Regulator of Social Housing

Annual Report and Accounts 2024-25

For the period 1 April 2024 to 31 March 2025

HC 1389

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Regulator of Social Housing[1]
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For the period 1 April 2024 to 31 March 2025

Presented to Parliament pursuant to sections 100C and 100D of the Housing and Regeneration Act 2008

Ordered by the House of Commons to be printed on 4 December 2025

HC 1389

[1] The Regulator of Social Housing is a non-departmental public body sponsored by the Ministry of Housing, Communities and Local Government. The objectives of the regulator are set out in the Housing and Regeneration Act 2008.

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This publication is available at: www.gov.uk/rsh

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Level 2, 7-8 Wellington Place

Leeds, LS1 4AP

ISBN 978-1-5286-6009-9

E03452785 12/25

Printed on paper containing 40% recycled fibre content minimum

Printed in the UK by the HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office

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Chair's foreword

I am delighted to present RSH's Annual report and Accounts for April 2024 to March 2025. This was a highly significant year for RSH and the social housing sector as a whole. On 1 April 2024 we introduced our stronger role in regulating landlords, including our new integrated inspection programme. This was an important milestone, and one which will drive long-term improvements for the benefit of tenants.

We are getting on and delivering our new role. We started rolling out our inspection programme and continued our responsive investigations. Our casework so far has demonstrated the connection between our economic and consumer standards. Without good governance, landlords are less able to manage exposures to financial risks. And without strong finances, they cannot build the new homes needed across the country by people on waiting lists; nor can they improve tenants' existing homes.

We have also seen that findings from our regulation of housing associations' governance can be used by local authorities. At the core, this means having robust data about tenants' homes and using it to flag and fix problems at an early stage. It also means integrating tenants' voices into decision making and acting on what they say.

Through our regulatory casework, we have seen examples of landlords failing to do this. Our new proactive role means we can find issues sooner and make landlords put things right promptly. All landlords must provide safe and decent homes for tenants. We know that most are taking their responsibilities seriously, but we will continue to take firm action to root out poor performance.

The sector continued to face sustained financial challenges. Although some wider economic headwinds started to ease, the twin imperatives of investing in new and existing homes continued to put pressure on landlords' finances. Building new homes depends on having a solid foundation of good-quality homes for existing tenants.

Good governance continues to be the key to mitigating risks and absorbing new shocks as landlords' financial headroom tightens. Boards must have a strong grip on strategic risks and continue to stress test their business plans. They must also have robust, accurate data about assets and liabilities, and use it to identify and pre-empt risks before they crystalise.

Our regulation supported the ability of the sector to continue to raise private finance on competitive terms, so it can invest in social housing and contribute to wider growth in the economy. We are using a range of regulatory tools to ensure the sector overall is well run and financially viable, which is a vital precondition for the investment landlords are making in development and repairs.

We are extremely grateful for the interest and involvement of our stakeholders, and for their constructive feedback through the year.

I look forward to continuing to work with RSH staff, Board colleagues and the sector more widely as we regulate to deliver more and better homes for people who need them.

Bernadette Conroy, Chair of the Regulator of Social Housing

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Accounting Officer's statement

Introduction

This is the seventh annual report of the Regulator of Social Housing, covering the period from April 2024 to March 2025.

It was a significant year, in which we took on a wider role in regulating the social housing sector, including our new programme of proactive integrated inspections. After extensive planning and testing our approach with tenants and other stakeholders, we are now delivering our wider remit.

The year saw continued financial challenges for social landlords. The sector remained resilient overall in meeting these challenges, although we saw risks crystalising for some individual landlords. We engaged closely with the sector and used a range of tools to ensure landlords overall continue to be well run, financially viable and able to provide good-quality homes and services to tenants. We took action when landlords failed to do this, using a range of regulatory tools.

I am proud of the important work we have done over the past year to launch and start delivering our wider remit. RSH's staff have played a crucial role in getting us to this important milestone, and we are already seeing the real-world impact as we identify issues proactively and get landlords to improve when needed.

I would like to thank staff for their contribution in supporting a sector that builds more and better social homes.

Delivering effective regulation

On 1 April 2024 we started our rolling four-year programme of integrated inspections. We also continued to investigate cases that were referred to us by tenants, landlords or other stakeholders.

We have published regulatory judgements for landlords across the country. A key theme is that our standards are inextricably linked. Good governance underpins financial viability. Landlords need to ensure they closely monitor strategic risks, stress test their business plans and deploy mitigations proactively. In turn, strong financial viability means landlords can improve tenants existing homes, tackle issues like damp and mould and carry out essential building safety remediation works. Crucially, it also means they can build new homes for the future. This couldn't be more important with over one million people currently on waiting lists.

Our new role means we can proactively inspect both local authorities and housing associations against our consumer standards. Previously we could only investigate cases referred to us. For local authorities, this gave us a new role in proactive engagement with them and we welcome the engagement we've had so far with local authorities across the country. Our remit for local authorities covers the consumer standards and rent standard, but there are still many important lessons that they can use from our regulation of housing associations' governance. Our first year of casework has underscored the importance of risk management and having robust data about tenants' homes, including comprehensive information about health and safety risks. This is vital for keeping tenants' safe in their homes and applies to all landlords – whether they are a local authority, housing association or other private registered provider.

The importance of our consumer role was reinforced by the Grenfell Tower Public Inquiry's final report in September 2024, which included important findings for all social landlords. Landlords must learn from the fire in 2017 in which 72 people so tragically lost their lives. They need to ensure tenants are safe, take their complaints seriously, and treat them with fairness and respect. We will continue to hold landlords to account for meeting the outcomes of our standards, and make them put things right when they expose tenants to risks.

Social landlords are responsible for meeting our standards, and boards and councillors must assure themselves of this. When they find or suspect a material issue, they must refer themselves to us – not wait for an inspection. This co-regulatory approach, underpinned by trust and transparency, ensures issues can be resolved promptly when needed across all our standards.

We also continue to take a risk-based approach, informed by a detailed understanding of landlords' businesses and the challenges they are facing. We published our annual sector risk profile in October 2024, which set out the issues of concern for the boards of housing associations and other private registered providers.

The report showed that viability risks intensified over the year as competing pressures impacted on landlords' business plans.

We concluded that the sector remains resilient overall, but many landlords have less capacity to deal with new challenges and have less margin for error in decision-making. Most landlords made record investment in new and existing homes, continuing to prioritise vital programmes of building safety remediation and damp and mould repair works. As a result, forecast interest cover between the 2024-25 to 2028-29 financial years is just 111%. Landlords in London and other urban areas were facing particular challenges, with a large number of flats requiring building safety works.

Alongside our inspections and responsive casework, we used a wide range of tools to regulate social landlords.

We carried out our annual stability check programme to assess the financial position of all large private registered providers. Around 62% had V2 grades, which is consistent with the previous year and reflects the challenging environment in which providers are operating (described in detail in our sector risk profile). Landlords with a V2 grade still meet our viability requirements, but they need to manage material risks to ensure continued compliance.

We continued to hold landlords to account for the fire safety of 11-metre plus buildings. Alongside our inspections, we collected data on the fire safety of relevant buildings in the sector. We scrutinise the data closely and follow up with landlords when their data indicates that they may be an outlier in progressing building safety works.

We published our analysis of landlords' first Tenant Satisfaction Measure (TSM) results. The TSMs are a useful tool for tenants to scrutinise their landlord's performance, and for landlords to improve their service. The results show that most tenants (over 70%) are satisfied with the service they receive. However, there is still clear room for improvement, with around one in five tenants not satisfied. The findings from landlords' TSMs were backed up by RSH's own independent survey of tenants (the National Tenant Survey).

We published the last of our annual consumer regulation reviews, which set out learning points from our regulation of the previous consumer standards. We found that many of the lessons are still relevant to our new standards, including meeting health and safety requirements, having effective data and using it strategically to identify and fix problems, treating tenants with fairness and respect, and the importance of self-referrals. We are now publishing annual regulatory casework reviews, which cover all our standards (economic and consumer) and examine the issues that connect them.

Developing our people

To ensure we were resourced and ready to deliver our wider remit, we continued to recruit for a wide range of roles. We're focused on ensuring RSH has a flexible, high-performing workforce that is agile and ready to meet future challenges. We are investing in staff, providing professional development opportunities, developing leaders and managers, and embedding our supportive and inclusive culture.

We continued to deliver training for staff in a number of areas, including tailored training for our regulatory teams and a wide range of additional learning for all staff on data protection, information management, whistleblowing and health and safety.

Staff wellbeing continues to be a priority. We conducted a survey to benchmark staff experiences and perceptions of work-related stress, alongside a range of measures in place to support staff, such as access to resources such as the Headspace app and mental health first aiders.

We launched our new People Plan to continue to develop our organisational capacity, capability and flexibility, and continued our commitment to diversity and being an inclusive and supportive organisation.

Conclusion

Our regulation is supporting the social housing sector to build more and better social homes.

We are doing this through a range of regulatory tools, including our new inspection programme, to ensure the sector overall is well run, financially viable and providing good-quality homes and services to tenants.

Thank you to everyone at RSH – our staff and Board – for their hard work and commitment to achieving so much in what has been a very significant year. I would also like to thank our stakeholders for their ongoing engagement and support as we deliver our objectives.

Fiona MacGregor

Chief Executive

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Performance report

This report covers the 2024-25 financial year. Our new regulatory regime came into effect from 1 April 2024 and the changes are reflected in performance reporting for this year. For more details please see our website.

Performance overview

This overview provides information on the Regulator of Social Housing for the period from 1 April 2024 to 31 March 2025. It includes our main objectives and activities, the key risks we faced and our approach to them, and a summary of our performance during the period.

Who we are

We are a statutorily independent regulator, existing as a non-departmental public body, sponsored by the Ministry of Housing, Communities and Local Government (MHCLG).

The Regulator of Social Housing (the regulator) regulates for a viable, efficient, and well governed social housing sector able to deliver quality homes and services for current and future tenants. We regulate at the landlord level to drive improvement in how landlords[2] operate.

We do this by setting standards and carrying out robust regulation focusing on driving improvement in social landlords and ensuring that they are well-governed, financially viable and offer value for money. We take appropriate action if the outcomes of the standards are not being delivered.

The standards state outcomes that landlords must deliver. The outcomes of our standards include both the required outcomes and specific expectations we set. Where we find there are significant failures in landlords which we consider to be material to the landlord's delivery of those outcomes, we hold them to account. Ultimately this provides protection for tenants' homes and services and achieves better outcomes for tenants. It also contributes to a sustainable sector which can attract strong investment.

We have a different role for regulating local authorities than for other landlords as only the Rent and Consumer Standards apply. Following an expansion of our powers, from 1 April 2024, we

[2] By landlord we mean a registered provider of social housing. These can either be local authorities, or private registered providers (other organisations registered with us such as non-profit housing associations, co-operatives, or profit-making organisations).

use inspections of landlords to help us form our view about how well they are delivering the outcomes of some or all of our standards.

We must regulate in a way that minimises interference and (so far as is possible) is proportionate, consistent, transparent and accountable. We are accountable to Parliament for the discharge of our fundamental objectives.

The Housing and Regeneration Act 2008 (HRA 2008) sets out our fundamental objectives in relation to economic and consumer regulation, and our remit for each of the objectives.

Our economic objective is:

- to ensure that providers of social housing, who are registered with us, are financially viable and properly managed and perform their functions efficiently, effectively and economically

- to support provision of social housing sufficient to meet reasonable demands (including by encouraging and promoting private investment in social housing)

- to ensure that value for money is obtained from public investment in housing

- to ensure that an unreasonable burden is not imposed (directly or indirectly) on public funds

- to guard against the misuse of public funds.

We have published three economic standards setting out our expectations for registered providers:

- Governance and Financial Viability
- Value for Money
- Rent

Our economic remit extends to all registered providers (including local authority landlords) for the Rent Standard but only to private registered providers of social housing for the Governance and Financial Viability Standard and the Value for Money Standard.

Our consumer objective is:

- to support the provision of social housing that is well-managed, safe, energy efficient and of appropriate quality

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- to ensure that actual or potential tenants of social housing have an appropriate degree of choice and protection

- to ensure that tenants of social housing have the opportunity to be involved in its management and hold their landlords to account

- to ensure that registered providers act in a transparent manner in relation to their tenants of social housing

- to encourage registered providers to contribute to the environmental, social and economic wellbeing of the areas in which the housing is situated.

Our consumer remit extends to all registered providers including local authority landlords and is proactive.

This is a change from the previous year when our consumer regulation was reactive only. The Social Housing White Paper was published in November 2020 and its recommendations were taken forward by the Social Housing (Regulation) Bill published in June 2022 which received Royal Assent in July 2023.

The Social Housing (Regulation) Act 2023 amended provisions within the HRA 2008 to expand our consumer regulation role and required a new consumer regulation framework to be brought into effect. Our new consumer regulation role came into effect on 1 April 2024.

The four consumer standards are:

- the **Safety and Quality Standard** – which requires landlords to provide safe and good-quality homes for their tenants, along with good quality landlord services.

- the **Transparency, Influence and Accountability Standard** – which requires landlords to be open with tenants and treat them with fairness and respect so they can access services, raise concerns when necessary, influence decision making and hold their landlord to account.

- **the Neighbourhood and Community Standard** – which requires landlords to engage with other relevant parties so that tenants can live in safe and well-maintained neighbourhoods, and feel safe in their homes.

- the **Tenancy Standard** – which sets requirements for the fair allocation and letting of homes, as well as requirements for how tenancies are managed by landlords.

Under the new standards, landlords, including local authorities and housing associations, will need to:

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- ensure tenants are safe in their homes
- listen to tenants' complaints and respond promptly to put things right
- be accountable to tenants and treat them with fairness and respect
- know more about the condition of every home and the needs of the people who live in them
- collect and use data effectively across a range of areas, including repairs.

Corporate priorities

In the delivery of our statutory role, we have reviewed and refreshed our corporate priorities as part of our 2024-27 Corporate Plan:

- **Driving improvement**. Deliver improved outcomes for current and future tenants of social housing through our robust regulation of registered providers
- **Maintaining confidence**. Maintain stakeholder and investor confidence in social housing by sharing our insight, research and analysis to enable landlords to respond appropriately to sector risks, challenges and opportunities and deliver more quality homes and landlord services
- **Working with others**. Inform the development and delivery of effective social housing policy, by working with a range of stakeholders, including tenants and government
- **Building the organisation**. Develop and maintain a diverse, skilled and engaged workforce, by creating an inclusive culture that enables continuous learning and having corporate functions and systems that support and enable effective regulation

Our performance in delivering against these priorities during 2024-25 is described on pages 18 to 32.

Our values

Our values underpin everything that we do to deliver our purpose and priorities and drive the culture that we want to work in. Work started as part of our People Plan in 2024-25 has led to these being updated to be more inclusive of all the different roles and functions within the regulator:

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- We are **professional** and **collaborative**, working together to deliver our objectives
- We embrace **diversity** and are inclusive and supportive in our interactions
- We are **confident** in our roles, doing our job effectively and efficiently
- We act with **integrity** to deliver high-quality work
- We are **agile** and **responsive** to changes in direction, priorities and ways of working.

How we regulate

Our **approach is co regulatory** as part of our duty to minimise interference and fulfil our fundamental objective to support the provision of social housing and proportionate regulation. This helps ensure that boards and councillors continue to be responsible for their organisations and accountable for how they are run and the outcomes that they deliver. We expect landlords to self-refer when there is a breach, or potential breach, of our standards.

We hold landlords to account for any material failures to deliver the outcomes of our standards and may decide to take appropriate action where they are not, or where they are not open and transparent with us. In those circumstances, we may decide that a different approach to co-regulation is appropriate.

Our regulation is risk based. This means that we may look at both how likely it is that a poor outcome will happen and what impact it would have if it does happen. The higher we think the level of risk is, the greater our level of scrutiny and the stronger our actions are likely to be. This helps us to focus our resources where they are most needed and fulfil our duty to be proportionate.

We are also assurance based. Landlords are responsible for providing evidence that they are delivering the outcomes of our standards to allow us to form our judgement. We may look at evidence from other sources and where there are gaps and/ or conflicting evidence we may follow up with the landlord. We then come to a view about the level of assurance we have and where landlords do not provide the evidence to give the assurance we need; we will reflect this in our judgements.

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Most social housing tenants live in decent homes, but we are clear that all landlords can improve. We aim to drive improvements within landlords, ensuring they have the right skills to deliver a more effective and resilient sector where there is a positive relationship between landlords and tenants.

