented households and households living in flats. Borehamwood also had the highest proportion of households living in 2-bedroom dwellings (29.2%), with Radlett having the smallest proportion of households living in both 1-bedroom and 2-bedroom dwellings. Mid-sized 3-bedroom dwellings were most common in Potters Bar, with 41.1% of households living in this dwelling size, above borough levels (36.2%), along with the Rural area (38.1%) and Borehamwood (37.2%). Looking at the largest 4+ bedroom dwellings, 24.6% of households across Hertsmere lived in this dwelling size, with Radlett well above borough levels, with 51.2% of households living in the largest dwellings. The Rural area (27.5%) and Bushey (26.7%) also had a higher than borough proportion of households living in larger dwellings.

6.2.8 Overall, the size mix in Bushey appears to align most closely with Hertsmere as a whole, with the Rural area also following a similar profile.

Table 6-3: Accommodation size, Hertsmere sub areas, 2021

	1-bedroom	2-bedroom	3-bedroom	4+ bedroom
Hertsmere	12.4%	26.7%	36.2%	24.6%
Borehamwood	16.0%	29.2%	37.2%	17.5%
Bushey	11.5%	28.0%	33.8%	26.7%
Potters Bar	9.7%	25.1%	41.4%	23.7%
Radlett	8.1%	17.6%	23.0%	51.2%
Rural	10.7%	23.7%	38.1%	27.5%

Source: 2021 Census

6.2.9 As shown in Section 3, the 2024 South West Herts LHNA presents a suggested size mix for future development in Hertsmere (Figure 3-3). This suggests a market housing mix of 43% 3-bedroom dwellings, 29% 4+ bedroom dwellings, and 4% 1-bedroom dwellings. The affordable home ownership and affordable rented housing mixes suggest a greater focus on 2-3 bedroom dwellings as well as 18-23% 1-bedroom dwellings.

6.2.10 Hertsmere Borough Council may wish to develop more locally specific size mix policies. It is therefore helpful to compare the modelled mix in the South West Herts LHNA to the 2021 Census mix of housing in the sub-areas, shown in Table 6-3.

- The modelled market mix over the plan period in the South West Herts LHNA appears to align most closely with Potters Bar and the Rural Area i.e. the LHNA modelling suggests a continuation in the provision of a similar mix of properties in these sub areas.
- Any locally specific housing mix policies will depend as much on the Council's strategy for development as the evidence of need.
- For example, if HBC wish to achieve a more balanced housing mix across the borough then limiting the delivery of 1-bedroom dwellings and increasing the delivery of larger 4+ bedroom dwellings in Borehamwood may be an appropriate policy to widen choice within the sub-area. However, Borehamwood is currently characterised by higher levels of social rented housing and flats, both of which are skewed towards smaller dwelling sizes. The Council may wish to maintain this role for Borehamwood as it performs a critical function within the borough in providing affordable housing.
- Similarly, the concentration of larger dwellings in some sub areas, including Radlett, could be seen as a problem that contributes to affordability challenges and limits the ability of younger households to form independent households locally. Provision of some smaller properties in this sub area may help to widen choice locally. However, HBC may see the

different mix of homes on offer in different sub areas as part of the overall offer within the borough and wider market area.

6.3 Demographics

6.3.1 It is also helpful to consider how the demographic mix of the borough varies between the sub-areas. Table 6-4 shows the age profile of each of the agreed geographies, with the key findings as follows:

- Children (aged 14 and under) were most common in Borehamwood (20.9%), with the smallest proportion of children living in Potters Bar (16.3%).
- The proportion of young adults (aged 15-24) was broadly the same across the sub-areas (ranging from 10.3% to 10.8%), with the exception of Potters Bar, which had a slightly higher proportion, at 11.6%.
- 52.8% of the Hertsmere population was aged 25-64 in 2021, in line with the Rural sub-area. Bushey, Radlett, and Potters Bar had smaller proportions of the population aged 25-64, whilst Borehamwood had the greatest proportion, at 55.5%. This aligns with Borehamwood having the greatest proportion of children, indicative of more family households in this sub-area.
- Potters Bar had the greatest proportion of the population aged 65+, at 21.8% compared to 17.7% across the borough. It also had the greatest proportion of the population aged 85+, at 4.0% compared to 2.8% across Hertsmere. The smallest proportion of the older population was in Borehamwood, with 1.8% of people aged 85+ and 13.1% of people aged 65+.

Table 6-4: Age profile, Hertsmere sub areas, 2021

	Hertsmere	Borehamwood	Bushey	Potters Bar	Radlett	Rural
0-14	18.8%	20.9%	18.4%	16.3%	17.8%	17.8%
15-24	10.7%	10.6%	10.3%	11.6%	10.8%	10.5%
25-44	26.3%	30.7%	25.0%	23.5%	20.5%	23.9%
45-64	26.5%	24.8%	26.7%	26.8%	29.9%	28.9%
65-84	15.0%	11.3%	16.8%	17.8%	17.5%	16.0%
85+	2.8%	1.8%	2.9%	4.0%	3.6%	2.9%
65+	17.7%	13.1%	19.6%	21.8%	21.0%	18.9%

Source: 2021 Census

6.3.2 Household composition looks at the ways in which the population forms households. Table 6-5 shows the household composition of the Hertsmere sub-areas.

- 6.3.3 Potters Bar had the greatest proportion of single-person households (27.7%) and the greatest proportion of single person households aged 66 and over (16.1%). Borehamwood had the greatest proportion of single person households under 66 (16.9%), which aligns with the higher proportion of flats and smaller 1-bedroom dwellings in this sub-area. The prevalence of single person households (aged under 66) in these geographies may be linked to higher numbers of HMOs in Potters Bar (100, 57.5%) and Borehamwood (55, 31.6%), although HMO households are also recorded within 'other' household types, which is also higher in these geographies, at 6.9% and 8.1% respectively. As the Census is a self-reporting tool of data collection, there may also be households that have mis-reported their household type, a common challenge when using Census data to understand the scale of HMOs.
- 6.3.4 Families with no children (mostly couple households) were most common in the Rural area (15.8%), while families with dependent children were most common in Borehamwood (32.5%). The proportion of families with non-dependent children was broadly similar across the sub-areas (12.1%-12.8%), with the exception of Potters Bar, which had a higher proportion of households with non-dependent children (14.3%), potentially an indicator of poorer affordability, with adult children remaining in the family home for longer. Hertsmere Borough Council also note that in areas with high house prices, such as Radlett, rates of adult children living in the family home can be lower, not because of better affordability, but because of access to funds from parents to help adult children to buy or rent their own home.