In regulating registered providers of social housing, we carry out the following activities.

- We **register and de-register providers** of social housing subject to them meeting our eligibility requirements and registration criteria.

- We **maintain a regulatory framework** that keeps pace with the sector's risk profile and supports delivery of our statutory objectives and duties.

- We **gather intelligence** to inform our assessment of a large, registered provider's compliance with our standards by reviewing their submitted Quarterly Survey returns; carrying out annual stability checks of their business plan and annual accounts. We carry out small provider account reviews (SPAR) to ensure we have proportional engagement with landlords with fewer than 1,000 homes.

- We undertake **inspections** of large, registered providers (those with over 1,000 homes) through our inspection plan, looking at all standards for private registered providers, and for local authorities, at the rent and consumer standards. We scrutinise data about tenant satisfaction, repairs and other relevant issues and also continue to focus on the financial viability and governance as part of our integrated regulation. Where we find issues that require further action, we push landlords to protect tenants and put things right. We can use a range of tools when needed. We have completed the first year of our programme of inspections.

- We publish **regulatory judgements** which are our view of how well a landlord is delivering the outcomes of our standards. Our regulatory judgements include a summary of the reasons for the conclusions we have reached.

    - For private registered providers, a regulatory judgement can cover the outcomes of any of our standards.

    - For local authority landlords a regulatory judgement can cover the outcomes of our consumer standards and Rent Standard.

- We **grade our assessments** of large private registered provider compliance with our Governance, Financial Viability Standard and Consumer Standards, and we grade local authorities for Consumer Standards. Assessments can be regraded, upgraded or downgraded depending on the landlord's response and the assurance seen.

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- We **investigate cases of potential non-compliance or crystallisation of significant risks**,

- We use **responsive engagement**. We consider cases referred by tenants and other stakeholders which indicates a potential breach of our standards. We take action against landlords when required and where we assess an issue or a potential issue to be material to a landlord's delivery of the outcomes of our standards, we may decide to engage through our responsive engagement with landlords[3].

- We can decide to use our **enforcement powers.**

- We **identify and communicate emerging trends and risks** at a sector and sub-sector level to maintain confidence of stakeholders, such as lenders.

[3] Responsive engagement with landlords - Gov.uk

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How we are structured

We organise our work through the teams set out below. This structure is kept under review to ensure that it is fit for purpose, and we have a good track record of flexibly deploying resources as necessary to ensure that we continue to meet our strategic objectives.

Team	Responsibilities
Regulatory Engagement	Delivers consistent and efficient regulation across all the regulatory standards in accordance with our fundamental objectives, registers and deregisters providers, responds to enquiries and referrals, provides responsive engagement and assurance of findings.
Investigation and Enforcement	Responsible for reactive regulation and investigation of serious cases of potential non-compliance with the regulatory standards in line with our fundamental objectives.
Strategy	Carries out research, provides data analysis for monitoring and forecasting key risks in the sector, engages with government and financial sector stakeholders, develops our policy and strategy and monitors and evaluates our impact.
Finance and Corporate Services	Ensures RSH functions as an organisation by managing corporate governance and compliance functions including finance, performance and risk management, providing colleagues with the systems, equipment, tools and workspaces they need, delivering learning and development activities and providing advice and support on human resources and project and programme management.
Legal Services	Provides advice to our Board, Executive team and colleagues on legal and data protection issues relating to any aspect of RSH's activity, handles requests for information, deals with governance matters, including providing secretarial support to Board and Executive.
CEO office	Provides an effective, co-ordinated and strategic link between the work of the Chief Executive and other senior executives and the range of functions of RSH by delivering internal and external communications and supporting stakeholder engagement.

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Key risks and issues

The *Overview of risk management* section (page 52) sets out how we manage risk effectively at the regulator and how this is supported by our internal controls and governance structures. We have started a review of risk management to ensure we have the best possible strategy and approach in place. This is critical to the effective delivery of our fundamental objectives as translated into strategic objectives, corporate priorities and, in turn, business plan targets. It is due to conclude in 2025/26

As in previous years, both the size and type of landlords that operate within the sector and the range of activities they undertake continue to evolve. There continues to be an increased market focus amongst some landlords, and in the number of for-profit providers, as well as the rise of non-traditional business models including lease-based organisations.

The likelihood of both multiple and individual landlord failures remained high as the wider economic environment continued to be challenging in 2024-25, with high inflation and interest rates. The financial operating environment is a concern, with limited headroom in the sector and likely increased provider risk exposure in the next year and beyond.

While in the event of a significant financial failure we would do all we can within our remit and powers to prevent it, the current external environment could make it more difficult. We are carrying out work to test our approaches to multiple financial failures and our approaches to resolving financial distress in large or multiple landlords. We have commissioned our auditors, the Government Internal Audit Agency, to carry out a review of the arrangements we have in place in early 2025/26 as part of our annual audit plan which provides the third line of assurance on our activities.

Another key risk is that our regulatory approach does not align with landlords' greatest risk exposures. This will remain an important risk while work to develop and implement key controls is underway and because of the continuing financial uncertainty in the sector. The controls include a review of our operational approach and impact following a year of regulation under our new remit and the implementation of controls resulting from a review of our regulatory construct to check and reaffirm our operating principles.

We cannot control the external environment, but we are ensuring that our processes, procedures and outputs continue to be fit for purpose and that we are able to intervene where appropriate to prevent uncontrolled loss. We also have a good degree of assurance over the financial viability of private registered providers through our stability check process.

The risk that a significant negative event occurs that we could have helped prevent, or reasonably foreseen as part of our consumer remit is always a concern. We can inspect and use our intervention and enforcement powers to minimise the likelihood of such event occurring, but we can only reduce so far, the likelihood and impact of a negative event occurring at a landlord.

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Linked to this is the risk that we cannot manage conflicting stakeholder expectations or demands. We continue to explain our remit through our regulatory activity and publications and in our stakeholder engagement whilst accepting it may not be possible to always keep all our stakeholders content all the time.

During our first year of regulating under our new remit we have considered the risks that our approach is not seen to drive sector improvement and that we cannot evidence our effectiveness in delivering our fundamental or strategic objectives.

The first risk focuses on the perception of the value of our regulation. This risk is not imminent, and most stakeholders recognise that it will take time for sector improvements to manifest as we continue to regulate under our expanded remit. We are developing further controls, and we continue to review our communications and engage with a wide range of stakeholders.

The second risk relates to our core purpose, focussing on the reality of our regulation and the evidence we have to show our impact. We can do little about the difficult operating environment, but our recent judgements have been well received and there is ongoing investment in the sector which provides some assurance. We are testing ways to assess the value of our work.

Our regulation is based upon the timely and insightful analysis of intelligence and prompt and measured regulatory action. To do this well, we are dependent on recruiting, training and retaining high-quality staff. Reduced staff capacity and capability is therefore a critical risk. We recruited well prior to commencing our inspection programme and this has continued through 2024-25. Staff turnover remains within target levels, and we have brought new skills into the organisation and retained existing expertise. Overall, resourcing is less concerning. The recruitment, onboarding, training and development carried out between 2022 and 2025 to prepare for and to support our new remit has reduced significantly the likelihood of this risk materialising. To further manage this risk and to reflect that fact that people are our most important asset, in 2024-25 we launched our People Plan to ensure we have a flexible, high-quality workforce that benefits from professional development opportunities, excellent leaders and managers, and a supportive and inclusive On RSH culture (detailed at page 28).

The regulator is reliant on the collection and analysis of data to inform our risk and assurance-based regulation. Good communication with a variety of stakeholders and our publications are central to our role. As we transition to a new digital supplier our risk that we do not keep pace with digital organisational requirements or external developments is under scrutiny. We are recruiting to roles in both our Digital and Data teams to ensure we have the capacity and capability to support our digital objectives and develop our digital capability.

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Going concern

The Housing and Regeneration Act 2008 empowers the regulator to collect fees from registered providers to fund the full costs of regulation. From 1 July 2024 the regulator has operated under a full cost recovery funding model, with income derived from application and annual fees.

At 31 March 2025 the regulator reported net assets of £3.2 million (2024: £5.2 million), cash balances of £15.8 million (2024: £8.1 million) and no liabilities that threaten its ability to operate. The regulator has concluded there are no material uncertainties that cast significant doubt on its ability to continue as a going concern, and the financial statements have been prepared on that basis.

Performance summary

We aim to inspect all large private registered providers every four years against all our governance and financial viability and consumer standards and local authority providers against the consumer standards. The inspection plan considers all the information we hold on landlords to schedule inspections on a risk-based approach.

We concluded our first year of the inspection programme and where appropriate, we took robust and prompt regulatory action. This included downgradings within our published regulatory assessments of providers and using our wider enforcement powers. Where deemed necessary we de-register providers.

Our analysis shows that social landlords are constrained by competing spending priorities, specifically the twin challenges of building new homes for the future while making much-needed investment to tenants' existing homes. Landlords continue to invest record amounts in existing homes, with spend on repairs and maintenance. They are still investing in building new homes, albeit this is at a reduced level.

We continue to work closely with landlords who need to take action to ensure continued compliance with our standards or to return them to compliance through our responsive engagement. Again, we saw higher levels of registration activity with 117 applications from organisations interested in joining the sector, compared to 102 the previous year. We maintained performance against our service standard for assessing preliminary registration applications at 100%.

On 26 November 2024 we published our analysis of the first set of social housing landlords' Tenant Satisfaction Measure (TSM)[4] results alongside the results of a National Tenant Survey that we commissioned.

[4] Tenant Satisfaction Measures-Gov.uk

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Our analysis, based on the 2023/2024 returns from the large landlords, found that the biggest driver for overall satisfaction is a tenant's view of their landlord's repairs service and how well their home is maintained. More than 70% of tenants and around 50% of shared owners are satisfied with their landlord's overall service. Most landlords report that they have completed the required fire, gas, asbestos, lift and water safety checks and that most tenants live in homes meeting the Decent Homes Standard.

Nearly half a million tenants took part in the TSMs by responding to a survey about their landlord and in general the sector has engaged effectively with them to generate the results.

We are feeding back the outcomes of the TSM review to landlords. We expect landlords to use performance information, including TSMs, to understand how effectively they are delivering landlord services and consider (and report to tenants) how they have taken tenants' views into account to improve landlord services, information and communication.

Although most landlords have met our requirements on the generation and calculation of satisfaction scores, our TSMs report explores some common issues, mainly relating to the transparency of results, that all landlords should use to improve their approach for next year. We have already published regulatory judgements for some landlords who have not collected TSM results, or where there were issues with the way they collected them. We are engaging with landlords where we have concerns about the quality of their data and where their TSM results indicate they are outliers – including on health and safety indicators.

Following significant change within the organisation and resulting large amount of recruitment to enable delivery of expanded remit, we have implemented a series of organisational development activities. These include developing a **People Plan** to build on this early work. To help us have a flexible, high-quality workforce, we want to attract, invest in and retain the best people, provide professional development opportunities, develop leaders and managers and build on our supportive and inclusive culture. Further detail is on page 28.

As usual we published both our gender pay gap and ethnicity pay gap reports[5]. Please note that due to reporting timescales the latest published report on which these figures are based is for the 2023-24 financial year. We have a higher proportion of female staff, with female staff representing a minimum of 50% of all pay quartiles. The proportion of female staff is higher in the bottom and lower and upper middle pay quartiles of our organisation (65%, 70% and 60% respectively), which results in a gender pay gap in favour of male staff, though this has again decreased slightly since last year.

Comparing the results of the ethnicity pay gap at the Regulator of Social Housing for the last four years, we continue to strive to close our pay gap. Progress has been modest overall, as

[5] Gender and Ethnicity Pay Gap Report

whilst we have increased diversity in the Upper Middle and Bottom quartiles, the net impact has been limited.

The year to 31 March 2025 saw a slight decrease from 18% to 16% of our workforce being from a minority ethnic background. A strong focus of our work on equality, diversity and inclusion now and in future years is our approach to recruitment and how this can help us to improve the diversity of staff at senior levels. We have started to see some success with the proportion of the workforce at senior levels from a minority background increasing from 3% to 10% over the last two years. There is still more to do and this will remain a priority.

We continued to manage our financial resources effectively and efficiently. We remained within our delegated budget during the year. In accordance with the terms of the fees regime we will provide a rebate to the sector of unspent fee income for the year to 31 March 2025.

In line with the **Government Efficiencies Framework**[6], introduced in 2024-25, we have reviewed our business plan to identify areas where efficiencies are most likely to be secured and picked a number of areas to focus on in 2025/26. We have put processes in place to further develop tracking and reporting efficiencies from Q1 2025/26 (further detail on this is on page 29).

Performance analysis

This section provides a summary of how we performed against our business plan, which sets out how we deliver the four corporate priorities (set out on page 9) that support the achievement of our fundamental objectives as set in legislation.

We do not set quantitative performance indicators for most of our regulatory activity, as planned activity must necessarily adapt to the demands of reactive regulatory activity which cannot be accurately predicted. We are tracking progress through our inspection plan and our aim is to inspect all large landlords at least every four years. We will keep the plan under review and revise it when appropriate.

The impact of our new regulatory remit is not easy to analyse, as there are many factors within the sector and wider economic landscape that will influence outcomes. We have started work to develop an approach to evaluating both the short and long-term impact of our regulatory activity. We use mechanisms such as service standards and our stakeholder survey as proxy measures for quality.

We have also developed a set of key performance indicators which will help us understand and track our performance under our new remit. 2025/26 will be the first reporting year in relation to the new performance indicators set out in the Corporate Plan and we will provide data and commentary on our performance in future annual reports as data becomes available. Some of

[6] The Government Efficiency Framework-Gov.uk

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these KPIs are already covered in our current performance reporting alongside our service standards and under the relevant corporate priority.

Where we have set performance indicators, we have provided trend information where available. We have set a tolerance of +/- 5% on performance year-on-year; if performance is within +/- 5% of last year's we consider the trend to be static.

Forward look

We do not anticipate significant change to our four corporate priorities over the coming years. We will maintain focus on completing our four year programme of inspections under our new regulatory regime as well as our reactive engagement where landlords do not meet our standards. We will continue to register new applicants that meet the criteria and de-register where appropriate.

Alongside this we will continue our work to build the organisation to make us fit for the future, using the work we have started in our People Plan as a springboard. We expect to consult on revisions to some standards as directed by MHCLG. We will keep engaging with all stakeholders to maintain confidence in the sector and inform the development and delivery of effective social housing policy.

Priority 1: **Driving improvement**. Deliver improved outcomes for current and future tenants of social housing through our robust regulation of registered providers

Regulating landlords with more than 1,000 homes (private registered providers and local authorities)

From April 2024, Our planned regulatory engagement with larger private registered providers and local authority landlords (those with more than 1,000 homes), was structured around the Quarterly Survey, the annual stability check and our inspection programme.

We completed our first year of planned inspections of large registered providers looking at the governance and financial viability standards for private registered providers and at the consumer standards for local authorities. We reviewed data about tenant satisfaction, repairs and other relevant issues and continued to focus on the financial viability and governance as part of our integrated regulation. We published regulatory judgements, our view of how well a landlord is delivering the outcomes of our standards, including a summary of the reasons for the conclusions we have reached.

Our regulation is risk based, and we look at how likely a poor outcome will be and what the impact may be and tailor our scrutiny at an appropriate and proportionate level. We are also assurance based. Landlords are responsible for providing evidence that they are delivering the outcomes of our standards to allow us to form our judgement. We may look at evidence from other sources and where there are gaps and/ or conflicting evidence we may follow up with the

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landlord. We then come to a view about the level of assurance we have and where landlords do not provide the evidence to give the assurance we need, we reflect this in our judgements.

We published our first regulatory judgements arising from our inspection programme in July 2024 and at the end of the year 16% of large landlords had been inspected as part of the four-year cycle. Following inspections or stability checks, 30% of landlords received a C3 grading and 2.7% a C4 grading. The majority of these were for local authority landlords.

Issues seen related mostly to the Safety and Quality and the Transparency, Influence and Accountability Standards. They included: timeliness of electrical and gas checks, overdue fire and water remedial actions, and homes without smoke or carbon monoxide detectors. Other issues were a lack of evidence of stock condition surveys, a repair backlog, lack of assurance that homes were of a decent quality, poor recording of complaints, failure to collect TSMs and little opportunity for tenants to influence decision making about their home. In these instances, we are working with the landlords to put things right for tenants.

We completed the annual stability check programme which is a financial assessment of private registered providers' business plans and annual accounts. It focuses on indicators of financial robustness and considers evidence of any significant changes in risk profile. The programme also includes a check on private registered providers' governance gradings. Of note during 2024-25 was the continuing pressure on viability, reduced financial capacity and lower levels of covenant headroom. Weaker financial performance continues to be driven by increased investment in existing stock and exacerbated by higher interest rates. This is reflected in our viability judgements published on the back of the programme. The majority of PRPs (circa 62%) are now at V2, a slight rise from last year (60%).

We completed work on four Quarterly Surveys. These returns provide us with a regular source of information about private registered providers' financial health, in particular their access to cash and their liquidity position. The information submitted through the surveys is critical in alerting us to short-term viability issues. We followed up with several providers to ensure that individual providers' viability positions continued to be managed.

In addition to our planned work, we also continued to respond where landlords have serious failings in in their delivery of the outcomes of our standards. The introduction of proactive regulation of the consumer standards in 2024-25 has led to an increased level of landlords being identified as requiring improvement.

We have intensively engaged with such landlords as they develop and deliver their improvement work and sought assurance on the ongoing management of associated risks as they do so. This has led to several landlords being able to demonstrate a return to delivering the outcomes of our standards in 2024-25.

Alternatively landlords may take the decision that the outcomes of our standards and their objectives would be better delivered through a combination with a suitable merger partner. In

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these cases we have successfully monitored the position through to completion to manage the potential risks arising, particularly relating to financial viability and tenant safety.

Where a landlord is not making the necessary improvements in appropriate timeframes we have continued to consider the use of our powers.

A trend that continued from the previous year was a material increase in the number of rent related cases. Encouragingly, a large proportion of these continued to be from self-referrals, indicating a growing awareness among landlords of the importance of understanding the requirements of the Rent Standard, and of reviewing their rents setting processes and actual rents.

Regulating landlords with fewer than 1,000 homes

In addition to our regulation of larger providers we continued to carry out proportionate, effective and timely engagement with landlords with fewer than 1,000 homes through the analysis of regulatory returns or notifications and, where the need arises, responsive engagement through the same mechanisms as for larger providers. We engaged with two small providers who failed to meet our Governance and Financial Viability Standard and published regulatory judgements as a result.

Regulatory assurance

We subject all our regulatory judgements to a high level of internal scrutiny, through quality control and quality assurance, a programme of internal sense check reviews as well as sample checks of stability checks.

Case handling

In 2024-25 we revised our approach to handling referrals and introduced a new service standard in Q4. We also harmonised our service standards for consumer and economic referrals in line with our new integrated approach to handling referrals. The tables below reflect the performance we are able to benchmark with previous years for the first three quarters of 2024-25 and our performance against the revised standards for Q4.

	Service standard		2024-25 (Q1-3)	2023-24	2022-23	2021-22	Trend
Consumer	Stage 1	5 working days	100%	99%	100%	99%	→
	Stage 2	20 working days	98%	87%	75%	71%	↑
	Stage 3	20 working days	92%	94%	91%	87%	→
Economic		5 working days OR 20 working days	93%	83%	85%	80%	↑

	Service standard		2024-25 (Q4)
Referrals from Landlords	Acknowledgement	5 working days	100%
	Response	25 working days	95%
Other referrals	Response	5 working days	100%

During Q1-Q3 of 2024-25, service standards applied to 586 consumer referrals and 113 economic referrals. Performance improved for three service standards that applied during this time despite an increase in the number of referrals received. The very slight decline (2%) in the number of stage 3 consumer referrals equates to three cases where responses did not meet service standards.

During 2024-25 there was a 20% increase in the number of referrals received compared to the previous year. We monitor trends in referral volumes and service standard performance on an ongoing basis to inform our resourcing decisions

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Registering new providers

	Service standard	2024-25	2023-24	2022-23	2021-22	Trend
Preliminary application	15 working days	100%	100%	100%	100%	➔

We ensure that the register is maintained effectively in line with statute by registering new providers of social housing and restructured bodies. In 2024-25 we received 117 new registration applications, of which 99 were preliminary applications and 18 detailed applications. We approved 16 applicants onto the register during the year, nine for-profit and seven not-for-profit providers. A further 78 applications were cancelled or withdrawn during the year.

Overall, across the year we assessed 100% of preliminary applications within our published 15-day target time.

Priority 2: Maintaining confidence. Maintain stakeholder and investor confidence in social housing by sharing our insight, research and analysis to enable landlords to respond appropriately to sector risks, challenges and opportunities and deliver more quality homes and landlord services

Understanding developments in the sector

To regulate effectively and ensure that we can promote a viable, efficient and well-governed social housing sector, we must understand the risks landlords face. We do this by gathering information relevant to all our standards from private registered providers and in relation to rents and consumer standards for local authority landlords. We also review our learning from provider engagement and wider stakeholder liaison, as well as from other stakeholders.

To understand developments in the sector and to ensure we are visible and accountable to our stakeholders, we carry out an extensive programme of stakeholder engagement. This ranges from a regular series of bilateral meetings with key stakeholders to formal meetings that allow us to engage transparently with the sector, as well as speaking at sector events.

This year, our regular engagement continued as regulation under our new remit began. We attended 138 speaking engagements, slightly more than the previous year, and our formal engagement continued with landlords, tenant representatives, lenders and other stakeholders.

Our extensive regular stakeholder engagement includes two formal mechanisms – our statutory Advisory Panel (which has replaced the Sounding Board following the Social Housing (Regulation) Act 2023) and our Fees and Resources Advisory Panel.

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The Advisory Panel comprises members from across the social housing sector including tenants and landlords. The aim of the panel is to provide information and advice to the regulator on its functions.

The Fees and Resources Advisory Panel is comprised of bodies representing providers and key interested parties including lenders and tenant representative bodies and we use this to test propositions for the fee regime. This gives us direct feedback and constructive challenge on issues such as fee levels and the scope of the regime, and buy in from our fee payers.

The formal mechanisms and our other engagement provide us with an invaluable, real-time insight into developments in the sector and the perceptions of our stakeholders on the effectiveness of our regulatory regime. This insight feeds directly into the strategic decision making of our senior management and Board.

Sharing our analysis and risk assessment

Alongside our engagement, we share the results of our analysis and risk assessment to the sector and to stakeholders in a suite of external publications, including:

- four Quarterly Surveys which include analysis on private registered provider returns in relation to short to medium-term finances
- the Global Accounts which show the aggregate financial performance and strength of the private registered provider sector
- the Sector Risk Profile which identifies for providers and their Boards or councillors issues of particular concern.
- the Fire Remediation in Social Housing report published quarterly which provides data on the fire safety remediation of buildings of 11 metres plus for which social landlords are responsible
- the final Consumer Regulation Review was published. This was used under our previous more limited consumer remit to help the sector learn from the consumer regulation cases we have considered during the year.
- Tenant satisfaction measures, (TSMs). First published this year, an analysis of the first set of social landlords' Tenant Satisfaction Measure (TSM)[7] results alongside the results of a National Tenant Survey that we commissioned.

[7] Tenant Satisfaction Measures-Gov.uk

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Alongside the Global Accounts we publish an annex called *Value for money metrics and reporting*, which gives an analysis of private registered providers' performance in relation to value for money.

We continued to develop our digital presence, including social media (LinkedIn and X – formerly known as Twitter). Our social media channels help us promote our publications, improve understanding of sector-level risks, and raise awareness of our regulatory interventions.

Priority 3: **Working with others**. Inform the development and delivery of effective social housing policy, by working with a range of stakeholders, including tenants and government

To continue delivering effective regulation we need to be forward thinking and able to adapt to changes in the operating environment. This includes responding to developments in Government policy, housing market changes, and changes in landlords' operating models and priorities. Our regulatory framework and regulatory standards need to account for any significant changes in the operating environment, and we assess their relevance regularly to make sure they remain fit for purpose.

Horizon scanning

We have further improved our risk management and horizon scanning approaches, both for sector risk and risks we face. We have developed our data and analysis capacity to enable a more detailed understanding of current and future risk exposures and continued to develop our methodology to evaluate emerging trends in the operational environment. This allows us to maintain levels of assurance across key risk indicators.

We continue to evolve arrangements for monitoring, reviewing and reporting our regulatory assurance to our Board and ensuring our risk and assurance work across the whole spectrum of our activities aligns to provide senior management with a comprehensive view of risk exposures and flows.

We continue to work with MHCLG to support our horizon scanning activities and to feed into policy formulation through expert analysis of key issues.

In January 2025 our Chief Executive gave evidence at the Housing, Communities and Local Government (HCLG) committee one-off evidence session looking at how to finance and build new affordable housing developments. Representatives from the social housing and building sectors gave evidence about the challenges to the sector including borrowing costs, building safety work, new and future standards and improving existing stock and our regulatory approach. She also spoke about our regulatory approach to these challenges, how we work with landlords, including our monitoring work, performance improvement plans, information on different standards and how we report and disseminate regulatory judgements.

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In July 2024 we published a new Memorandum of Understanding (MoU) with the Housing Ombudsman Service (HOS). It sets out the functions of both organisations and describes how we work together and exchange information, reflecting the significant changes to the HOS and RSH roles following the Social Housing (Regulation) Act 2023.

In December 2024 we published a new Memorandum of Understanding with Homes England which sets out arrangements for the two bodies to work effectively together in carrying out their respective functions. There is a statutory requirement on both organisations to co-operate and consult each other, particularly on matters related to social housing.

Preparations for dealing with failing providers

We continue to keep under review our regulatory preparations to deal with failing providers. Over the course of the year, we have deployed a range of statutory interventions and tested existing resolution processes through case work. We also consulted on guidance for using enforcement powers (the Statutory Guidance under section 215 of the Housing and Regeneration Act 2008). Feedback was supportive of our approach.

Responding to emerging issues

We continue to gather data through the quarterly fire safety remediation survey of all buildings 11 metres or taller. We collect landlord-level information for our own regulatory purposes and building-level data on behalf of the Ministry of Housing, Communities and Local Government (MHCLG) who are already monitoring private sector landlords on a similar basis. The survey seeks assurance that landlords are meeting their obligations under the Fire Safety (Regulatory) Order 2005 for assessing fire safety risks associated with the relevant parts of buildings over 11 metres, that they understand and know how to address any risks, particularly in relation to cladding, and have plans to remediate issues in a timely way.

Government focus on social housing has continued this year and we continue to liaise with our sponsor department, MHCLG. The Levelling Up, Housing and Communities Committee published the report of its inquiry into the finances and sustainability of the social housing sector on 8 May 2024 at which we gave evidence.

This report sets out the financial pressures under which landlords are operating, within a context where more social housing is needed. There was interest in our regulation of for-profit registered providers given how new this sector is and its recent increase in development of new homes. Overall, the report welcomed the steps we have taken to understand and scrutinise this part of the sector and said we should continue our process of improvement.

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Stakeholder satisfaction

We aim to carry out a stakeholder survey every year. We carried out the fieldwork of our 2024-25 stakeholder survey in December 2024 and January 2025. The survey is particularly helpful for giving us an understanding about how we and our regulation are perceived by different types of registered providers. This year 417 stakeholders responded. The majority were landlords, including a broad range of housing associations, other private registered providers, and local authorities.

The results remain positive and demonstrate the important and effective work that we are delivering. The key findings were:

- Over 80% of respondents agree that RSH's new approach to consumer regulation will lead to improved outcomes for tenants, with just 3% disagreeing.
- Over 69% agreed the RSH's approach is co-regulatory, and at least seven in ten respondents agreed that:
  - RSH meets its objectives to be proportionate and minimise interference.
  - RSH's regulatory framework and approach to regulation are consistent with our objectives on both economic and consumer regulation.
- Overall, 76% of respondents find RSH's publications very or somewhat useful.
- Overall, 80% agreed that RSH is professional and respectful when we engage; we are knowledgeable about the nature and complexity of the sector; and we have the range of skills and experience needed to regulate the consumer and economic standards
- Over three quarters of respondents agree that RSH acts where possible to ensure confidence in the sector is maintained, and access to finance on competitive terms continues.
- Eight in ten agree RSH takes appropriate action in line with our remit.

Priority 4: **Building the organisation**. Develop and maintain a diverse, skilled and engaged workforce, by creating an inclusive culture that enables continuous learning and having corporate functions and systems that support and enable effective regulation

People

Over the last few years we have changed our structure, revised our operational processes, delivered a development programme for our senior leaders, and recruited and trained new colleagues to deliver our expanded remit. Our recent extensive recruitment has almost doubled the size of the organisation. In 2023-24 we recruited 93 new starters and 27 staff moved internally to new roles. In 2024-25 we recruited 57 new starters with 22 internal moves.

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We continue to encourage applications from a diverse range of candidates and carry out anonymous shortlisting, as well as carrying out interview skills training for recruiting managers. We also encourage applicants to request reasonable adjustments where necessary to promote equality in access to job opportunities at the regulator.

During 2024-25 our training delivery continued to evolve. We delivered a programme of training to build skills for our inspections, which included regulatory judgements and delivering provider improvement. Colleagues also completed an array of mandatory e-learning on data protection and security, information management, whistleblowing, and health and safety.

In October 2024 we launched a **People Plan** to help us build and evolve as an organisation. The work we do is rewarding and challenging and we will invest in our people so they can meet these challenges. The People Plan is designed to help us be flexible, resilient and high-performing, with inspirational leadership, excellent management, and a collaborative One RSH culture. It has three outcomes:

- A high-performing organisation that delivers its purpose.
- An agile workforce that responds quickly to changes in requirements and expectations and is respected by stakeholders.
- An inclusive and supportive environment which makes the regulator a great place to work.

It will help us attract and retain the best people, supporting them to do their jobs to the high standard required to deliver of our fundamental objectives.

In 2024-25 we scoped and started delivery of the work needed to support the three connected elements on the People Plan – regulators for the future, excellence in leadership and management, and One RSH culture. This will continue in 2025/26 and beyond. –.

We have three equality objectives, two of which are external facing. The third is ‘to provide a supportive and inclusive working environment for all’. Some of the work to deliver this will be through the People Plan, other elements will be taken forward through our EDI strategy and action plan. We set out more detail of our work on EDI in the relevant section on page 33.

We carry out a full staff survey every two years with one running in summer 2025 which we will report on in next year’s Annual Report. We carry out pulse surveys as needed.

Staff wellbeing continues to be a priority. We launched the Health and Safety Executive stress indicator survey in June 2024, to benchmark staff experiences and perceptions of work-related stress. We have a range of measures in place to support staff, including access to resources such as the Headspace app and mental health first aiders. Insufficient staff capacity continued to be one of our key organisational risks through 2024-25 and the wellbeing measures we have in place help us support staff and manage this effectively. This was particularly important as we began our programme of inspections under our new remit. A significant number of those

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carrying out the inspections were new to the organisation and others were using new skills in different roles.

We also carried out a leadership survey in November 2024 to see the impact of the leadership development programme we undertook from December 2023 to September 2024. The results showed an across-the-board improvement in how people experience leadership. We will be using these to help us shape the next iteration of leadership development for aspiring leaders which we are delivering under our People Plan.

Staff turnover for the year continues to be within our target. We had slightly more leavers in 2024-25 than the previous year but have been growing our numbers at a more rapid rate, so have not seen much change in staff turnover. There is a balance between retaining expertise and bringing in new perspectives.

Our sickness rate has risen slightly over the last two years and is now above our target of 4 days/ head. This is due to several instances of long-term sickness, which are being actively managed. Towards the end of 2024-25, the actual number of days of sickness had fallen. We identified some inconsistencies in how we have been calculating and reporting our sickness data over the last few years. We have now corrected these and re-calculated our rolling annual sick days per head in the table below, and put in place control measures to mitigate any further data integrity risks.

	Target	2024-25	2023-24	2022-23	2021-22	Trend
Staff turnover	Less than 10%	6.1%	4.0%	3.7%	7.6%	↑
Staff sickness days	Less than 4	5.5	3.6	2.9	4.6	↑

Efficiency

During 2024-25, government departments and arms-length bodies were required to adopt the **Government Efficiencies Framework**[8]**.** In line with the framework, we have identified areas where we are most likely to secure efficiencies and have put processes in place to begin tracking and reporting on them from Q1 2025/26. Our areas of focus against the drivers of efficiency identified in the framework include:

- Organisation and workforce: developing our workforce strategy to make the best use of our resources now and in the future, reviewing contracts relating to our staff rewards to ensure ongoing value for money, and centralising our business support function.