Table 6-5: Household composition, Hertsmere sub areas, 2021

	Hertsmere	Borehamwood	Bushey	Potters Bar	Radlett	Rural
All households	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1-person households	27.0%	27.4%	27.3%	27.7%	23.2%	25.2%
1-person households (66 and over)	12.9%	10.6%	14.3%	16.1%	12.5%	10.7%
1-person households (other)	14.1%	16.9%	13.0%	11.7%	10.7%	14.5%
Family households	66.1%	64.4%	66.9%	65.4%	71.1%	68.7%
Family households (66 and over)	9.1%	5.7%	10.7%	10.9%	14.4%	9.5%
Family households (no children)	13.6%	13.0%	14.0%	12.9%	13.6%	15.8%
Family households (dependent children)	30.1%	32.5%	29.5%	26.7%	29.7%	30.2%
Family households (non-dependent children)	12.7%	12.1%	12.2%	14.3%	12.8%	12.6%
Family households (other)	0.7%	1.1%	0.5%	0.5%	0.6%	0.6%
Other household types	6.9%	8.1%	5.8%	6.9%	5.6%	6.0%
Other household types (with dependent children)	3.1%	3.7%	2.6%	2.7%	3.1%	2.5%
Other household types (other – e.g. full-time students, 66 and over)	3.8%	4.4%	3.2%	4.2%	2.6%	3.5%

Source: 2021 Census

6.4 House Prices and Rents

6.4.1 It is helpful to consider how house prices and rents vary across the borough. House price data is based on postcode data (derived from Wards) and so varies slightly from the Census OAs.

6.4.2 Figures 6-2 and 6-3 and Tables 6-6 and 6-7 show how both median and lower quartile house prices have changed across Hertsmere and in the sub-areas over the last decade. They show that house prices in Radlett remain consistently higher than the comparator geographies, with the median peaking in 2022 (£1,033,156) and lower quartile price peaking in 2025 (£662,500). Prices across Hertsmere in the same years were £543,500 and £380,000 respectively. The Rural area house prices also broadly remain higher than Hertsmere as a whole, with this more prominent when looking at median house prices. On the whole, Borehamwood house prices are the cheapest, which aligns with the previous section looking at housing types and sizes, with cheaper housing options (flats and smaller dwellings) more common in Borehamwood than the other geographies.

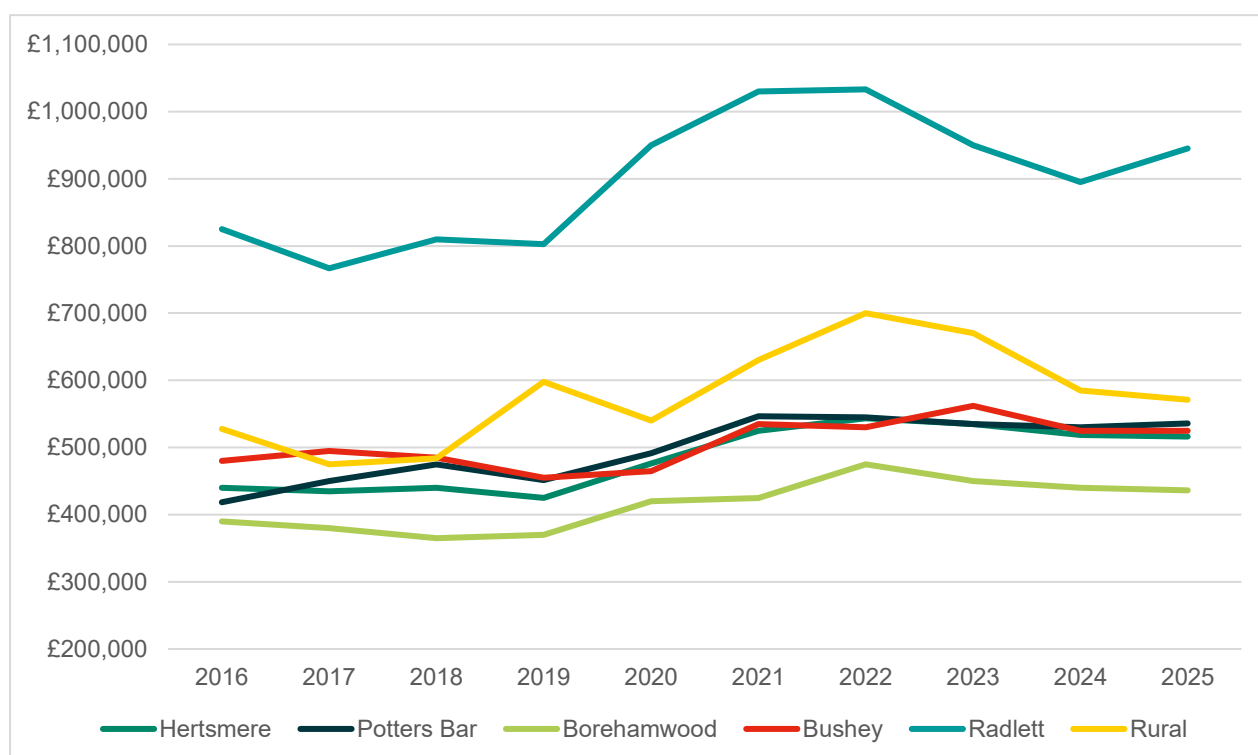
6.4.3 House prices in 2025 are summarised as follows:

- Hertsmere – median £516,500, lower quartile £385,000
- Potters Bar – median £536,000, lower quartile £400,000

- Borehamwood – median £436,250, lower quartile £346,625
- Bushey – median £525,000, lower quartile £400,000
- Radlett – median £945,000, lower quartile £662,500
- Rural – median £571,000, lower quartile £398,750