[8] The Government Efficiency Framework-Gov.uk

- Estates and accommodation: reviewing our office provision against our ways of working at the point of lease expiry or breakpoint to ensure we are getting best value out of our office space and securing cost efficiencies where we can.
- Process and service re-design: through our business planning process, we are looking at where we might be able to learn lessons and amend our processes, so we continue to challenge ourselves on the most effective way of delivering our objectives.
- Technology and digital transformation: moving our digital service provision to MHCLG, refining how we use our case management system and exploring the opportunities offered by AI.

Systems and IT security

We have continued to demonstrate a high level of operational resilience, continuing with hybrid ways of working in 2024-25. Meetings, staff briefings and training are regularly held online. We continue to develop our e-learning capabilities.

Our upgraded system to collect data, submitted by the providers, has been in operation since April 2023. This has proved more flexible than the previous system and has coped well with data submissions from our expanded remit.

Our digital services provider is planned to transfer to MCHLG in Summer 2025 and our future data needs are being reviewed. We are looking to maximise the effective use of our current systems where they can make our processes more efficient.

We carry out regular engagement with the Cyber Security Information Sharing Partnership, which exchanges cyber threat information in real time to increase awareness of threats and reduce impact on UK infrastructure across the public and private sectors.

Finance

Our work is primarily funded through fees paid by registered providers. During the year, we collected 100% of levied fees, ensuring all registered providers contributed fairly to the regulation of the sector.

We are committed to prompt supplier payment to support cash flow, particularly for small businesses, and to maintain strong working relationships with our suppliers. This supports continuity of service and helps the regulator run efficiently. We consistently paid 100% of undisputed invoices within 30 days of receipt.

	Target	2024-25	2023-24	2022-23	2021-22	Trend
Fee collection	100%	100%	100%	100%	100%	➔
Invoices paid in 30 days	95%	100%	100%	100%	100%	➔

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Response to enquiries

We received 2,618 general enquiries in 2024-25 and responded to 100% within our target time of five working days for an initial response. This is a 1% increase in performance compared to the previous year when we handled slightly fewer general enquiries. We received 2,528 enquiries about our NROSH+ data system, a reduction of over a quarter from the previous year and responded to 100% within our target time of five working days. The volume of NROSH+ enquiries we receive is broadly linked to the changes we introduce to our data returns. This year users became more familiar with both the new NROSH+ system that was launched in April 2023 and the fire remediation survey that was launched in September 2023. This has led to an overall reduction in queries. We continue to monitor enquiry categories to identify opportunities to improve communications and guidance. We also dealt with 74 freedom of information requests (FOIs) and 13 subject access requests in 2024-25, with a service standard performance of 93%. We responded to all but six of the FOI requests within the statutory deadlines. The six late responses were due to information owner absence, IT issues or because more consultation time was needed by external parties.

Two complaints were received by the ICO in relation to our FOI responses: one was closed immediately, as a response had been provided; the other required the regulator to disclose some additional information.

The tables below set out the details for our FOI responses. Please note, the second table showing the breakdown of responses adds up to 87 responses against the 74 FOI requests received because the duty to provide advice and assistance is applicable to several of the requests including where the regulator asks for clarification or applies the cost limit.

Overview of FOI requests	**Total**
Number of requests received	74
Number of open requests	0
Number of requests processed in full	74
Number of requests responded to within statutory deadlines	68
Number of requests responded to after 20 working days with permissible extension	17
Number of requests responded to after 20 working days – late response	6
Number of requests closed as either invalid/withdrawn or no clarification within 3 months	3
Number of internal review requests	3

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Breakdown of FOI responses	**Total**
Information not held	11
Advice and assistance provided	16
Refused in full – information exempt exc. s21	14
Refused in full – s21 information available by other means	9
Information released in full	21
Information released in part	16

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Equality, diversity and inclusion

Compared to the general population, social housing tenants are more likely to share certain protected characteristics. We therefore place equality, diversity and inclusion at the heart of our work, both externally and internally.

We are mindful of our public sector equality duty in the exercise of our functions. We considered equality and diversity, including our public sector equality duty, as part of the development of our new consumer standards. Our Transparency, Influence and Accountability Standard requires registered providers to take action to deliver fair access to, and equitable outcomes of, housing and landlord services for all tenants.

In October 2023 we published a refreshed set of Equality Objectives following a public consultation. We developed these with input from our internal EDI Sounding Board, the Executive Team and our Board and we took into consideration: our fundamental objectives; provisions in the Equality Act 2010; the sector we regulate; our regulatory approach; the upcoming changes to our regulatory remit and the progress against our previous objectives.

The objectives we have set ourselves are:

1. We will use our role to help ensure that registered providers better understand the diverse needs of tenants. We will expect registered providers to take action to deliver equitable service outcomes for all

2. We will be respectful and inclusive in our engagement and communication

3. We will provide a supportive and inclusive working environment for all.

We report on progress against these in our Equality Information Report. One of our equality objectives is to ‘provide a supportive and inclusive environment for all’ and this is emphasised in one of our five values, ‘We embrace diversity and are inclusive and supportive in our interactions’. This underpins our work and drives the culture of the organisation. All our staff, led by the Board, Executive and Senior Leadership Group, are committed to diversity and being an inclusive and supportive organisation.

We have representatives at Board and Executive level who provide an equalities challenge function. In 2025/26 we are developing a new EDI strategy and action plan to build on our successes so far, and to challenge ourselves further. One of our priorities for the coming years continues to be to improve ethnic diversity at senior levels. We have made some progress on this over the last two years (up to 10% as of 31 March 2025) but there is still more work to do.

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Financial performance

The financial statements for the year ended 31 March 2025 (see page 75 onwards) reflect a year of significant expansion in the regulator's remit, following the introduction of proactive consumer regulation from 1 April 2024. This has resulted in material changes to both income and expenditure during the reporting period.

Operating income increased to £27.0 million (2023-24: £14.5 million) with the introduction of a revised statutory fee regime. From 1 July 2024, the regulator became fully fee funded, with the costs of regulation recovered from registered providers. The revised model extended annual fees to local authority registered providers and introduced new application fees for prospective entrants to the sector.

Total operating expenditure increased to £29.7 million (2023-24: £24.3 million), reflecting the growth required to deliver the expanded remit. Staff costs rose to £25.1 million (2023-24: £19.7 million), driven by increased headcount.

Spending on goods and services remained stable at £4.3 million. Reductions in corporate support costs and office rent were offset by increases in travel costs and the cost of undertaking the National Tenant Survey.

Expenditure remained within MHCLG's delegated limits, with a favourable variance primarily due to vacancy savings arising from the phased implementation of the expansion. The capital underspend reflects the deferral of the planned staff laptop refresh to 2025/26. A rebate of £4.8 million (2023-24: £1.4 million) will be provided to large providers in respect of unspent annual fees.

	Actual	Delegated Budget	Variance
Resource expenditure limits[9]	£30.2m	£36.3m	£6.1m favourable
Capital expenditure limit	£0.1m	£0.7m	£0.6m favourable

Total assets rose to £17.0 million (2024: £11.2 million), driven by the increased cash balance arising from the timing of fee invoicing. Deferred fee income increased accordingly, growing total liabilities to £13.8 million (2024: £6.0 million). Net assets fell to £3.2 million (2024: £5.2 million), primarily due to a reduction in pension assets.

[9] Resource expenditure limit includes employer pension contributions. Pension service costs, pension administration costs and pension actuarial gains or losses are excluded due to their volatility.

Anti-corruption and anti-bribery measures

We are committed to the effective management and proper use of public funds in accordance with Managing Public Money. We operate in line with the seven Principles of Public Life set out by the Nolan Committee: selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

The regulator supports the government's objectives to reduce the risk of financial crime, including fraud, bribery and corruption. We are also committed to supporting efforts to eliminate modern slavery and human trafficking. To support these aims, we have adopted an Anti-Fraud Policy and a Fraud Response Plan.

During the year to 31 March 2025, there were no successful incidents of fraud or material error. Several attempted external frauds were identified and prevented.

Human rights

The regulator takes the wellbeing of its staff very seriously. We have a range of practices and policies in place to protect the human rights and welfare of our staff. These include policies on respect at work, raising grievances and whistleblowing.

Our internal Whistleblowing policy was reviewed in December 2024 and all staff were required to complete the e learning about this during March 2025. There were no instances of whistleblowing in relation to the regulator in 2024-25.

We have a range of diversity initiatives in place to prevent discrimination, and we work constructively with our recognised trade unions.

Sustainability

We are committed to minimising our environmental impact where it is possible and reasonable to do so while delivering on our fundamental objectives as an organisation. The regulator's principal direct impact on the environment is through staff travel and procurement. We seek to minimise this impact through video conferencing technology to reduce travel need, and the use of Government Buying Standards, which set sustainability criteria for public procurements, where relevant.

2024-25 saw an increase in travel compared to the previous year, in line with trends from the last two years. This was expected given our staff numbers have been increasing in preparation for the implementation of our expanded regulatory remit from 1 April 2024.

In relation to the Greening Government Commitments (GGC), the information related to our offices in Bristol, Leeds, London and Manchester is reported by the controlling Government department on behalf of all occupiers. At Birmingham, the Government Property Agency (GPA) have chosen to not report at a building-wide level but requested that each occupier discloses

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their share of the building's sustainability performance data. However, GPA have been unable to provide complete data for the 202/25 period, so we have chosen not to publish incomplete information while we work with GPA to consider reporting for future periods.

The table below sets out our actions against the specific commitments and targets within the Greening Government Commitments:

Commitment	Targets	Update
A: Mitigating climate change working towards net zero by 2050	**Headline target** Reduce the overall greenhouse gas emissions from a 2017-18 baseline and also reduce direct greenhouse gas emissions from the estate and operations from a 2017-18 baseline.	Reported centrally for all relevant offices[10]
	Sub targets Government car fleet emissions to be reduced by 25% from baseline.	We do not provide cars to staff.
	Reduce emissions from domestic flights by 30% from baseline.	Flights are used very rarely by a small number of staff where that is the most efficient means of transport.
	Update organisational travel policies so that they require lower carbon options to be considered first as an alternative to each planned flight.	Our policy highlights a preference for low carbon travel.
B: Minimising waste and promoting resource efficiency	**Headline target** Reduce overall amount of waste generated by 15% from baseline.	Reported centrally for all relevant offices.
	Sub targets Reduce the amount of waste going to landfill to less than 5% of overall waste.	For all of our offices, except Manchester, waste generated is disposed of and reported by the controlling Government department.
	Increase the proportion of waste which is recycled to at least 70% of overall waste.	For all of our offices, waste generated is disposed of and reported by the controlling Government department (except Manchester).
	Remove consumer single use plastic (CSUP) from the central Government office estate.	For all our offices the vast majority of purchasing is carried out by the controlling Government department. Where we purchase our own stationery, we are minimising the purchase of CSUP with the intention of fully phasing out.

[10] Data provided centrally for Birmingham, Bristol, Leeds and London. In Manchester we have had to move to an interim office in the private sector due to delays opening the new government hub. We are unable to obtain relevant data for this office

Commitment	Targets	Update
	Measure and report on food waste by 2022, for estates with over 50 FTE and/or over 500m2 floor area offering a food service.	n/a – we do not offer a food service.
	Report on the introduction and implementation of reuse schemes.	We have no specific reuse scheme at present.
	Reduce Government's paper use by at least 50% from a 2017 to 2018 baseline	Use of portable IT encourages less use of paper. RSH already uses recycled paper. We will continue to encourage staff to only print where necessary. We encourage familiarisation with copier functions and promote information about good practice to reduce paper waste. Scanning is the preference and printing on both sides. We do not have a 2017/18 baseline as we did not exist as a standalone organisation at that point. Using 2018/19 as a baseline (our first full year as a standalone organisation) we used 474 A4 reams equivalent (3.2 per FTE) and this year have used 44 reams (0.31 per FTE).[11]
C: Reduce our water use	**Headline target** Reduce water consumption by at least 8% from baseline	Reported centrally for all relevant offices
	Sub targets Ensure water consumption is measured	Reported centrally for all relevant offices
	Provide a qualitative assessment to show what is being done to encourage efficient water use	This is primarily done by the controlling Government department for all offices, staff are made aware not to waste water and to make sure taps are turned off and report automatic taps not switching off.
D: Procuring sustainable products and services	**Headline commitment** Continue to buy more sustainable and efficient products and services with the aim of achieving the best long-term overall value for money for society	The Government Buying Standards are embedded in our procurement process. This means we use recommended suppliers whose

[11] Please note these figures are affected by not having networked printers at two of our offices meaning that printing volumes there are lower than expected. Usage at those offices is also estimated based on paper purchased rather than used. Numbers also do not account for printing carried out at home.

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Commitment	Targets	Update
		compliance with sustainability standards has been established. In our own tendering and procurement, we will take account of environmental standards where appropriate to do so.
E: Nature recovery. Making space for thriving plants and wildlife	**Headline commitment** Making space for thriving plants and wildlife. Departments and partner organisations with the greatest potential to improve biodiversity should develop and deliver Nature Recovery Plans (NRPs) for their land, estates, development, and operations.	This is not something that RSH can have direct input into as we do not own land or estates and our remit does not cover activities which could contribute to this.
F: Adapting to climate change	**Headline commitment:** Develop an organisational Climate Change Adaptation Strategy across estates and operations. This headline commitment is broken down into two parts: • Departments should conduct a Climate Change Risk Assessment across their estates and operations to better understand risk and to target areas that need greater resilience. • Departments should develop a Climate Change Adaptation Action Plan, including existing or planned actions in response to the risks identified	Our approach to climate change and meeting the GGC is set out in our Environmental Policy Statement. In short, we are committed to taking action where we can to reduce our environmental impact and support delivery of GGC. The nature of our work and structure of our organisation, including our use of office space, is such that we are primarily limited to smaller scale actions such as aiming to reduce CO2 emissions in travel. Our regulatory remit is set by Government. In due course, the Social Housing (Regulation) Bill proposes to charge us with setting standards relating to energy efficiency in the social housing sector, and we look forward to consulting on how best to deliver that objective.
	Sub-targets Accountability: departments should establish clear lines of accountability for climate adaptation in estates and operations and engage in wider governance and risk structures when appropriate.	
	Transparent reporting: in their Annual Report and Accounts, departments should provide a summary of how they are developing and implementing a climate change Adaptation Strategy for their department. Departments may	

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Commitment	Targets	Update
	wish to give a high-level statement and describe specific actions they are undertaking where appropriate.	
G: Reducing environmental impacts from Information Communication Technology (ICT) and digital	**Headline commitment** Departments should report on the adoption of the Greening Government: ICT and Digital Services Strategy and associated targets and ensure they provide membership to the Sustainable Technology Advice and Reporting team, who manage and deliver the Greening Government Commitments ICT reporting.	We buy in digital services from Homes England. We are moving our digital provision to MHCLG in 2025/26. We buy good equipment that provides value for money and lasts. All waste is disposed of in line with Waste Electrical and Electronic Equipment (WEEE) regulations. We provide portable devices to minimise printing for meetings. We are reviewing our approach to information management and storage volumes as data storage is one of the largest sources of our energy usage.

Readers are encouraged to refer to the Department for Environment, Food and Rural Affairs' annual reports on Greening Government Commitments, which provide a comprehensive overview of sustainability progress across the UK Government. These reports are available on the Gov.uk website.

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Sustainability performance data

Greenhouse Gas Emissions (scope 3)		2024-25	2023-24	2022-23	2021-22
Non-financial indicators (tonnes CO_2e)	Flights[12]	-	0.2	0.1	-
	Car	8.1	3.6	2.1	0.1
	Rail	30.5	20.8	11.9	1.8
		38.6	**24.6**	**14.1**	**1.9**
Related energy consumption ('000s km)	Flights[12]	-	1	1	-
	Car	49	22	10	1
	Rail	859	586	335	51
		908	**609**	**346**	**52**
		£'000	£'000	£'000	£'000
Financial indicators	Official business travel	424	249	138	16
Paper consumed	Number[13]	59	78	66	105
	Reams per FTE staff	0.20	0.33	0.25	0.6
		£'000	£'000	£'000	£'000
Financial indicators	Paper procurement	-	-	-	-

The Performance Report has been signed on 18 November 2025.

Fiona MacGregor
Accounting Officer

12 All reported flights are domestic. No international business flights have been undertaken in any of the years shown.

13 Paper consumption reduced by 44% compared with 2021/22 (from 105 to 59 reams).

Accountability report

Overview

The Accountability Report is included to meet key accountability requirements to Parliament. It is structured as follows:

- Corporate Governance report – explains the composition and organisation of the regulator's governance structures and how they support the achievement of its objectives.

- Remuneration and staff report – provides detail on remuneration and staff that Parliament and other users see as key to accountability.

- Parliamentary Accountability and Audit report – brings together the key Parliamentary accountability documents.

Corporate governance report

This report explains the composition and organisation of the Regulator of Social Housing's governance and how this supports the achievement of the organisation's objectives. The report comprises individual sections including the Directors' report, the Statement of Accounting Officer's Responsibilities and the Governance Statement.

Directors' report

Board membership during the year was:

- Jo Boaden, CBE
- Kalpesh Brahmbhatt
- Elizabeth Butler[14]
- Deborah Gregory
- Richard Hughes
- Sukhvinder Kaur-Stubbs
- Fiona MacGregor (Chief Executive)
- Geoff Smyth
- John Liver[15]
- Robert Light[16]

With the exception of the Chief Executive, the Chair and the other Board members are collectively referred to in the legislation as appointed members. The appointed members hold

[14] Elizabeth Butler left the Board in March 2025
[15] John Liver joined the Board in November 2024
[16] Robert light joined the Board in November 2024

and vacate office in accordance with the HRA 2008 and their terms of appointment. Members are appointed for a fixed term, normally for three years in the first instance.

Register of members' interests

The register of members' interests is open for public inspection and can be found on the regulator's website.

Personal data-related incidents

The regulator reported three data breaches to the Information Commissioner's Office (ICO) in 2024-25. No further action was required by the ICO in each case.

Auditors

The Comptroller and Auditor General is the statutorily appointed auditor under the provisions of the HRA 2008.

The cost of work performed by the auditors for 2024-25 was £105,000 (2023-24: £95,000).

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Statement of Accounting Officer's Responsibilities

Under the HRA 2008, the Secretary of State has directed the Regulator of Social Housing to prepare a statement of accounts for each financial period in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Regulator of Social Housing and of its income and expenditure; Statement of Financial Position; and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the *Government Financial Reporting Manual* and in particular to:

- observe the accounts direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis

- make judgements and estimates on a reasonable basis

- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the Financial Statements

- prepare the accounts on a going concern basis, and

- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Accounting Officer of the Regulator of Social Housing is appointed by the sponsoring Department. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Regulator of Social Housing's assets, are set out in *Managing Public Money* published by HM Treasury.

Discharge of Accounting Officer's responsibilities

As the Accounting Officer, I have taken all the necessary steps to make myself aware of any relevant audit information and to establish that the Regulator of Social Housing's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

I confirm that this Annual Report and Accounts as a whole is fair, balanced and understandable. I take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

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Governance statement

Role and responsibilities of the Accounting Officer

The regulator's Accounting Officer is personally responsible for safeguarding the public funds for which they have charge; for ensuring propriety, regularity, and value for money in the handling of those public funds; and for the day-to-day operations and management of the regulator. In addition, the Accounting Officer should ensure that the regulator as a whole is run on the basis of the standards, in terms of governance, decision making and financial management that are set out in Box 3.1 of *Managing Public Money*.

The regulator's Accounting Officer's responsibilities to Parliament include:

- signing the accounts and ensuring that proper records are kept relating to the accounts and that the accounts are properly prepared and presented in accordance with any directions issued by the Secretary of State

- preparing a Governance Statement covering corporate governance, risk management and oversight of any local responsibilities, for inclusion in the Annual Report and Accounts (and this Governance Statement is provided in satisfaction of this responsibility)

- ensuring that effective procedures for handling complaints about the regulator are established in accordance with *Public Bodies: A Guide for Departments* and that information about this is publicly and easily available

- acting in accordance with the terms of the regulator's Framework Document, *Managing Public Money* and other instructions and guidance issued from time to time by MHCLG, the Treasury and the Cabinet Office

- giving evidence, normally with the Principal Accounting Officer, when summoned before the Public Accounts Committee on the regulator's stewardship of public funds; and

- ensuring that the regulator operates its fee-charging regime consistent with the principles set by the Secretary of State.

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The regulator's Accounting Officer is responsible to MHCLG for:

- establishing, in agreement with MHCLG, the regulator's three-year Corporate Plan, the first year of which will be its annual business plan
- providing assurance to MHCLG that the regulator's fundamental objectives are being delivered efficiently and effectively
- demonstrating how the regulator's resources are being used to achieve those objectives, and managing its budgets effectively
- ensuring that timely and high-quality forecasts and monitoring information on performance, finance and risk are provided to MHCLG
- ensuring that MHCLG is notified promptly if over or under spends are likely and that corrective action is taken
- ensuring that any significant problems whether financial or otherwise, and whether detected by internal audit or by other means, are notified to MHCLG in a timely fashion.

This Governance Statement sets out the governance, management and internal control arrangements that were in place for 2024-25 and up-to-date approval of the Annual Report and Accounts to support the Accounting Officer in discharging these responsibilities.

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Governance structure

Corporate Governance in Central Government Departments: Code of Good Practice 2017

In so far as the Code applies, the regulator has applied the principles of the Code which requires that bodies operate according to the principles of good governance in business, leadership, effectiveness, accountability and sustainability.

Board

The Board of the regulator is established by section 80B of the HRA 2008. It comprises:

- the Chair appointed by the Secretary of State
- between six and ten other members appointed by the Secretary of State, after consultation with the Chair; and
- the Chief Executive appointed by the Board (with the approval of the Secretary of State).

The Chair and the other members referred to above are collectively referred to in the legislation as appointed members. The Chief Executive does not fall into the category of appointed members. The appointed members hold and vacate office in accordance with the HRA 2008 and their terms of appointment.

A full list of Board members is detailed in our Directors' report on page 41.

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Roles and responsibilities of the Board

The role of the Board is to act within the legislative framework applicable to the regulator, including the regulator's fundamental objectives and powers, and in doing so to:

- provide strategic leadership
- help ensure that the regulator acts in a way that is efficient, effective and economic
- act as an advisory body to support and challenge the Accounting Officer, in particular by providing governance oversight, and supporting the Accounting Officer in discharging the obligations in *Managing Public Money*
- support the senior executive team in directing the business of the regulator with a view to delivering the fundamental objectives of the regulator over the short and long term
- provide a governance function at the level of strategy and oversight, as distinct from an executive management function.

The Board has its own Terms of Reference and Standing Orders, which are available for the public to review.

Board work and performance

The Board receives regular reports on policy development, performance, risk management, governance, financial information and internal controls, assuring itself of the effectiveness of the regulator's internal control and risk management systems and providing assurance to MHCLG on these systems.

The Board has established and taken forward the strategic aims and objectives of the regulator consistent with its fundamental objectives and in line with the resources' framework determined by the Secretary of State and the income raised through fees. Since being established the Board has ensured that the regulator has drawn up and delivers on its corporate and business plans[17]. The Board has had oversight of the regulator's annual budget for approval by MHCLG in relation to grant-in-aid.

[17] RSH corporate and business plans - GOV.UK (www.gov.uk)

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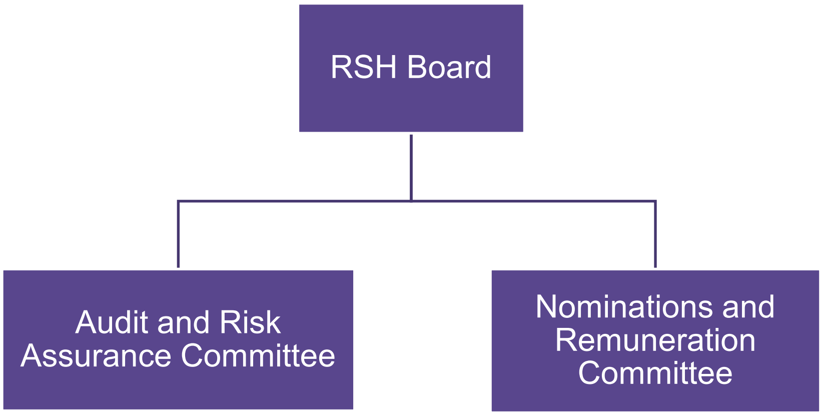
The Board receives regular reports providing assurance on the effective running of the organisation and on compliance matters.

The Board, in accordance with good practice of governance, has sub-committees to which it delegates appropriate responsibilities. This is reflected in the following structure chart.



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Audit and Risk Assurance Committee

The role of the Audit and Risk Assurance Committee (ARAC) is to provide independent support and advice to the regulator's Board and Accounting Officer in relation to financial stewardship, financial and narrative reporting and audit, internal controls, and management of key financial and other risks and opportunities. The Committee receives reports on the regulator's strategic risk register, assurance on the management of specific risks, the Financial Statements, internal audit and external audit.

Members of the Committee as at 31 March 2025 were:

- Elizabeth Butler (Chair to February 2025)[18]
- John Liver (Chair from March 2025)[19]
- Kalpesh Brahmbhatt
- Richard Hughes

The Committee meets at least three times annually to formally consider risk and twice to review the draft and final versions of the Annual Report and Accounts. Meetings are also attended by representatives of the NAO, MHCLG and internal audit.

The Committee has its own Terms of Reference and Standing Orders which are available for the public to review.

Nominations and Remuneration Committee

The role of the Nominations and Remuneration Committee (NRC) is to provide independent support to the regulator's Board and Accounting Officer. It provides scrutiny, oversight and advice in relation to plans for orderly succession of appointments to the Board and of senior management, incentives and rewards for Board members and senior officials, and the regulator's governance arrangements.

Members of the Committee as at 31 March 2025 were:

- Deborah Gregory (Chair from April 2024)
- Jo Boaden, CBE
- Bernadette Conroy

The Committee meets on an ad-hoc basis and has its own Terms of Reference and Standing Orders which are available for the public to review. Matters considered by the Committee in the year included the application of the 2024 pay remit.

[18] Elizabeth Butler left the Board in March 2025
[19] John Liver joined the Board in November 2024

Board and Committee attendance

The table below sets out the attendance at Board, ARAC and NRC for the period, followed by the number of times met during that member's tenure.

Member	Board	ARAC	NRC
Jo Boaden, CBE	7/10		3/4
Kalpesh Brahmbhatt	10/10	4/4	
Elizabeth Butler[20]	10/10	4/4	
Bernadette Conroy	10/10		4/4
Deborah Gregory	10/10		4/4
Richard Hughes	9/10	4/4	
Sukhvinder Kaur-Stubbs	9/10		
John Liver	4/4	1/1	
Robert Light	4/4		
Fiona MacGregor	9/10		
Geoff Smyth	10/10		

[20] Elizabeth Butler left at the end of March 2025

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Executive Team

Executive Team is the principal executive group for the regulator below Board level for coordinating and implementing strategies, operational policies and procedures.

Executive team is not a formal Committee of the Board and has no formal decision-making power. Individual members of Executive hold formal delegations from the Board of the regulator, but there can be no formal delegations to Executive as an entity. The purpose of Executive is to:

- support the Chief Executive
- support the exercise of formal decision-making powers by individual executive officers
- provide a leadership forum in which the regulator's senior executive officers can discuss and plan the strategic direction and management of the regulator within the parameters set by the Board and the legislative framework.

The Executive team comprised the following officers as at 31 March 2025:

Fiona MacGregor	Chief Executive
Jonathan Walters	Deputy Chief Executive
Harold Brown	Senior Assistant Director of Investigation and Enforcement
Kate Dodsworth	Chief of Regulatory Engagement
Karen Doran	Director of Regulatory Engagement
Angela Holden	Director of Regulatory Engagement
Richard Peden	Director of Finance and Corporate Services
Will Perry	Director of Strategy
Emma Tarran	Senior Assistant Director of Legal and Company Secretary

Other officers may be invited to attend all or part of any meeting as and when appropriate.

On an annual basis, members of Executive compile formal Management Assurance Statements considering the application of controls and delegated decision making.

Delegations

A comprehensive scheme of internal delegations is in place that enables the day-to-day management of the regulator to be shared with the Chief Executive, Executive team members and their staff. The scheme of delegations is kept under review by the Accounting Officer, Executive team and the Board.

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Ministerial directions

No Ministerial directions were received in the year.

Overview of risk management

The regulator has a Risk and Assurance Strategy which aims to ensure that risks to the regulator are identified and managed effectively. Effective risk management is fundamental to providing assurance to the Accounting Officer and the Board that the regulatory framework and approach, along with how the organisation is run as a corporate entity, meets our strategic objectives and corporate priorities. Our risk management approach is based on the Orange Book, which we review at each iteration for any changes to good practice that we can implement in our risk management framework and processes.

The regulator considers strategic risks to be uncertain events that, should they occur, will adversely impact on our ability to deliver our strategic objectives and thereby our ability to meet our fundamental objectives set out in statute. Our most critical risks are set out in our strategic risk register. The Executive team discusses the risk register as a minimum quarterly. ARAC considers the risk register three times each year and Board receives a quarterly summary and the risk register in full twice per year.

We completed a comprehensive refresh of all our risks at the start of 2024-25 to align with our expanded regulatory remit coming into effect from 1 April 2024. We have been working on improving the alignment of our corporate risk management arrangements with the work we do on sector risk and expect to put in place a revised Risk and Assurance Strategy to reflect this in 2025/26.

Each strategic risk has controls in place which support the management of the risk by detecting and preventing it from crystallising or mitigating it should it occur. We have adopted a ‘three lines of defence’ model to provide assurance on the operation of controls. Assurance sources are mapped to each control at three levels:

1. First line (business management)
2. Second line (corporate oversight)
3. Third line (internal audit/ external assurance).

Additionally, we have a Programme and Project Management Framework in place, which supports effective governance and risk management.

Key risks during 2024-25

As in previous years, our key risks related to changes in the sector, stakeholder expectations, how we carry out our regulation and our organisational capacity and capability. We considered two new risks in 2024-25, both of which relate to regulating under our new remit. We have considered the risks that our approach is not seen to drive sector improvement and that we

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cannot evidence our effectiveness in delivering our fundamental or strategic objectives. These risks, and the management and evolution of our other strategic risks, are discussed in more detail in the Performance Report on page 14.

Conclusion

I have reviewed evidence from a number of sources and, based on the information I have received, I am satisfied that overall the regulator continued to maintain a sound system of internal control during this reporting period. Key sources of assurance on which I base my conclusion include:

Internal and external audit

An annual programme of internal audit is carried out to provide independent assurance as to the adequacy and effectiveness of the framework of governance, risk management and control as it is operated at the regulator. The 2024-25 programme comprised four reviews:

- Consumer Standards: substantial assurance, no actions
- Registrations: moderate assurance, actions partially complete with remainder due in 2025/26
- Governance and whistleblowing: substantial assurance, all actions completed in 2024-25
- Procurement and payment controls: moderate assurance, actions partially complete with remainder due in 2025/26.

The overall internal audit conclusion for the year was one of substantial assurance on the adequacy and effectiveness of the framework of governance, risk management and control as it operated in the regulator. The NAO has undertaken its annual audit, and the audit completion report and management letter support my conclusion.

Management Assurance Statements are annual assurance statements to be prepared by members of the Executive team in relation to the operation of controls and delegated decision making. Statements for the reporting year support a conclusion that overall systems of internal control are sound, and that appropriate action is in progress to address any identified development areas. I have also taken account of the regular assurance review and lessons learned work that the regulator undertakes, which takes account of the Strategic Risk Register and the assurance map.

During 2024-25 we were subject to a Public Bodies Review as part of a wider Cabinet Office programme which routinely assesses the effectiveness and efficiency of all Arm's Length Bodies. An MHCLG desktop review of RSH determined that a full-scale review was not necessary at this time, with the Ministry confirming that we are a well-run organisation that demonstrates no fundamental weaknesses across its operations. The review identified several

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areas where we can enhance our ability to carry out our responsibilities and functions, as part of the government's wider work to drive up standards in social housing. These are:

- Strengthening the evidence base on the outcomes delivered by social housing regulation, particularly outcomes for residents living in social housing, including consideration of how the regulator, and others, can effectively monitor performance
- Ensuring the regulator continues to operate as efficiently as possible in future years
- Considering how the regulatory system may need to evolve in the future to respond to any new changes to the social housing sector
- Exploring opportunities for the regulator to further exploit its use of digital technologies.