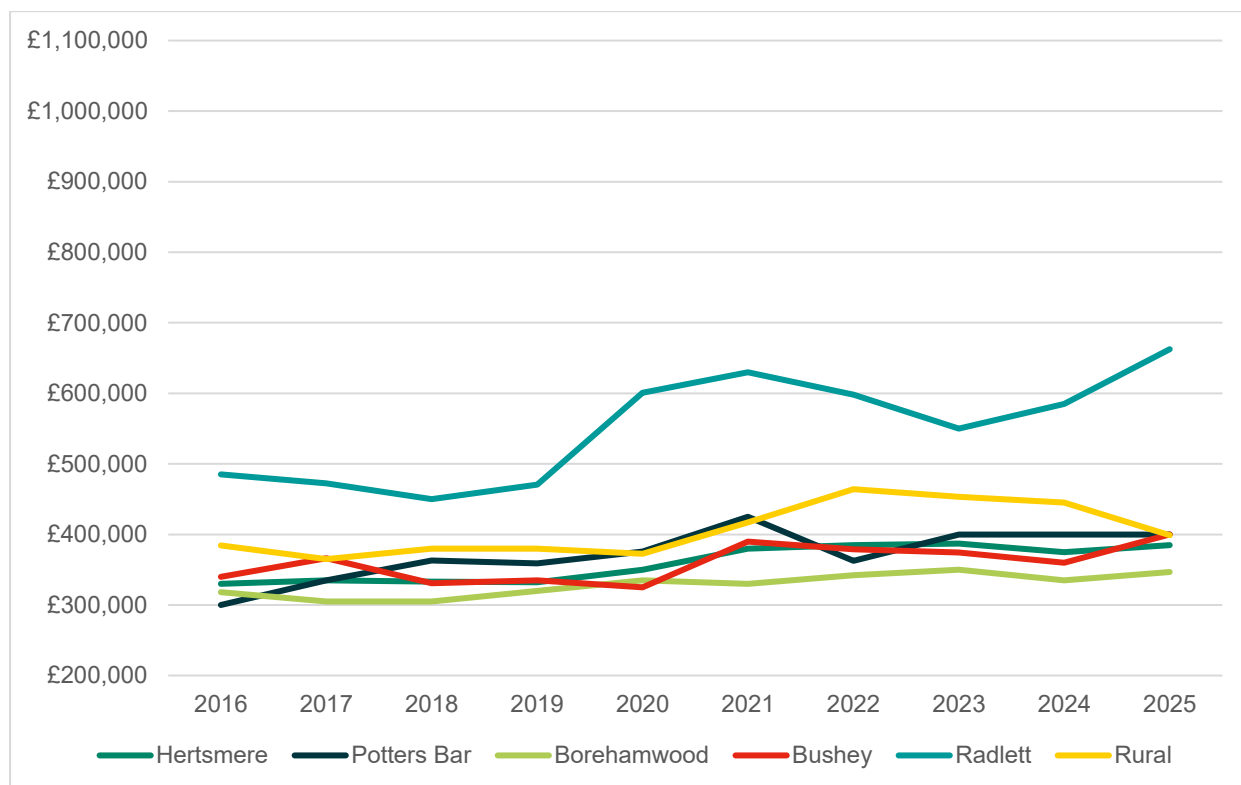
6.4.4 This demonstrates that as of November 2025, median house prices were greatest in Radlett and lowest in Borehamwood. Potters Bar, Bushey, and the Rural area had median house prices of between £525,000 and £571,000. Lower quartile house prices followed the same pattern, although Potters Bar and Bushey had higher lower quartile house prices (£400,000) than the Rural area (£398,750).

Figure 6-2: Median House Prices, Hertsmere and Sub Areas, 2016-2025



Source: Land Registry, AECOM Calculations

Figure 6-3: Lower Quartile House Prices, Hertsmere and Sub Areas, 2016-2025



Source: Land Registry, AECOM Calculations

6.4.5 Looking at growth over time, median house prices across Hertsmere grew by 17.4% between 2016 and 2025. The greatest growth was in Potters Bar, with 28.1% growth, and the smallest in the Rural area, at 8.2%. Turning to lower quartile house prices, growth across the borough over the same time period was 16.7%, with 36.6% in Radlett, and just 3.8% in the Rural area.

Table 6-6: Median house prices, Hertsmere sub areas, 2016-2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 ²⁷
Hertsmere	£440,000	£435,000	£440,000	£425,000	£476,125	£525,000	£543,500	£535,000	£518,500	£516,500
Potters Bar	£418,500	£450,000	£475,000	£451,500	£491,350	£546,500	£545,000	£535,000	£530,000	£536,000
Borehamwood	£390,000	£380,000	£365,000	£370,000	£420,000	£425,000	£475,000	£450,000	£440,000	£436,250
Bushey	£480,000	£495,000	£485,000	£455,000	£465,000	£535,000	£530,000	£562,000	£525,000	£525,000
Radlett	£825,000	£766,750	£810,000	£802,500	£950,000	£1,030,000	£1,033,156	£950,000	£895,000	£945,000
Rural	£527,500	£475,000	£483,750	£597,750	£540,000	£630,000	£700,000	£670,000	£585,000	£571,000

Source: Land Registry, AECOM Calculations

Table 6-7: Lower quartile house prices, Hertsmere sub areas, 2016-2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 ²⁸
Hertsmere	£330,000	£335,000	£332,871	£332,250	£350,000	£380,000	£385,000	£387,000	£375,000	£385,000
Potters Bar	£300,000	£335,000	£363,000	£358,750	£375,750	£425,000	£362,500	£400,000	£400,000	£400,000
Borehamwood	£318,000	£304,950	£305,000	£319,995	£335,000	£330,000	£342,000	£350,000	£335,000	£346,625
Bushey	£340,000	£366,000	£331,000	£335,000	£325,000	£390,000	£378,750	£374,375	£360,000	£400,000
Radlett	£485,000	£472,500	£450,000	£470,500	£600,750	£630,000	£598,000	£550,000	£585,000	£662,500
Rural	£384,250	£365,000	£380,000	£380,000	£372,500	£416,875	£464,125	£453,500	£445,000	£398,750

Source: Land Registry, AECOM Calculations

²⁷ Note 2025 data is recorded to 1st November 2025

²⁸ Note 2025 data is recorded to 1st November 2025

6.4.6 Turning to rental prices, Table 6-8 shows median and lower quartile rents, alongside the sample sizes, for the Hertsmere sub-areas. Due to relatively small sample sizes, which should be treated with caution, rental prices vary. In summary:

- Median 1-bedroom rents were highest in Borehamwood (£1,425), potentially due to demand, with 1-bedroom dwellings most common in this sub-area, with the lowest in Radlett (£1,300). Lower quartile rents were cheapest in Borehamwood, Bushey, and Radlett (£1,250).
- Median 2-bedroom rents were highest in the Rural area (£2,088) and lowest in Potters Bar (£1,643). The same trend is observed in lower quartile rents.
- Median and lower quartile 3-bedroom rents were both highest in Borehamwood, at £3,900 and £3,100 respectively. Rents were lowest in Bushey (£2,425 median and £1,813 lower quartile). There were no 3-bedroom properties for rent in Radlett at the time of writing.
- 4+ bedroom rents were highest in Borehamwood, at £6,895, with cheapest rents in Potters Bar (£2,725 median and £2,200 lower quartile).

Table 6-8: Rental Prices (monthly), Hertsmere Sub Areas, November 2025

		1-bedroom	2-bedroom	3-bedroom	4+ bedroom
Potters Bar	Median	£1,400	£1,643	£2,498	£2,725
	Lower quartile	£1,395	£1,565	£2,225	£2,200
	Count	5	22	8	8
Borehamwood	Median	£1,425	£1,775	£3,900	£6,895
	Lower quartile	£1,250	£1,613	£3,100	£6,895
	Count	7	14	3	5
Bushey	Median	£1,348	£1,850	£2,425	£3,000
	Lower quartile	£1,250	£1,625	£1,813	£2,950
	Count	24	23	10	12
Radlett	Median	£1,300	£1,950	-	£5,000
	Lower quartile	£1,250	£1,625	-	£3,300
	Count	2	7	0	14
Rural	Median	£1,325	£2,088	£2,500	£4,500
	Lower quartile	£1,313	£1,956	£2,325	£3,500
	Count	2	2	3	6

Source: *Rightmove.co.uk, AECOM Calculations*

7. Additional Evidence

7.1 Introduction

7.1.1 This section provides selected additional analysis and commentary to build on three areas in the South West Herts LHNA and reflect some smaller new NPPF 2024 updates:

- Community led development, building on the evidence for self/custom build housing
- Care leavers, supplementing the analysis on looked after children
- Service families

7.2 Community-Led Development

7.2.1 The 2024 South West Herts LHNA looks at self-build and custom housebuilding in the region and the individual local authorities, including Hertsmere. This covers the requirement on local authorities, serviced plot demand in the local authorities, and the supply of plots (including any shortfall/surplus). As this topic is covered in detail in a recent study, it is not updated in this report.

7.2.2 However, it is also important to consider community-led development more widely, with the need for “*people wishing to commission or build their own homes*” not exclusively limited to self-build. Community-led development is defined in the 2024 NPPF as:

“A development taken forward by, or with, a not-for-profit organisation, that is primarily for the purpose of meeting the needs of its members or the wider local community, rather than being a primarily commercial enterprise. The organisation should be created, managed, and democratically controlled by its members, and membership of the organisation should be open to all beneficiaries and prospective beneficiaries of that organisation. It may take any one of various legal forms including a co-operative society, community benefit society, and company limited by guarantee. The organisation should own, manage, or steward the development in a manner consistent with its purpose, potentially through a mutually supported arrangement with a Registered Provider of Social Housing. The benefits of the development to the community should be clearly defined and consideration given to how those benefits can be protected over time, including in the event of the organisation being wound up.”

7.2.3 Community-led development often, but not exclusively, takes the form of community-led housing, with several types of community-led housing:

- Community Land Trusts (CLTs) – are one of the more common forms of community-led development at present. They are democratic, not-for-profit

organisations that own and develop land for the benefit of the community²⁹ in perpetuity. This often takes the form of affordable housing for a local community, but can also include schemes to conserve landscapes, save or create community assets (e.g. cafes, shops, pubs), or develop community energy schemes. The ‘State of the Community Land Trust Sector 2023’³⁰ report identified 350 active Community Land Trusts in England and Wales, with 106 of these located in small rural communities, 85 in small towns, and 159 in large towns and cities. It also identifies that at this time there were 209 CLTs in the process of forming. In terms of delivery, CLTs had delivered 1,711 affordable homes, with a further 5,413 homes in the pipeline. The report identifies that Community Land Trusts are common in areas protected in some way by the planning system, with 60% of CLTs located in these protected locations, such as conservation areas, AONBs, National Parks, and in the Green Belt. Community Land Trusts can deliver housing both as stand-alone sites (e.g. on Rural Exception Sites, gifted, or other discounted land), or as part of larger mixed developments (e.g. Kennett Garden Village).

- Cohousing – intentional communities run by residents, usually with shared ideals (i.e. eco-living). Cohousing developments are comprised of self-contained homes with shared community space such as gardens, workshops, office space, communal kitchens, and guest bedrooms.
- Co-operatives – not-for-profit democratic organisations run by the members, with membership strictly limited to residents. This could also include mutual home ownership societies.
- Self and custom build – the 2024 NPPF defines self-build and custom-build housing as “housing built by an individual, a group of individuals, or persons working with or for them, to be occupied by that individual. Such housing can be either market or affordable housing...”. The Self-Build and Custom Housebuilding Act 2015³¹ placed a duty on local authorities to keep a register of individuals and groups of individuals with a desire to acquire a serviced plot of land within the local authority area. Local authorities must give suitable development permission to enough suitable serviced plots of land to meet this demand. The 2024 South West Herts LHNA considers the demand for self-build in Hertsmere.

7.2.4 The 2024 NPPF outlines that local planning authorities should support the development of mixed tenure sites through their policies and decisions. Paragraph 73 notes that local planning authorities should “*seek opportunities, through policies and decisions, to support small sites to come forward for*

²⁹ <https://communitylandtrusts.org.uk/about-clts/what-is-a-community-land-trust-clt/>

³⁰ <https://www.communitylandtrusts.org.uk/wp-content/uploads/2023/03/State-of-the-Sector-2023-PRESS-1.pdf>

³¹ <https://www.legislation.gov.uk/ukpga/2015/17/contents>

community-led development for housing and self-build and custom-build housing". This highlights that community-led development is considered a potential source of housing supply, mainly (although not necessarily limited to) through small sites.

- 7.2.5 Eastern Community Homes³² provides enabling support to communities across the East of England (Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Norfolk, Suffolk) looking to develop community-led housing projects. Support is undertaken in partnership with CDA Herts³³ in Hertfordshire.
- 7.2.6 It is not possible to establish an accurate need or demand for community-led development (outside of self-build) as it requires high levels of community organisation and drive, which cannot be predicted. As a snapshot in time, if Hertsmere Borough Council are interested in the potential demand for this type of housing, then a borough-wide survey may provide insight. As community-led development often focuses on the delivery of local affordable housing in perpetuity, it can be linked to the overall need for affordable housing, with community-led housing products, particularly Community Land Trusts, a key delivery mechanism for affordable housing in some communities (e.g. East Cambridgeshire).
- 7.2.7 If Hertsmere Borough Council are looking to encourage or pursue community-led development in the borough, it is advised that they liaise with organisations such as Eastern Community Homes, CDA Herts, and national organisations such as the national Community Land Trust Network³⁴, UK Cohousing Network (UKCN)³⁵, and the Confederation of Co-operative Housing (CCH)³⁶. Engagement with potential community-led housing groups, Parish/Town Councils, and Neighbourhood Forums would also be advised.

7.3 Care Leavers

- 7.3.1 The 2024 NPPF outlines that the needs of different groups in the community should be assessed and reflected in planning policies, and this now explicitly includes looked after children³⁷. The Children Act 1989 outlines that a child is looked after by a local authority if they are provided with accommodation for a continuous period of more than 24 hours, are subject to a care order, or are subject to a placement order³⁸.

³² <https://easterncommunityhomes.com/>

³³ <https://www.cdaherts.org.uk/>

³⁴ <https://www.communitylandtrusts.org.uk/>

³⁵ <https://cohousing.org.uk/>

³⁶ <https://www.cch.coop/>

³⁷ 2024 NPPF paragraph 63

³⁸ <https://lordslibrary.parliament.uk/children-looked-after-by-local-authorities-in-england/>