We are working with the Ministry to deliver these.

Board and ARAC work and effectiveness

The Board and ARAC have maintained oversight over relevant areas of the regulator's activities including regular in-depth reviews at ARAC of specific topics and the controls and assurance related to individual work areas.

Fiona MacGregor
Accounting Officer

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Remuneration and staff report

The remuneration and staff report provides detail on the remuneration and pension interests of the regulator's Board and senior staff in addition to staff establishment information.

Remuneration policy

The Regulator of Social Housing determines remuneration levels with reference to independently assessed pay grades for roles dependent on their level of responsibility and the skills and experience they require.

The remuneration policy includes an element of performance-related pay for all members of staff, including the Chief Executive and key managers, which is linked to the achievement of agreed annual performance objectives. Aggregate performance-related payments are capped at 0.5% of payroll costs, with the maximum payment no greater than £640 for the year. Board members are not eligible to receive performance-related pay.

The regulator implements the annual pay remit which is approved by the Secretary of State. The NGC provides independent support to the regulator's Board and Accounting Officer by providing scrutiny, oversight and advice in relation to incentives and rewards for executive Board members and senior officials.

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Remuneration Information

Remuneration and pension interests of Board members and the Executive Team for the year ending 31 March 2025:

Board Members' Remuneration (subject to audit)

Salary bands, £'000

	2024-25	2023-24
Jo Boaden, CBE	10-15	10-15
Kalpesh Brahmbhatt	10-15	10-15
Elizabeth Butler	10-15	10-15
Bernadette Conroy, Chair	65-70	65-70
Deborah Gregory	10-15	10-15
Richard Hughes	10-15	10-15
Sukhvinder Kaur-Stubbs	10-15	10-15
Robert Light[21]	0-5	-
John Liver[22]	0-5	-
Paul Smee[23]	-	10-15
Geoff Smyth	10-15	10-15

Board members are appointed by the Ministry of Housing, Communities and Local Government, which also sets their remuneration.

The full-year equivalent salary is £11,000 for Board members and £65,000 for the Chair of the Board. The figures shown reflect time served on the Board during the year and are pro-rated accordingly. Board members do not receive pension contributions or performance-related pay.

[21] Robert Light joined the Board in November 2024. His full-year equivalent salary for 2024/25 is in the range of £10,000 to £15,000.

[22] John Liver joined the Board in November 2024. His full-year equivalent salary for 2024/25 is in the range of £10,000 to £15,000.

[23] Paul Smee left the Board in April 2024

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Remuneration of Executive Team (subject to audit)

	Salary, £'000		Bonus, £'000		Pension, £'000		Total, £'000	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Harold Brown, Senior Assistant Director of Investigation & Enforcement	115-120	110-115	0-5	0-5	75	42	190-195	150-155
Kate Dodsworth, Chief of Regulatory Engagement	145-150	135-140	0-5	0-5	43	28	185-190	165-170
Karen Doran[24], Director of Regulatory Engagement	125-130	70-75	0-5	0-5	81	42	205-210	110-115
Angela Holden[25], Director of Regulatory Engagement	125-130	70-75	0-5	0-5	81	46	205-210	115-120
Fiona MacGregor, Chief Executive	170-175	160-165	0-5	0-5	95	49	265-270	210-215
Richard Peden, Director of Finance & Corporate Services	125-130	120-125	0-5	0-5	53	24	180-185	145-150
Will Perry, Director of Strategy	125-130	120-125	0-5	0-5	57	22	180-185	140-145
Emma Tarran, Senior Assistant Director of Legal and Company Secretary	115-120	110-115	0-5	0-5	51	21	165-170	130-135
Jonathan Walters[26], Deputy Chief Executive	155-160	160-165	0-5	0-5	93	96	250-255	260-265

There were no benefits-in-kind paid in 2024-25 (2023-24: £nil).

All staff, including the Executive Team, were eligible for non-consolidated performance bonuses ranging from £0 to £640 in 2024-25 (2023-24: £0 to £600).

[24] Karen Doran joined the Executive Team on 1 September 2023. Prior to this, she was employed in a role that did not require disclosure. Her full-year equivalent salary for 2023/24 is in the range of £120,000 to £125,000.
[25] Angela Holden joined the Executive Team on 1 September 2023. Prior to this, she was employed in a role that did not require disclosure. Her full-year equivalent salary for 2023/24 is in the range of £120,000 to £125,000.
[26] Jonathan Walters' 2023/24 salary included a temporary additional responsibility payment for duties undertaken during 2022/23.

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Executive Team Pension Benefits (subject to audit)

	Annual accrued pension as of 31 March 2025[27] £'000	Real increase in accrued annual pension £'000	Accrued lump sum as of 31 March 2025 £'000	Real increase in accrued lump sum £'000	CETV as of 31 March 2025[28] £'000	CETV as of 31 March 2024 £'000	Real increase in CETV £'000
Harold Brown	60-65	2.5-5	60-65	0-2.5	1,186	1,077	90
Kate Dodsworth	5-10	2.5-5	-	-	77	48	28
Karen Doran	20-25	2.5-5	50-55	2.5-5	336	385	(55)
Angela Holden	15-20	2.5-5	40-45	2.5-5	146	226	(84)
Fiona MacGregor	70-75	5-7.5	70-75	2.5-5	1,496	1,373	100
Richard Peden	10-15	2.5-5	30-35	0-2.5	211	236	(29)
Will Perry	15-20	2.5-5	50-55	0-2.5	228	336	(114)
Emma Tarran	15-20	2.5-5	35-40	0-2.5	223	284	(66)
Jonathan Walters	60-65	5-7.5	40-45	0-2.5	1,059	941	102

Staff are eligible to participate in either the Civil Service Pension Scheme or Local Government Pension Scheme (LGPS) depending on when they joined the regulator or its predecessor organisations. LGPS is closed to new members for the regulator.

With LGPS closed to new members, all new joiners were enrolled in the Homes and Communities Agency Pension Scheme (HCAPS) until 1 October 2024. On 1 October 2024, those members transferred to the Civil Service Pension Scheme. Their HCAPS benefits are preserved, and their figures show the total pension accrued across HCAPS and the Civil Service Pension Scheme.

Negative real movements in Cash Equivalent Transfer Values (CETVs) reflect changes in the actuarial transfer factors used by the schemes. These changes can reduce CETVs even though benefits continue to accrue under scheme rules. They do not reduce the pension payable.

[27] Accrued pension as of 31 March 2025: The accrued pension entitlement represents the annual pension payable upon retirement, based on pensionable service up to 31 March 2025.
[28] Cash Equivalent Transfer Value (CETV) as of 31 March 2025: The CETV is the actuarially assessed capitalised value of a member's pension scheme benefits. It represents the amount transferable to another pension scheme upon leaving.

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Termination payments to key managers (subject to audit)

Termination payments to key managers during the period 1 April 2024 to 31 March 2025 were £nil (2023-24: £nil).

Staff costs (subject to audit)

	2024-25			2023-24		
	Permanent	**Others**	**Total**	**Permanent**	**Others**	**Total**
	£'000	£'000	£'000	£'000	£'000	£'000
Wages and salaries	18,708	198	18,906	14,159	363	14,522
Social security costs	2,250	21	2,271	1,697	40	1,737
Pension costs	3,926	44	3,970	3,310	72	3,382
Employed staff	**24,884**	**263**	**25,147**	**19,166**	**475**	**19,641**
Seconded staff			-			75
Staff cost			**25,147**			**19,716**

Wages and salaries for 2024-25 include £92,000 of non-consolidated payments (2023–24: £380,000). The 2023-24 figure also included £308,000 in respect of a one-off £1,500 payment made by the government to non-senior grades across the public sector.

Other staff relate to staff employed on a fixed-term contract including apprentices.

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Staff composition (subject to audit)

The average number of staff employed by the regulator (full-time equivalents) over the course of the period is as follows:

	2024-25	2023-24
Permanent UK staff	293	225
Fixed-term UK staff	6	8
Total	**299**	**233**

The number of staff (full-time equivalents) by salary pay band, using an average for the period, is as follows:

	2024-25	2023-24
£0 - £25,000	0	2
£25,001 - £50,000	79	84
£50,001 - £75,000	171	108
£75,001 - £100,000	21	27
£100,001 - £125,000	21	8
£125,001 - £150,000	5	2
£150,001 - £175,000	2	2
Total	**299**	**233**

Gender

The gender of key managers and employees as of 31 March can be analysed as follows:

	2025	2024
Key managers - Female	5	5
Key managers - Male	4	4
Other employees - Female	212	167
Other employees - Male	109	97
Total	**330**	**273**

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Fair pay disclosure (subject to audit)

The annualised remuneration[29], as of 31 March, of the Chief Executive[30], was £175,000 - £180,000 (2023-24: £165,000 - £170,000). Remuneration ranged from £11,000 to £175,000 - £180,000 (2023-24: £11,000 to £165,000 - £170,000).

The table below shows the mid-point of the Chief Executive's remuneration compared with employees at the 25th, median and 75th percentiles:

Year	Disclosure	25th percentile	Median	75th percentile
2024-25	Total remuneration	£47,925	£53,800	£72,165
	Of which, salary	£47,285	£53,160	£71,825
	Pay ratio	**3.7:1**	**3.3:1**	**2.5:1**
2023-24	Total remuneration	£50,202	£54,780	£70,205
	Of which, salary	£48,402	£52,980	£68,405
	Pay ratio	**3.3:1**	**3.1:1**	**2.4:1**

The increase in the 25th percentile and median pay ratios in 2024-25 reflects the non-recurrence of the £1,500 one-off government payment that applied to staff in 2023-24.

There were no material changes to the regulator's employment model. The regulator considers the 2024-25 median pay ratio to be consistent with its pay, reward and progression policies, which apply nationally determined pay remits.

The table below sets out the percentage change in salary and bonus for the Chief Executive and the workforce average:

	Salary including allowances	Bonus
Chief Executive	6%	13%
Workforce average	2%	-81%

All staff including the Chief Executive received a 5% pay award in 2024 in line with the Civil Service Pay Remit and Senior Salaries Review Body recommendations. They were also eligible for non-consolidated performance bonuses ranging from £0 to £640 in 2024-25 (2023-24: £0 to £600). The Chief Executive's reported percentage change is based on the mid-point of the pay band rather than the actual salary, which overstates the increase, while the workforce average is affected by staff turnover, reducing the reported salary increase. The fall in the workforce bonus reflects the one-off £1,500 payment made by the government to non-senior public sector staff in 2023-24, which was not received by the Chief Executive.

[29] Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions or the CETV of pensions.
[30] The Chief Executive is the highest paid director.

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Exit packages (subject to audit)

We offer compensation when staff agree to leave the organisation in circumstances where the departure provides an opportunity to refresh our skills base and reduce our costs. There were no such exits agreed during the period from 1 April 2024 to 31 March 2025 (2023-24: £nil).

Expenditure on consultancy

The regulator incurred no expenditure on consultancy during the period from 1 April 2024 to 31 March 2025 (2023-24: £24,000). The reduction reflects the completion of time-limited consultancy projects, including a Board effectiveness review in 2023-24.

Apprenticeship levy

During the period 1 April 2024 to 31 March 2025 the regulator incurred expenditure of £79,000 on contributions to the apprenticeship levy to support apprenticeship training and assessment for apprentices (2023-24: £57,000).

Off-payroll arrangements

The regulator incurred £nil in respect of off-payroll engagements during the period 1 April 2024 to 31 March 2025 (2023-24: £nil). All board members were on payroll during the year.

Staff policy regarding disabled persons

The regulator is committed to ensuring equality of opportunity for all disabled people who work or apply to work for us. As we make clear in our job application process, we offer disabled people who apply for a post a guaranteed interview, provided they meet the minimum criteria for the post.

In the event that any employee becomes disabled while employed by the regulator, the HR and Corporate Services teams, supported by the regulator’s occupational health provider, will make all reasonable and appropriate changes and adjustments to the workplace and working arrangements.

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Staff sickness absence and turnover

The regulator's sickness absence levels remain favourable when compared to public sector benchmarks, with a rolling average of 5.5 working days lost per employee during the year (2023-24: 3.6 days).

Annual staff turnover was 6.1%, a slight increase from 4.0% in the previous year (2023-24).

Health and safety

The regulator's Health and Safety Committee meets quarterly and is chaired by the Director Finance and Corporate Services. No incidents occurred during the period 1 April 2024 to 31 March 2025 that required being reported to the Health and Safety Executive under Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) 2013.

The RSH Board receives quarterly and annual updates on health and safety performance against targets including accident statistics, mandatory safety training rates including fire safety training and arrangements, and office safety inspections for all five core locations.

Employee engagement and consultation

Our next staff survey is being planned to run in the summer 2025 and we will report on the findings in our 2025/26 annual report.

We ran a wellbeing survey in June and July 2024 to better understand what support could be provided to staff. This provides assurance that overall staff were content with the measures the organisation has put in place to support them.

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Trade union relationships

The regulator formally recognises three trade unions – PCS, Unison and Unite – with whom it consults over pay, policies and procedures, working conditions, etc. Regular meetings take place between management and elected union representatives, called Joint Negotiation and Consultation Committee meetings, on a cycle of approximately six weeks.

As a public sector body with more than 49 full-time equivalent employees, the regulator is required to make the following disclosures regarding trade union facility time:

Relevant union officials

Number of employees who were relevant union officials during the relevant period	7
Full-time equivalent employee number	7

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1-50%	7
51-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	£13,982
Total pay bill	£25,147,000
% of total pay bill spent on facility time	0.06%

Paid trade union activities

Time spent on trade union activities as a percentage of the total paid facility time hours	0%

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Parliamentary accountability and audit report

The parliamentary accountability and audit report provides the parliamentary accountability disclosures, covering regularity of expenditure, fees and charges and remote contingent liabilities, and includes the Certificate and Report of the Comptroller and Auditor General.

Regularity of expenditure (subject to audit)

The regulator had no losses, special payments or gifts during the period from 1 April 2024 to 31 March 2025 (2023-24: £nil).

Fees and charges (subject to audit)

The regulator consulted on changes to its fee principles to reflect its expanded powers under the Social Housing (Regulation) Act 2023. These changes ensured that, from 1 June 2024, fee income fully covers the cost of regulation, including contributions from local authorities. Following the consultation, a detailed review of feedback and approval by the Secretary of State, the regulator adopted the following key principles:

- A fixed fee applies to all applications for initial registration.
- The annual fee payable by a registered provider is set by reference to the number of social housing units owned by that provider.
- A fixed fee should apply to all providers owning fewer than 1,000 units.
- For groups owning 1,000 social housing units or more where the parent is a private registered provider, the annual fee should be set at group level rather than for each individual entity on the register.
- Providers must pay the full cost of the annual fee for the year that they are on the register when they register or de-register.
- The regulator will publish information annually on its costs and fees.

The regulator remains accountable to Parliament for delivering its statutory objectives. However, it also recognises the importance of transparency in how fees are set and how regulation is delivered. To support this, it has established the Fees and Resources Advisory Panel to facilitate engagement with a broad range of stakeholders and provide transparency.

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Fees for 2024-25

The 2024-25 financial year operated under two fee arrangements following the introduction of a new regime from 1 June 2024.

- Quarter 1 (April to June) - the previous regime applied with the cost of regulating local authorities, non-routine activity (e.g. casework by the Investigation and Enforcement team) and consumer regulation funded through grant-in-aid.
- Quarter 2 (July onwards) - the full cost recovery regime took effect. This includes also charging local authority landlords and applying fees at the application stage for those seeking registration.

Fee	April to June	July to March
Initial registration fee[31]	£2,500	
Preliminary application stage[32]	Not applicable	£500
Detailed application stage[33]	Not applicable	£2,500
Annual fees:		
Small registered providers with fewer than 1,000 units	£75 flat fee	£487.50 flat fee
Large private registered providers (1,000+ units)	£1.37 per unit	£6.96 per unit
Large local authority registered providers (1,000+ units)	Not applicable	£4.97 per unit

Annual fees fund the regulation of all landlords. Application fees cover the cost of processing applications to become a registered provider of social housing. Where annual fee income exceeds the costs incurred, a proportionate rebate is made to large providers (those owning more than 1,000 social housing units). For 2024-25, the total unspent annual fees to be rebated is £4.8 million:

Annual fees, £'000	**2024-25**		**2023-24**	
	PRP	**LA**	**PRP**	**LA**
Total fee invoices	23,850	7,763	15,195	-
Fee-funded costs for the period	20,391	6,455	13,779	-
Rebate to large providers	**3,459**	**1,308**	**1,416**	**-**

Charges for 2025/26

The annual fees for 2025/26 have been set at £40.3 million.