- 7.3.2 The 2024 South West Herts LHNA covers the needs of children in care across the region and by local authority, particularly in relation to care home needs. This analysis focuses on children aged 11+ as younger children are generally placed with foster families and so less in need of residential accommodation. The study estimates that in 2021 that there were 79 children in care in Hertsmere aged 11 to 17, with this projected to increase to 83 by 2041. The 2024 study also outlines the current number of beds and the potential pipeline to increase residential beds.
- 7.3.3 As well as considering the needs of looked after children, it is also helpful to understand the potential needs of care leavers. Care leavers are defined by the Children (Leaving Care) Act 2000 as a person who has been in the care of the local authority for a period of 13 or more weeks up to their 16th birthday. While a child stops being ‘looked after’ when they are adopted, return home, or turn 18, local authorities have a duty to support children leaving care at 18 until they are at least 21 under the Children (Leaving Care) Act 2000³⁹. This includes ensuring that care leavers have somewhere suitable to live. Young people with care experience can live in supported accommodation or alone from the age of 16, although they are not considered a care leaver until they reach 18 years of age.
- 7.3.4 The Department for Education (DfE) collects data on looked after children and care leavers, with the latest data published in November 2025⁴⁰. Table 7-1 shows 2025 DfE data outlining the accommodation type of care leavers aged 17-21 in Hertfordshire. It shows that the greatest proportion of care leavers aged 17 to 18 in Hertfordshire live in semi-transitional accommodation (36%), with this decreasing to 5% in those aged 19 to 21. This would be greater if also including foyers. 31% of the latter group are recorded as living independently (compared to 6% aged 17 to 18), suggesting that there is a pathway for care leavers, moving to transitional accommodation before living fully independently. This demonstrates potential demand for semi-independent transitional accommodation across the county to support care leavers. This could take the form of purpose-built housing for young people leaving care (either local authority schemes or private/charity placements) which allow people to live independently, but with additional support and a supported shared living environment (e.g. shared kitchens/living spaces).
- 7.3.5 Table 7-1 also shows that the other most common forms of accommodation for 17-18 year old care leavers are emergency accommodation (11%), individuals remaining living with their foster carers (20%), and individuals living with their parents/relatives (8%). These groups are also most common for 19-21 year olds, at 15%, 10%, and 9% respectively.

³⁹ <https://legislation.gov.uk/ukpga/2000/35/contents>

⁴⁰ <https://explore-education-statistics.service.gov.uk/find-statistics/children-looked-after-in-england-including-adoptions/2025>

Table 7-1: Accommodation Type of Care Leavers, Hertfordshire, 2025

Age	Accommodation Type	Number of Care Leavers	%
17 to 18	Bed and breakfast	0	0%
	Community home	11	4%
	Deported	0	0%
	Emergency accommodation	28	11%
	Foyers ⁴¹	15	6%
	Gone abroad	0	0%
	In custody	c ⁴²	c
	Independent living	17	6%
	No fixed abode/homeless	c	c
	Ordinary lodging	0	0%
	Other accommodation	10	4%
	Residence not known	0	0%
	Semi-independent, transitional accommodation	95	36%
	Supported lodgings ⁴³	c	c
	With former foster carers	54	20%
	With parents or relatives	22	8%
Total	264	100%	
19 to 21	Bed and breakfast	9	2%
	Community home	22	4%
	Deported	c	c
	Emergency accommodation	87	15%
	Foyers	41	7%
	Gone abroad	c	c
	In custody	20	3%
	Independent living	188	31%
	No fixed abode/homeless	29	5%
	Ordinary lodging	7	1%
	Other accommodation	18	3%
	Residence not known	7	1%
	Semi-independent, transitional accommodation	31	5%
	Supported lodgings	17	3%
	With former foster carers	59	10%
	With parents or relatives	55	9%
Total	597	100%	

Source: Department for Education

⁴¹ A foyer is a form of supported living for people aged 16-21 with no secure place to stay. They tend to comprise of individual rooms, with shared living and kitchen space. The young people also have allocated Support Workers.

⁴² “c” is used to replace data for confidentiality reasons – e.g. where data sizes are too small and there is a risk of the identification of individuals

⁴³ Where people and families rent a room to a young person aged 16-25 in need of accommodation or leaving care.

7.3.6 While local authorities are not legally required to prioritise care leavers for social rented housing that becomes available, guidance suggests that there should be some kind of prioritisation in allocation. The Centrepoint ‘Care Leavers Access to Accommodation’ report 2017⁴⁴ found that 74% of local authorities surveyed had a housing allocation scheme that gave reasonable preference to care leavers. However, the lack of social housing stock in many local authorities can still cause challenges, even where there is prioritisation. The Hertsmere Housing Register (01/11/2025) identifies that of the 698 ‘live’ applicants, 5 are recorded as a young person leaving care and in need of a 1-bedroom dwelling. Of the 40 ‘offered applicants’ at the time, 2 were young people leaving care. In June 2025 Government announced that care leavers under the age of 25 would not be penalised for not having a local connection in relation to social housing allocations⁴⁵, leading to a form of prioritisation (at least in relation to local connection), but this does not prioritise care leavers over other applicants generally.

7.3.7 The private rented sector is also a potential, although more challenging, option for care leavers looking to live independently. Centrepoint found that 60% of local authorities surveyed had some form of rent deposit or guarantor scheme to support care leavers. The following is available from Hertfordshire County Council in relation to housing support:

- A leaving care personal adviser will support care leavers to move into new accommodation, including understanding expectations as a tenant, setting up bills, and accessing any eligible discounts.
- A setting up home allowance to buy household items when those with ‘former relevant’ care leaver status move to their first property. This allowance totals £3,000 and is broken down into a £150 starter pack, £100 health and safety allowance, £169.50 TV license, and £2,580.50 as the main setting up home allowance.
- Care leavers aged 18-21 (although only up to 21st birthday) are offered financial support to pay their Council Tax bill, after any relevant district/borough discounts.

7.3.8 In addition, nationally care leavers are entitled to the 1-bedroom Local Housing Allowance rate until they turn 22. After this the entitlement becomes the shared accommodation rate until they reach the age of 35. The 1-bedroom LHA rate is extended further if the care leaver has previously lived in hostel

⁴⁴ <https://centrepoin.org.uk/sites/default/files/2023-06/from-care-to-where-centrepoint-report.pdf>

⁴⁵ <https://www.gov.uk/government/news/vulnerable-people-given-greater-access-to-social-housing>

accommodation⁴⁶. Although there is support available to care leavers, through charities and the County Council, transitioning into the private rented sector can be challenging, with Centrepoin finding that 13% of care leavers surveyed were unable to find accommodation because of landlords unwilling to accommodate care leavers. Some local authorities provide support for care leavers struggling to enter the private rented sector, with East Sussex County Council in principle assisting care leavers as a guarantor for a private rented property and providing a deposit⁴⁷.

7.3.9 As well as understanding where care leavers currently live, it is also important to understand whether this accommodation is suitable and meets their need. Table 7-2 looks at the suitability of care leaver accommodation across Hertfordshire. It shows that the majority of care leavers aged 17 to 18 are in suitable accommodation, at 97%, with this decreasing to 89% for the 19 to 21 age group. This is likely due to reduced support available post-18, and the older group likely to be moving away from semi-independent transitional housing. Although a high proportion of care leavers are suitably accommodated, there are care leavers (totalling 67 individuals) that are not suitably housed, and it is important that this is addressed, most likely on a case-by-case basis, identifying the needs of the individual.