[31] The initial registration fee applies to applications submitted before 1 July 2024

[32] The preliminary application stage fee applies to applications submitted on or after 1 July 2024

[33] The detailed application stage fee applies to applications submitted on or after 1 July 2024

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Remote contingent liabilities (subject to audit)

The regulator is required to disclose each of its material remote contingent liabilities, and where practical, estimate the financial effect.

Within the normal course of business, the regulator has made statutory appointments to some Boards of registered providers under section 269 of the HRA 2008; the regulator sometimes provides indemnities to appointees. It is not possible to quantify this remote contingent liability due to its nature and absence of any claim under past indemnities issued.

The regulator is subject to legal challenge within its normal course of business. If the regulator were to lose a legal case, it may lead to the obligation to pay another party's legal costs and / or damages. It is not practicable to quantify such contingent liabilities at the reporting date.

The regulator does not have any other material remote contingent liabilities.

Functional standards

In 2024-25 we have continued to review outstanding actions and opportunities for continuous improvement. We are meeting relevant mandatory elements and for many elements we are 'good'. We continue to assess our present level and how we may improve.

It has not been possible to fully review our digital functional standard this year as we are currently transferring our digital services to another supplier (MCHLG). A full review of this standard will be done once the new service is in place.

The Accountability Report has been signed on 18 November 2025.

Fiona MacGregor
Accounting Officer

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The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of the Regulator of Social Housing for the year ended 31 March 2025 under the Housing and Regeneration Act 2008.

The financial statements comprise the Regulator of Social Housing's

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standard.

In my opinion, the financial statements:

- give a true and fair view of the state of the Regulator of Social Housing's affairs as at 31 March 2025 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with the Housing and Regeneration Act and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2024. I am independent of the Regulator of Social Housing in

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accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Regulator of Social Housing's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Regulator of Social Housing's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Regulator of Social Housing is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the Annual Report but does not include the financial statements and my auditor's certificate thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

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I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Housing and Regeneration Act 2008.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Housing and Regeneration Act 2008; and
- the information given in the Performance and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Regulator of Social Housing and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Regulator of Social Housing or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

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Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Regulator of Social Housing from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the Housing and Regeneration Act 2008;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions issued under the Housing and Regeneration Act 2008; and
- assessing the Regulator of Social Housing's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Regulator of Social Housing will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Housing and Regeneration Act 2008.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Regulator of Social Housing's accounting policies, key performance indicators and performance incentives.
- inquired of management, and those charged with governance, including obtaining and reviewing supporting documentation relating to the Regulator of Social Housing's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Regulator of Social Housing's controls relating to the Regulator of Social Housing's compliance with the Housing and Regeneration Act 2008, and Managing Public Money;
- inquired of management, the Regulator of Social Housing and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team and the relevant external specialists, including pensions experts regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Regulator of Social Housing for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions,

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bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Regulator of Social Housing's framework of authority and other legal and regulatory frameworks in which the Regulator of Social Housing operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Regulator of Social Housing. The key laws and regulations I considered in this context included Housing and Regeneration Act 2008, Managing Public Money, employment law and pensions legislation and any other frameworks of authorities, relevant laws and regulations identified.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

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Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies **21 November 2025**

Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

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Financial Statements

Statement of Comprehensive Net Expenditure

Year ended 31 March 2025

	Note	2024-25 £'000	2023-24 £'000
Operating income:			
Registered provider fee income	4.1	(26,902)	(13,786)
Other income	4.2	(56)	(720)
		(26,958)	**(14,506)**
Operating expenditure:			
Staff costs	2	25,147	19,716
Purchase of goods and services	3	4,288	4,322
Depreciation charges	3	250	224
		29,685	**24,262**
Net operating expenditure		**2,727**	**9,756**
Interest income		(107)	(100)
Pension net finance costs	13(d)	(137)	(663)
Net expenditure for the period		**2,483**	**8,993**
Other comprehensive net expenditure:			
Actuarial (gain)/loss from pension fund	13(e)	2,623	362
Total comprehensive expenditure for the period		**5,106**	**9,355**

Statement of Financial Position

As at 31 March 2025

	Note	2025 £'000	2024 £'000
Non-current assets:			
Pension assets	13(a)	-	1,928
Property, plant and equipment	5	155	176
Intangible assets	6	617	646
Right-of-use assets	7	87	149
		859	**2,899**
Current assets:			
Trade and other receivables	9	314	243
Cash and cash equivalents	8	15,805	8,056
		16,119	**8,299**
Total assets		**16,978**	**11,198**
Current liabilities:			
Registered provider fee rebate	10	(4,769)	(3,780)
Registered provider deferred fees	10	(6,855)	(443)
Trade and other payables	10	(2,154)	(1,716)
		(13,778)	**(5,939)**
Total assets less current liabilities		**3,200**	**5,259**
Non-current liabilities:			
Lease liabilities	10	-	(59)
Assets less liabilities		**3,200**	**5,200**
Reserves:			
Income and expenditure reserve	SoCTE	962	3,068
Regulation reserve	SoCTE	2,238	2,132
Taxpayers' equity		**3,200**	**5,200**

The notes on pages 79 to 105 form part of these accounts.

Fiona MacGregor
Accounting Officer
18 November 2025

Statement of Cash Flows

Year ended 31 March 2025

	Note	2024-25 £'000	2023-24 £'000
Net cash (outflow) / inflow from operating activities		**4,741**	**(16,197)**
Cash flows from investing activities:			
Purchase of non-financial assets[34]		(138)	(550)
Interest received		107	100
Net cash (outflow) from investing activities		**(31)**	**(450)**
Cash flows from financing activities:			
Grant-in-aid from sponsor department	SoCTE	3,106	11,271
Repayment of leasing liabilities	7.1	(67)	(82)
Net cash inflow from financing activities		**3,039**	**11,189**
Increase in cash and cash equivalents in the period		**7,749**	**(5,458)**
Cash and cash equivalents at 1 April	8	8,056	13,514
Cash and cash equivalents at 31 March	8	**15,805**	**8,056**

Reconciliation of net operating expenditure to net cash flow from operating activities:

	Note	2024-25 £'000	2023-24 £'000
Net operating expenditure	SoCNE	(2,727)	(9,756)
Amortisation	3	108	107
Depreciation and loss on disposal	3	142	117
Lease interest	7.1	1	2
Pension costs	13(d)	1,679	3,386
Employer contributions to pension	13(f)	(2,237)	(3,733)
(Increase)/Decrease in trade and other receivables		(71)	(179)
Increase in trade and other current liabilities		7,846	(6,141)
Net cash (outflow) / inflow from operating activities		**4,741**	**(16,197)**

[34] £276,000 of fixed asset additions recognised in 2022-23 were paid in 2023/24

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Statement of Changes in Taxpayers' Equity

Year ended 31 March 2025

	Note	General reserve £'000	Regulation reserve £'000	Total £'000
Balance at 31 March 2023		**1,252**	**2,032**	**3,284**
Grant-in-aid from sponsor department		11,271	-	11,271
Net income/(expenditure)	SoCNE	(9,093)	100	(8,993)
Actuarial gain/(loss) from pension fund	13(e)	(362)	-	(362)
Balance at 31 March 2024		**3,068**	**2,132**	**5,200**
Grant-in-aid from sponsor department		3,106	-	3,106
Net income/(expenditure)	SoCNE	(2,589)	106	(2,483)
Actuarial gain/(loss) from pension fund	13(e)	(2,623)	-	(2,623)
Balance at 31 March 2025		**962**	**2,238**	**3,200**

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Notes to the Financial Statements

1. Accounting policies

These financial statements have been prepared under the direction issued by the Secretary of State in accordance with Section 100C of the Housing and Regeneration Act 2008 (HRA 2008) and in line with the Government's Financial Reporting Manual (FReM) issued by HM Treasury.

The financial statements have been prepared on a going concern basis. Management has considered RSH's ability to continue operating for at least 12 months from the planned certification date and is satisfied there are no material uncertainties that would cast doubt on this

The accounting policies outlined in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where FReM permits a choice of accounting policy, we have selected the policy most appropriate to our circumstances to ensure a true and fair view. The policies adopted by the regulator are detailed below and have been applied consistently to items deemed material to the accounts.

1.01 Accounting convention

The financial statements have been prepared under the historical cost convention, with adjustments for the revaluation of intangible assets where material. Where there are indications of impairment, an impairment review is conducted, and assets are written down to the lower of their carrying amount or recoverable amount, in accordance with IAS 36 and FReM.

1.02 Property, plant and equipment (PPE)

PPE is stated at historical cost less accumulated depreciation and any impairment in value, serving as a proxy for fair value. PPE consists entirely of IT equipment, primarily staff laptops.

Assets are capitalised if the cost of a single asset, or group of assets, exceeds £5,000. Depreciation is charged evenly over the estimated useful life of three years, based on cost and less estimated residual value.

1.03 Intangible assets

Intangible assets consist of the development costs for NROSH+, an electronic platform used by registered providers to submit information to the regulator.

In line with the FReM, intangible assets are typically valued at depreciated replacement cost. However, as of March 2025, the depreciated replacement cost did not differ significantly from the depreciated historical cost. Therefore, the regulator has adopted the depreciated historical cost as a practical approach for valuation.

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Assets are capitalised when the cost exceeds £5,000. The expected useful life of NROSH+ is aligned with its system support contract. As of 31 March 2025, the remaining amortisation period for NROSH+ is five years.

1.04 Leases

The regulator applies IFRS 16 to recognise leases that convey the right to control and use an identified asset. For these, a right-of-use (RoU) asset and corresponding lease liability are recognised. The RoU asset is depreciated over the lease term, and the lease liability is reduced over the lease term as payments are made.

Exemptions

Short-term leases (12 months or less) and low-value assets are expensed on a straight-line basis over the lease term. Most of the regulator's office leases do not qualify under IFRS 16 due to the landlord's right to substitute the office space. These costs are expensed as incurred.

Measurement

RoU assets and liabilities are initially measured at the present value of future lease payments, discounted using HM Treasury's rates. Adjustments are made for direct costs, prepayments, incentives and restoration costs.

Subsequent measurement

RoU assets are measured using the cost model, accounting for market adjustments like rent reviews. The assets are typically shorter lived than the underlying asset, making cost an appropriate proxy for value in accordance with the FReM.

1.05 Registered providers' fees

Income from registered providers is recognised over the period to which it relates. Amounts received for future periods are deferred and released in accordance with IFRS 15 Revenue from Contracts with Customers, as adapted by FReM. Income is proportional to the cost of regulating registered providers.

Refer to Note 4.1 for further disclosures on revenue from contracts with customers.

1.06 Funding

From 1 July 2024, the regulator moved to a full cost recovery model, funded through statutory fees from registered providers. This includes application fees for new registrations and annual fees for existing providers, recognised in line with the period or activity to which they relate.

Up to 30 June 2024, some activities were funded by grant-in-aid from MHCLG, including regulation of local authorities, consumer regulation and non-routine activity. Grant-in-aid is

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treated as financing and credited in full to the income and expenditure reserve, as it represents a contribution from a controlling party.

Net expenditure for the period is transferred to the income and expenditure reserve.

1.07 Pension costs

The regulator accounts for pension costs in accordance with IAS 19 Employee Benefits. The regulator participates in three pension schemes, reflecting the organisational history and legacy employment arrangements of its staff:

- Homes and Communities Agency Pension Scheme (HCAPS) is a multi-employer defined benefit scheme accounted for under IAS 19. On 1 October 2024, staff transferred to the Civil Service Pension Scheme, with existing benefits preserved. A deferred debt arrangement was agreed with the scheme trustees. This means that, although no immediate one-off debt was triggered on exit from the scheme, the regulator remains responsible for making ongoing contributions to fund past service liabilities.

- Local Government Pension Scheme (LGPS) through the City of Westminster Pension Fund. This is a funded defined benefit scheme, accounted for under IAS 19. The scheme is closed to new members, with no new staff joining.

For both HCAPS and LGPS, scheme assets are measured at fair value and liabilities are valued on an actuarial basis using the projected unit credit method, discounted to present value. The net defined benefit position is recognised in the Statement of Financial Position. Actuarial gains and losses are recognised in full in taxpayers' equity.

- Civil Service Pension Scheme from 1 October 2024. This is an unfunded multi-employer defined benefit scheme. As it is unfunded, the scheme is accounted for as if it were a defined contribution scheme, with employer contributions recognised as an expense in the year in which they are paid.

Further details are provided in Note 13 to the accounts.

1.08 Holiday accrual

Employee holiday entitlement is accrued at the end of the financial period based on each employee's outstanding leave balance, in accordance with IAS 19 Employee Benefits.

1.09 Value added tax

The regulator's activities are outside the scope of VAT. Consequently, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the appropriate expenditure category or included in the capitalised cost of assets.

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1.10 Receivables

Receivables are recognised at fair value, less a provision for impairment where applicable. Impairment provisions are made where there is evidence that amounts due may not be fully recoverable.

1.11 Regulation reserve

The regulation reserve comprises surplus property transferred to the regulator under section 167 of the HRA 2008 and previous legislation. Surplus property may be transferred to other non-profit registered providers under criteria determined by the regulator, typically to resolve serious problem cases. In some instances, this may include direct financial assistance.

1.12 Accounting estimates

The value of the regulator's defined benefit pension assets and liabilities is based on assessments by independent qualified actuaries. These assessments use actuarial assumptions related to inflation rates, salary growth, discount rates and mortality. Any difference between these estimates and actual outcomes is reflected in future periods' taxpayers' equity.

1.13 Segmental reporting

In compliance with IFRS 8 Operating Segments, the regulator has one reportable operating segment, based on internal reports reviewed by the Chief Executive. As such, no detailed segmental analysis is prepared.

1.14 Changes in accounting policy

The regulator has considered, in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, whether any new or amended IFRS standards or updates to the FReM have had, or are expected to have, a material impact on the financial statements.

No changes in accounting policy have been made in the year. Relevant amendments to IFRS and updates to the FReM have been reviewed, with none having a material effect on the financial statements for the year ended 31 March 2025.

IFRS 17 Insurance Contracts

The forthcoming implementation of IFRS 17 Insurance Contracts, expected to apply in the public sector from 2025/26 under the FReM, has also been considered. Indemnities are provided to individuals appointed to provider boards under section 269 of the Housing and Regeneration Act 2008. These arrangements transfer risk to the regulator and are expected to fall within the scope of IFRS 17. However, no claims have ever been made under these indemnities, and the likelihood of future claims is considered remote. No insurance liabilities are therefore expected to be recognised. While the standard has no impact on the current

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financial statements, the regulator will continue to monitor guidance and prepare for any necessary disclosures in future reporting periods.

Social benefits (FReM 2025-26)

HM Treasury has introduced new guidance on accounting for social benefits in the 2025/26 FReM. Social benefits are payments made to the public to help reduce the effect of social risks such as unemployment, disability or poverty. The new guidance will have no effect on the regulator's financial statements as the regulator does not administer or fund any schemes that meet this definition.

1.15 Housing Finance Corporation Ltd

The regulator holds one £1 nominal value share in The Housing Finance Corporation Ltd (THFC), held under a Declaration of Trust. THFC is a community benefit society that provides funding to regulated housing associations through institutional investors.

1.16 Domicile status and nature

The Regulator of Social Housing is headquartered in Leeds, with operations limited to England.

We are a statutorily independent regulator, established as a non-departmental public body, sponsored by MHCLG. We regulate for a viable, efficient and well governed social housing sector able to deliver quality homes and services for current and future tenants.

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2. Staff costs

	2024-25	2023-24
	£'000	£'000
Total staff costs charged to net expenditure comprise:		
Wages and salaries	18,906	14,522
Social security costs	2,271	1,737
Pension costs	3,970	3,382
Secondments	-	75
Total staff costs	**25,147**	**19,716**

The increase in staff costs is due to headcount growth, reflecting the expansion required to support the implementation of proactive consumer regulation from 1 April 2024.

Wages and salaries for 2024-25 include £92,000 of non-consolidated payments (2023–24: £380,000). The 2023-24 figure also included £308,000 in respect of a one-off £1,500 payment made by the government to non-senior grades across the public sector.