Table 7-2: Care leaver accommodation suitability, Hertfordshire, 2025

Age	Accommodation Suitability	Number of care leavers	%
17 to 18	Considered suitable	256	97%
	Considered unsuitable	6	2%
	No information	2	1%
	Total	264	100%
19 to 21	Considered suitable	522	89%
	Considered unsuitable	61	10%
	No information	6	1%
	Total	589	100%

Source: Department for Education

7.3.10 Overall, care leavers are housed in a variety of ways across Hertfordshire, with the majority considered to be suitably accommodated. There is likely demand across the county for semi-independent transitional accommodation, with future need in Hertsmere potentially able to be linked to the projected numbers of children in care outlined in the 2024 South West Herts LHNA that may ‘age out’ over the plan period. The Housing Register showed that there is some demand from care leavers for Social or Affordable Rented housing, with 5 live applicants as of November 2025. Hertsmere Borough Council

46

https://england.shelter.org.uk/housing_advice/benefits/benefits_for_under_35s_in_shared_housing

47 <https://www.careleaveroffer.co.uk/organisations/31434-east-sussex-county-council>

expect this figure to increase due to the exemption from local connection criteria introduction for care leavers.

7.4 Service Families

7.4.1 Paragraph 63 of the 2024 NPPF states that the housing needs of different groups should be assessed and reflected in planning policies, including service families.

7.4.2 The Armed Forces Covenant applies to members of the UK Armed Forces, veterans, and family members (including bereaved family members) and focuses on ensuring members of these communities have the same access to services as other citizens⁴⁸ (e.g. housing, healthcare, education). The Covenant Legal Duty came into force in November 2022 and is a legal obligation on certain public bodies to have regard to the Covenant principles when carrying out certain functions in healthcare, education, and housing⁴⁹.

7.4.3 There are a number of housing related schemes to aid those specifically in the Armed Forces, including:

- Forces Help to Buy Scheme⁵⁰ – this enables service personnel to borrow up to 50% of their salary (up to £25,000) interest free towards the purchase of a property. This includes use towards a deposit as well as to cover other costs (e.g. solicitor’s and estate agent fees).
- Some banks and building societies allow Armed Forces personnel to rent out their homes when posted overseas without having to change their mortgage or pay increased costs.
- The Ministry of Defence (MOD) pays Council Tax Relief of 50% to some service personnel on specific operations or assignments, where the home they own is unoccupied and they have been posted abroad.
- The 2018 Homelessness Reduction Act requires the Secretary of State for Defence to refer members of the Regular Forces that may be considered to be homeless or threatened with homelessness to a local authority of their choice, within 56 days.
- In 2024 all veterans of the Regular Armed Forces were made exempt from local authority connection tests to facilitate their access to social housing. Prior to this, only those that had served within the previous 5 years were exempt⁵¹. This also includes bereaved spouses of those serving in the Regular Forces where they will cease to be entitled to reside in MOD

⁴⁸ <https://www.armedforcescovenant.gov.uk/about-the-covenant/>

⁴⁹ <https://www.armedforcescovenant.gov.uk/covenant-legal-duty/>

⁵⁰ <https://www.gov.uk/guidance/forces-help-to-buy>

⁵¹ <https://www.gov.uk/government/publications/improving-access-to-social-housing-for-members-of-the-armed-forces/improving-access-to-social-housing-for-members-of-the-armed-forces>

accommodation and the death was attributable to their service, and serving or former members of the Reserve Armed Forces who are suffering from serious injury, illness, or disability due to their service.

- The Secretary of State also “*strongly encourages local authorities to exempt from any local connection requirements divorced or separated spouses or civil partners of Service personnel who need to move out of accommodation provided by the Ministry of Defence*”⁵².

7.4.4 There are also specialist providers of housing for veterans, such as the Haig Housing Trust, with properties available to qualifying beneficiaries at “*an affordable, charitable rent*”⁵³, and advice/support also available. Whilst there are no properties currently in Hertsmere, there are properties in nearby local authorities, including:

- 24 3-bedroom houses in Artillery Place, Harrow (London Borough of Harrow);
- 12 3-bedroom bungalows in Macdonnell Gardens, Watford (Watford Borough, Hertfordshire); and
- 16 3-bedroom houses and 8 1-bedroom flats in Albuhera Close, Enfield (London Borough of Enfield).

7.4.5 There are currently no armed forces bases in Hertsmere, but the 2021 Census records the number of people in Hertsmere that previously served in the UK armed forces. At this time there were 1,927 Hertsmere residents that had served in the UK armed forces, 2.2% of residents aged 16 and over. This is compared to rates of 2.7% across Hertfordshire and 3.8% nationally.

7.4.6 Of the Hertsmere residents that had previously served in the armed forces, 1,888 (98%) living in a household and 39 (2%) in communal establishments (e.g. care homes). The Census also records the tenure households with 1 or more individuals that served in the UK armed forces occupy, shown in Table 7-3. This shows that overall, the majority own their own home (74.3%), a significantly higher proportion than households in Hertsmere as a whole (64.2%). Home ownership is more common in households where just 1 person in the household previously served in the UK armed forces. The number and proportion of private renters is relatively low, with social renting broadly in line with borough levels, with 17.1% of people that previously served in the UK armed forces living in social rented housing, compared to 17.3% across Hertsmere. In line with lower levels of ownership where households have 2 or more people that previously served in the UK armed forces, these households

⁵² <https://www.gov.uk/government/publications/improving-access-to-social-housing-for-members-of-the-armed-forces/improving-access-to-social-housing-for-members-of-the-armed-forces>

⁵³ <https://haighousing.org.uk>

are also more likely to live in social rented housing, at 27.5%, more than 10 percentage points greater than wider borough levels.

Table 7-3: People that previously served in the armed forces, Hertsmere, 2021

Tenure	1 person in the household previously served in UK armed forces	2 or more people in the household previously served in UK armed forces	Total
Owned	1,330 (74.5%)	34 (66.7%)	1,364 (74.3%)
Social Rented	300 (16.8%)	14 (27.5%)	314 (17.1%)
Private Rented / Lives Rent Free	155 (8.7%)	3 (5.9%)	158 (8.6%)

Source: 2021 Census

7.4.7 Of the 698 ‘live’ applicants on the Hertsmere Housing Register (as of November 2025), none were listed as service families or similar. It is unclear whether there are no service families currently in need, or whether this information is not recorded by the Council. If it is the latter then this may be something the Council wish to address in gathering information on applicant households in future.

Appendix A – Typical Households and Benefit Scenarios

Table A-1: Scenario 2 – Couple with 3 children

	Outer North London BRMA						South West Herts BRMA						South East Herts BRMA					
	Scenario 2a: Couple, 3 children, no earnings			Scenario 2b: Couple, 3 children, LQ earnings			Scenario 2a: Couple, 3 children, no earnings			Scenario 2b: Couple, 3 children, LQ earnings			Scenario 2a: Couple, 3 children, no earnings			Scenario 2b: Couple, 3 children, LQ earnings		
	AR	SR	PRS	AR	SR	PRS	AR	SR	PRS	AR	SR	PRS	AR	SR	PRS	AR	SR	PRS
Bedroom entitlement	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Earnings (gross, weekly)	-	-	-	£449.21	£449.21	£449.21	-	-	-	£449.21	£449.21	£449.21	-	-	-	£449.21	£449.21	£449.21
Earnings (net, weekly)	-	-	-	£391.11	£391.11	£391.11	-	-	-	£391.11	£391.11	£391.11	-	-	-	£391.11	£391.11	£391.11
LHA rate	£390.08	£390.08	£390.08	£390.08	£390.08	£390.08	£345.21	£345.21	£345.21	£345.21	£230.25	£345.21	£315.29	£315.29	£315.29	£315.29	£315.29	£315.29
Actual rent (weekly)	£256.69	£156.01	£482.56	£256.69	£156.01	£482.56	£256.69	£156.01	£465.12	£256.69	£156.01	£465.12	£256.69	£156.01	£415.52	£256.69	£156.01	£415.52
Total benefit income, of which:	£454.69	£454.69	£454.69	£452.82	£352.14	£587.28	£454.69	£454.69	£454.69	£452.82	£352.14	£542.28	£454.69	£454.69	£454.69	£452.82	£352.14	£512.28
- Universal Credit ⁵⁴	£362.92	£362.92	£362.92	£384.47	£283.79	£518.93	£362.92	£362.92	£362.92	£384.47	£283.79	£473.93	£362.92	£362.92	£362.92	£384.47	£283.79	£443.93
- Child benefit	£60.55	£60.55	£60.55	£60.55	£60.55	£60.55	£60.55	£60.55	£60.55	£60.55	£60.55	£60.55	£60.55	£60.55	£60.55	£60.55	£60.55	£60.55
- Council Tax Support	£31.22	£31.22	£31.22	£7.80	£7.80	£7.80	£31.22	£31.22	£31.22	£7.80	£7.80	£7.80	£31.22	£31.22	£31.22	£7.80	£7.80	£7.80
Total net income (earnings and benefits excluding CTS ⁵⁵)	£423.47	£423.47	£423.47	£836.13	£735.45	£970.59	£423.47	£423.47	£423.47	£836.13	£735.45	£925.59	£423.47	£423.47	£423.47	£836.13	£735.45	£895.59
% net income spent on rent	61%	37%	114%	31%	21%	50%	61%	37%	110%	31%	21%	50%	61%	37%	98%	31%	21%	46%
Disposable income after rent (weekly)	£166.78	£267.46	£-59.09	£579.44	£579.44	£488.03	£166.78	£267.46	£-41.65	£579.44	£579.44	£460.47	£166.78	£267.46	£7.95	£579.44	£579.44	£480.07

⁵⁴ Universal Credit is used in these scenarios as they are assumed to be new claims. Some households in Hertsmere will be claiming legacy benefits and will not yet be moved on to Universal Credit. The amount claimed should be the same overall.

⁵⁵ Council Tax Support amount is excluded from the net income + benefit amount as it is assumed this would be spent directly on Council Tax and would not be available for other living expenses.

Table A-2: Scenario 3 – Single person aged 30

	Outer North London BRMA						South West Herts BRMA						South East Herts BRMA					
	Scenario 3a: Single person, aged 30, no earnings			Scenario 3b: Single person, aged 30, LQ earnings			Scenario 3a: Single person, aged 30, no earnings			Scenario 3b: Single person, aged 30, LQ earnings			Scenario 3a: Single person, aged 30, no earnings			Scenario 3b: Single person, aged 30, LQ earnings		
	AR	SR	PRS	AR	SR	PRS	AR	SR	PRS	AR	SR	PRS	AR	SR	PRS	AR	SR	PRS
Bedroom entitlement	Room	Room	Room	Room	Room	Room	Room	Room	Room	Room	Room	Room	Room	Room	Room	Room	Room	Room
Earnings (gross, pw)	-	-	-	£449.21	£449.21	£449.21	-	-	-	£449.21	£449.21	£449.21	-	-	-	£449.21	£449.21	£449.21
Earnings (net, pw)	-	-	-	£391.11	£391.11	£391.11	-	-	-	£391.11	£391.11	£391.11	-	-	-	£391.11	£391.11	£391.11
LHA rate	£136.93	£136.93	£136.93	£136.93	£136.93	£136.93	£115.37	£115.37	£115.37	£115.37	£115.37	£115.37	£109.32	£109.32	£109.32	£109.32	£109.32	£109.32
Actual rent	£176.78	£124.58	£299.42	£176.78	£124.58	£299.42	176.78	£124.58	£290.70	£176.78	£124.58	£290.70	£176.78	£124.58	£248.55	£176.78	£124.58	£248.55
Total benefit income⁵⁶, of which:	£292.52	£240.32	£253.05	£59.83	£7.63	£20.36	£292.52	£240.32	£231.44	£59.83	£7.63	£0.00	£292.52	£240.32	£225.36	£59.83	£7.63	£0.00
- Universal Credit ⁵⁷	£269.11	£216.91	£229.64	£53.98	£1.78	£14.51	£269.11	£216.91	£208.03	£53.98	£1.78	£0.00	£269.11	£216.91	£201.95	£53.98	£1.78	£0.00
- Child benefit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Council Tax Support	£23.41	£23.41	£23.41	£5.85	£5.85	£5.85	£23.41	23.41	£23.41	£5.85	£5.85	£0.00	£23.41	£23.41	£23.41	£5.85	£5.85	£0.00
Total net income (earnings and benefits excl CTS⁵⁸)	£269.11	£216.91	£229.64	£445.09	£392.89	£405.62	£269.11	£216.91	£208.03	£445.09	£392.89	£391.11	£269.11	£216.91	£201.95	£445.09	£392.89	£391.11
% net income spent on rent	66%	57%	130%	40%	32%	74%	66%	57%	140%	40%	32%	74%	66%	57%	123%	40%	32%	64%

⁵⁶ This scenario is unusual, with some households in the private rented sector in receipt of less benefit than those in Social Rented or Affordable Rented housing (see South West Herts BRMA and South East Herts BRMA), despite private rents being higher. This is assumed to be because when creating the scenarios, for those in Social Rent and Affordable Rent the starting position is assumed to be that they are already local authority or RP tenants, with it assumed that households private renting are current private rented tenants. If this starting scenario is changed, the amount of benefit received changes, so it may be that households already in local authority/RP housing are eligible for greater benefit in some way.

⁵⁷ Universal Credit is used in these scenarios as they are assumed to be new claims. Some households in Hertsmere will be claiming legacy benefits and will not yet be moved on to Universal Credit. The amount claimed should be the same overall.

⁵⁸ Council Tax Support amount is excluded from the net income + benefit amount as it is assumed this would be spent directly on Council Tax and would not be available for other living expenses.

Disposable income after rent (weekly)	£92.33	£92.33	-£69.78	£268.31	£268.31	£106.20	£92.33	£92.33	-£82.67	£268.31	£268.31	£100.41	£92.33	£92.33	-£46.60	£268.31	£268.31	£142.56
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Table A-3: Scenario 4 – Couple, aged 65+

	Outer North London BRMA			South West Herts BRMA			South East Herts BRMA		
	Scenario 4: Couple, aged 65+, state pension x2			Scenario 4: Couple, aged 65+, state pension x2			Scenario 4: Couple, aged 65+, state pension x2		
	AR	SR	PRS	AR	SR	PRS	AR	SR	PRS
Bedroom entitlement	1	1	1	1	1	1	1	1	1
Earnings (gross, weekly)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Earnings (net, weekly)	£460.50	£460.50	£460.50	£460.50	£460.50	£460.50	£460.50	£460.50	£460.50
LHA rate	£264.66	£264.66	£264.66	£218.63	£218.63	£218.63	£192.16	£192.16	£192.16
Actual rent (weekly)	£176.78	£124.58	£299.42	£176.78	£124.58	£290.70	£176.78	£124.58	£248.55
Total benefit income, of which:	135.48	£83.28	£223.36	£135.48	£83.28	£177.33	£135.48	£83.28	£150.86
- Housing Benefit⁵⁹	£115.36	£63.16	£203.24	£115.36	£63.16	£157.21	£115.36	£63.16	£130.74
- Child benefit	-	-	-	-	-	-	-	-	-
- Council Tax Support	£20.12	£20.12	£20.12	£20.12	£20.12	£20.12	£20.12	£20.12	£20.12
Total net income (earnings and benefits excluding CTS⁶⁰)	£575.86	£523.66	£663.74	£575.86	£523.66	£617.71	£575.86	£523.66	£591.24
% net income spent on rent	31%	24%	45%	31%	24%	47%	31%	24%	42%
Disposable income after rent (weekly)	£399.08	£399.08	£364.32	£399.08	£399.08	£327.01	£399.08	£399.08	£342.69

⁵⁹ In this circumstance Housing Benefit is claimed rather than Universal Credit

⁶⁰ Council Tax Support amount is excluded from the net income + benefit amount as it is assumed this would be spent directly on Council Tax and would not be available for other living expenses.

Appendix B – Sub Area Geographies

Table B-1: Hertsmere sub-area Output Areas

Sub Area	Output Areas (2021)
Potters Bar	E00119710
	E00119761
	E00119711
	E00119762
	E00119712
	E00119713
	E00119714
	E00119716
	E00119717
	E00119718
	E00119719
	E00119720
	E00119721
	E00119722
	E00119723
	E00119724
	E00119725
	E00119726
	E00119727
	E00119728
	E00119729
	E00119730
	E00119731
	E00119732
	E00119733
	E00119734
	E00119735
	E00119736
	E00119737
	E00119738
	E00119739
E00119740	
E00119741	
E00119742	
E00119743	
E00119744	
E00119745	
E00119746	
E00119747	
E00119749	
E00119750	

	E00119751
	E00119752
	E00119753
	E00119754
	E00119755
	E00119756
	E00119757
	E00119758
	E00119759
	E00119694
	E00119695
	E00119696
	E00119697
	E00119698
	E00119699
	E00119700
	E00119701
	E00119702
	E00119703
	E00119704
	E00119705
	E00119706
	E00119707
	E00119708
	E00119709
	E00190249
	E00190299
Borehamwood	E00119548
	E00119549
	E00119550
	E00119506
	E00119551
	E00119552
	E00119553
	E00119554
	E00119555
	E00119556
	E00119557
	E00119559
	E00119560
	E00119561
	E00119562
	E00119563
	E00119565
	E00119566
	E00119568

	E00119569
	E00119570
	E00119571
	E00119572
	E00119573
	E00119574
	E00119575
	E00119576
	E00119577
	E00119581
	E00119582
	E00119583
	E00119584
	E00119585
	E00119586
	E00119587
	E00119588
	E00119590
	E00119591
	E00119592
	E00119593
	E00119594
	E00119595
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	E00119597
	E00119598
	E00119599
	E00119507
	E00119508
	E00119509
	E00119510
	E00119511
	E00119512
	E00119513
	E00119770
	E00119514
	E00119515
	E00119516
	E00119517
	E00119518
	E00119519
	E00119520
	E00119522
	E00119523
	E00119524
	E00119525

	E00119526
	E00119527
	E00119528
	E00119530
	E00119531
	E00119680
	E00119532
	E00119681
	E00119533
	E00119682
	E00119534
	E00119683
	E00119535
	E00119684
	E00119537
	E00119538
	E00119539
	E00119540
	E00119541
	E00119542
	E00119691
	E00119543
	E00119692
	E00119544
	E00119693
	E00119545
	E00119546
	E00119547
	E00169758
	E00169759
	E00169760
	E00169761
	E00169762
	E00169763
	E00169764
	E00169765
	E00169767
	E00190245
	E00190297
	E00190255
	E00190305
	E00190306
	E00190226
	E00190234
	E00190267
	E00190270

	E00190273
	E00190275
	E00190277
	E00190287
	E00190289
Bushey	E00119659
	E00119605
	E00119660
	E00119606
	E00119661
	E00119600
	E00119601
	E00119602
	E00119603
	E00119604
	E00119607
	E00119662
	E00119608
	E00119609
	E00119664
	E00119610
	E00119665
	E00119611
	E00119666
	E00119612
	E00119667
	E00119613
	E00119668
	E00119669
	E00119614
	E00119615
	E00119671
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E00119674	
E00119618	
E00119675	
E00119676	
E00119677	
E00119619	
E00119620	
E00119678	
E00119621	
E00119679	

	E00119622
	E00119623
	E00119624
	E00119626
	E00119628
	E00119630
	E00119631
	E00119632
	E00119633
	E00119635
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	E00119639
	E00119640
	E00119641
	E00119642
	E00119643
	E00119644
	E00119645
	E00119646
	E00119647
	E00119648
	E00119649
	E00119650
	E00119651
	E00119652
	E00119653
	E00119654
	E00119655
	E00119656
	E00119657
	E00119658
	E00169768
	E00190251
	E00190323
	E00190324
	E00190260
	E00190263
	E00190272
	E00190288
	E00119663
Radlett	E00119476
	E00119477
	E00119478
	E00119480
	E00119481

	E00119482
	E00119483
	E00119485
	E00119486
	E00119487
	E00119488
	E00119489
	E00119490
	E00119491
	E00119492
	E00119496
	E00119497
	E00119498
	E00119500
	E00119501
	E00119502
	E00119503
	E00119504
	E00119505
	E00169766
Rural	E00119493
	E00119494
	E00119499
	E00119629
	E00119685
	E00119686
	E00119687
	E00119688
	E00119689
	E00119690
	E00119715
	E00119760
	E00119763
	E00119764
	E00119765
	E00119766
	E00119767
	E00119768
	E00119769
	E00119771
	E00119772
	E00119773
	E00119774
	E00119775
	E00119776
	E00119777

	E00119778
	E00119779
	E00119780
	E00119781
	E00169756
	E00169757