Pension costs for the funded defined benefit schemes, as determined under IAS 19, can be inherently volatile. In 2024-25, these costs were £558,000 lower than the value of employer pension contributions (2023-24: £347,000 lower). Further information is provided in Note 13.

The regulator did not employ agency or temporary staff during the financial year.

Further details, including the average number of staff employed, staff numbers by pay band and exit payments, can be found in the Accountability Report.

3. Other expenditure

		2024-25	2023-24[35]
		£'000	£'000
Purchase of goods and services:			
Digital services		1,333	1,304
Corporate support services (excluding digital)[36]		978	1,078
Office rent under operating leases[37]		546	733
Legal and Professional fees		529	691
Travel and subsistence		424	249
National Tenant Survey[38]		191	55
External audit		105	95
Other spend		182	117
Total goods and services		**4,288**	**4,322**
Non-cash items:			
Depreciation (PPE)	5	80	55
Amortisation	6	108	107
Depreciation (RoU)	7	62	62
Total non-cash items		**250**	**224**
Total		**4,538**	**4,546**

[35] The prior year comparatives have been reclassified to reflect updated expenditure categories. This provides improved clarity and consistency of presentation. There is no change to total expenditure.

[36] Corporate support services (excluding digital) include enabling functions such as HR, payroll, recruitment, training, internal audit and shared finance services. Digital services and office rent are shown separately due to their materiality and distinct nature.

[37] There are no contingent rents or sublease arrangements. Office rent under operating leases includes costs for the Manchester, London, Bristol, and Birmingham offices. The lease for the Leeds office meets the definition of a right-of-use asset under IFRS 16 and is depreciated accordingly.

[38] A national tenant survey was undertaken to capture feedback from social housing tenants across England. The survey followed the Tenant Satisfaction Measures framework and received responses from over 3,500 tenants and shared owners. It was a one-off data collection exercise designed to provide an independent benchmark of tenant satisfaction, identify emerging trends and support understanding of how context and survey design influence the findings.

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4. Income

4.1 Revenue from Contracts with Customers

Income is recognised from fees in accordance with IFRS 15 Revenue from Contracts with Customers, as adapted by the FReM. This income arises from statutory fee arrangements with private registered providers and, from 1 July 2024, local authorities, under section 117 of the Housing and Regeneration Act 2008.

Fee types and performance obligations

The regulator has determined its performance obligations for each contract type as follows:

- The initial registration fee applies to applications submitted before 1 July 2024. This fee relates to the registration of a private provider on the Register of Social Housing. The performance obligation is satisfied at the point of registration. Invoices are issued at the point a provider is accepted onto the register.
- The application fees were introduced from 1 July 2024 and apply to new applications submitted from that date. The performance obligation is satisfied over time as the application is assessed, so income is recognised in line with the progress of the assessment. Invoices are issued in advance of assessment activity.
- The annual fee, which applies to both private registered providers and, from 1 July 2024, local authorities, relates to continued registration and the regulation of social housing. This performance obligation is satisfied over time, in line with the delivery of regulatory activity and fee-funded expenditure. Annual fees are invoiced at or just before the start of the accounting period.

Contracts do not include a financing component.

Fee levels for 2024-25

From 1 July 2024, the fee regime changed. Providers were charged separately for the period from April to June and for the remainder of the year.

Fee	April to June	July to March
Initial registration fee	£2,500	
Preliminary application stage	Not applicable	£500
Detailed application stage	Not applicable	£2,500
Annual fees:		
Small registered providers with fewer than 1,000 units	£75 flat fee	£487.50 flat fee
Large private registered providers (1,000+ units)	£1.37 per unit	£6.96 per unit
Large local authority registered providers (1,000+ units)	Not applicable	£4.97 per unit

Recognition and allocation of income

Initial registration fees are recognised at the point a provider is added to the register. Application fees are recognised over time, in line with the progress of the assessment. Annual fees are recognised over the course of the year to match the fee-funded costs incurred.

Any unspent portion of the annual fee is rebated to large providers. No rebates are provided to small providers, as fees are proportionate to the level of regulatory activity involved.

The rebate due for unspent 2024-25 annual fees is recorded as a liability and will be settled during 2025/26.

Contract income

The regulator recognised the following registered provider fee income:

	2024-25 £'000	**2023-24** £'000
Initial registration	41	7
Application fees	15	-
Annual fee	26,846	13,779
	26,902	**13,786**

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Contract balances

As at 31 March 2025, £9,000 of application fees had been deferred, reflecting assessment work outstanding.

Contract liabilities also included deferred annual fee and rebate obligations. The table below summarises key movements in these balances.

	Private Registered Providers		Local Authorities	
	Fee rebate £'000	Deferred fees £'000	Fee rebate £'000	Deferred fees £'000
As at 31 March 2023	**(2,367)**	**(8,090)**	**-**	**-**
Rebate paid back	3	-	-	-
2023-24 fees paid	-	(7,105)	-	-
Income recognised	-	13,779	-	-
Transfer unspent fees to rebate	(1,416)	1,416	-	-
Prepayment of 2024-25 fees	-	(443)	-	-
As at 31 March 2024	**(3,780)**	**(443)**	**-**	**-**
Rebate paid back	3,778	-	-	-
2024-25 fees paid	-	(23,407)	-	(7,763)
Income recognised	-	20,391	-	6,455
Transfer unspent fees to rebate	(3,459)	3,459	(1,308)	1,308
Prepayment of 2025/26 fees	-	(6,846)	-	-
As at 31 March 2025	**(3,461)**	**(6,846)**	**(1,308)**	**-**

The 2022-23 and 2023-24 rebates to private registered providers were credited during 2024-25.

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4.2 Other income

	2024-25	2023-24
	£'000	£'000
Grant repayment	-	670
The Housing Finance Corporation Ltd director fee	19	19
Affordable Housing Finance Plc director fee	19	19
Digital Apprenticeship Service	18	12
	56	**720**

Grant Repayment

The £670,000 recorded in 2023-24 relates to the full repayment of a one-off grant issued to a registered provider in 2022-23. The grant was intended to provide short-term financial support to safeguard the interests of social housing tenants.

Director Fees

Director fees represent income received in respect of an employee of the regulator who serves as a non-executive director on the boards of The Housing Finance Corporation Ltd and Affordable Housing Finance Plc.

Digital Apprenticeship Service

Income from the Digital Apprenticeship Service relates to funding received to support the cost of apprentice training. This income is recognised in line with the associated training expenditure, in accordance with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance.

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5. Property, plant and equipment

PPE consists entirely of IT equipment, primarily of staff laptops. Additions during the 2024-25 financial year reflect the acquisition of additional laptops to support new staff members.

	2025 £'000	2024 £'000
Cost:		
At 1 April	617	419
Additions	59	198
As at 31 March	**676**	**617**
Depreciation:		
At 1 April	441	386
Charged in period	80	55
As at 31 March	**521**	**441**
Carrying value as at 31 March	**155**	**176**

6. Intangible assets

Intangible assets represent development costs for the NROSH+ system, this is a digital platform that enables registered providers to submit information to the regulator.

	2025 £'000	2024 £'000
Cost:		
At 1 April	753	927
Additions	79	75
Disposals	-	(249)
As at 31 March	**832**	**753**
Amortisation:		
At 1 April	107	249
Charged in period	108	107
Disposals	0	(249)
As at 31 March	**215**	**107**
Carrying value as at 31 March	**617**	**646**

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7. Right-of-use assets

In accordance with IFRS 16 Leases, a lease is defined as a contract that conveys the right to control the use of an identified asset. The regulator's lease contract for its Leeds office meets this definition, resulting in the recognition of a right-of-use asset and corresponding lease liability.

The regulator's other office leases do not meet this criterion, as the landlord retains the substantive right to substitute the space. As a result, no right-of-use assets or lease liabilities are recognised for these offices.

	2025 £'000	2024 £'000
Cost:		
At 1 April	272	272
Additions	-	-
As at 31 March	**272**	**272**
Depreciation:		
At 1 April	123	61
Charged in period	62	62
As at 31 March	**185**	**123**
Carrying value as at 31 March	**87**	**149**

7.1 Lease disclosures

	2025 £'000	2024 £'000
Elements in statement of comprehensive net expenditure		
Rates and services expenses not included in the lease liability	75	59
Interest expense on lease	1	2
Maturity analysis lease obligations		
1 year	60	67
2 - 5 years	-	60
Less interest element	-	(2)
Present value of lease obligations	**60**	**125**
Total cash outflow for leases	**67**	**82**

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8. Cash and cash equivalents

	2025 £'000	2024 £'000
Opening balance	8,056	13,514
Net change in cash balances	7,749	(5,458)
Cash balances on 31 March	**15,805**	**8,056**
The following cash balances on 31 March were held:		
General bank account	13,567	5,925
Section 167 bank account	2,238	2,131
Cash at bank	**15,805**	**8,056**

The regulator's cash balances are held within the Government Banking service. The section 167 bank account holds regulation reserve cash detailed in Note 1.11.

9. Trade and other receivables

Amounts falling due within one year	2025 £'000	2024 £'000
Prepayments	308	239
Registered provider initial fees	4	3
Employee loans	2	1
	314	**243**

There are no amounts falling due after more than one year.

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10. Trade other payables

	Note	2025 £'000	2024 £'000
Amounts falling due within one year:			
Employee holiday balance		770	670
Accruals		708	469
Taxation and social security		599	501
Trade payables		17	9
Lease liability		60	67
		2,154	**1,716**
Registered provider deferred fees	4.1	6,855	443
Registered provider fee rebate	4.1	4,769	3,780
Total current payables		**13,778**	**5,939**
Amounts falling due after more than one year:			
Lease liability		-	59
Total trade payables and other liabilities		**13,778**	**5,998**

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11. Other financial commitments

Office accommodation:

The lease for the Leeds office meets the definition of a lease under IFRS 16, as it conveys the right to control the use of an identified space. This arrangement is therefore accounted for as a right-of-use asset, with associated lease liabilities disclosed in Note 7.

Other office accommodation arrangements have been assessed and determined to be licences to occupy. These do not convey exclusive use or control of the premises and therefore do not meet the definition of a lease under IFRS 16. They are instead disclosed as other financial commitments.

In the 2023-24 accounts, these office commitments were included under lease commitments. Following a review this year, they have been reclassified as other financial commitments to reflect their substance more accurately and ensure consistency with applicable accounting standards. Comparative figures have been re-presented accordingly.

Non-lease office accommodation commitments	**2025** **£'000**	**2024** **£'000**
Payable within 1 year	421	407
Payable later than 1 year and not later than 5 years	159	250
Payable over 5 years	-	-
	580	**657**

As at 31 March 2025, there was no formal agreement in place for the London office. As a result, no financial commitment has been recognised.

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Outsourced services:

The regulator has contracts for the provision of the following outsourced services:

- Data Collection System (NROSH+) support by Softwire Technology (contracted until May 2030 including extension periods)
- Dynamics 365 support service by DB Group Limited (contract to 31 March 2026)
- Financial services provided by MHCLG (rolling annual agreement)

In addition to the above, the regulator has other low-value support contracts in place. The anticipated costs (including VAT) under all these arrangements are set out below:

Outsourced services commitments	**2025** **£'000**	**2024** **£'000**
Payable within 1 year	206	1,532
Payable later than 1 year and not later than 5 years	674	619
Payable over 5 years	-	205
	880	**2,356**

As at 31 March 2025, digital services were provided by Homes England under an informal arrangement. These services are expected to transition to MHCLG Digital during 2025-26. No formal contractual commitment existed at the reporting date, and therefore no digital service costs are disclosed as future financial commitments.

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12. Related-party transactions

The regulator is a non-departmental public body sponsored by the Ministry of Housing, Communities and Local Government (MHCLG), which is considered a related party. During the year, the regulator had material transactions with MHCLG, primarily through grant-in-aid payments. Additionally, the regulator engaged in transactions with Homes England, which provided digital services, with MHCLG acting as the parent department for both entities.

The regulator also conducted various material transactions with other government departments and central government bodies, most notably with the Government Property Agency, primarily related to office rent and service charges.

The regulator holds one £1 nominal value share in The Housing Finance Corporation Limited under a Declaration of Trust. The Housing Finance Corporation is a community benefit society that raises funds from institutional investors and on-lends to housing associations. Affordable Housing Finance plc is a subsidiary of The Housing Finance Corporation. The regulator's Chief Executive, Fiona MacGregor, serves as a non-executive director on the boards of both organisations. Fees from these appointments are payable to the regulator and reported as income (see note 4.2: Other income). Apart from the nominal shareholding and these fees, the regulator has no financial interest in these organisations and had no other transactions with them during the year.

No Board member, key management personnel or other related parties have undertaken any material transactions with the regulator during the reporting period.

For details of compensation paid to management, please see the Remuneration Report.

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13. Pensions

The regulator accounts for pension costs under IAS 19 Employee Benefits. Staff may participate in one of three contributory pension schemes, depending on their employment start date and organisational changes over time:

- Homes and Communities Agency Pension Scheme (HCAPS)

  HCAPS is a funded, multi-employer defined benefit scheme under IAS 19. The scheme is now closed to future accrual for regulator staff, following the transfer of all active regulator members to the Civil Service Pension Scheme (CSPS) on 1 October 2024. Accrued benefits remain in HCAPS. The regulator has entered a deferred debt arrangement with the HCAPS trustees. This means that, although no immediate one-off debt was triggered on exit from the scheme, the regulator remains responsible for making ongoing contributions to fund past service liabilities. Homes England, as the principal employer, leads engagement with the trustees and oversees the scheme relationship. The trustees regularly review investment strategy, including liability hedging, to ensure alignment with long-term obligations.

- Local Government Pension Scheme (LGPS) – City of Westminster Pension Fund

  The regulator also participates in the LGPS via the City of Westminster Pension Fund. This is a funded, multi-employer defined benefit scheme under IAS 19. The scheme is closed to new entrants, though active members who were previously enrolled continue to accrue benefits. The City of Westminster is the administering authority. Its Pension Fund Committee, with delegated powers, manages investment strategy and asset allocation with reference to scheme liabilities and risks.

For both HCAPS and LGPS, scheme assets are measured at fair value and liabilities are calculated using the projected unit credit method, discounted to present value. The net defined benefit position is recognised in the Statement of Financial Position, with actuarial gains and losses recognised in full through taxpayers' equity under Other Comprehensive Income.

- Civil Service Pension Scheme (CSPS)

  From 1 October 2024, all active members of HCAPS transferred to the CSPS, an unfunded, multi-employer defined benefit scheme. New starters also join CSPS. As it is not possible to identify separately the regulator's share of the scheme's liabilities, it is accounted for as if it were a defined contribution scheme. Employer contributions are therefore recognised as an expense in the period in which they are paid.

The disclosures and figures that follow apply only to HCAPS and LGPS. CSPS is not included as it is treated as a defined contribution scheme.

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McCloud Judgement

In December 2018, the Court of Appeal ruled that transitional protections introduced during the 2015 public service pension reforms were discriminatory on the grounds of age. This ruling, known as the McCloud judgment, does not affect the HCAPS, as it was not subject to the transitional protections introduced in 2015.

From 1 October 2023, the LGPS implemented the McCloud remedy, extending underpin protection to eligible members who were previously excluded. The regulator's LGPS accounting valuation includes an allowance for the expected cost of the remedy.

Virgin Media Case

In October 2023, the High Court and Court of Appeal ruled that benefit amendments made to contracted-out pension schemes without a valid section 37 certificate were invalid. This ruling applies to private sector pension schemes such as HCAPS.

In response, the UK Government announced in June 2025 that legislation would be introduced to allow retrospective validation of such amendments through actuarial certification. The regulator continues to monitor developments and is liaising with the HCAPS trustees as they assess any implications of the ruling.

The LGPS and CSPS are unaffected, as changes to those schemes are made through primary legislation or statutory regulations.

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a. Pension (liabilities) / assets

	HCAPS £'000	LGPS £'000	Total £'000
31 March 2024:			
Fair value of employer assets	18,067	49,119	67,186
Present value of funded liabilities	(16,139)	(31,872)	(48,011)
Net surplus / (deficit)	**1,928**	**17,247**	**19,175**
Impact of asset ceiling	-	(17,247)	(17,247)
Adjusted net surplus / (deficit)	**1,928**	**-**	**1,928**
31 March 2025:			
Fair value of employer assets	18,744	52,389	71,133
Present value of funded liabilities	(14,983)	(27,928)	(42,911)
Net surplus / (deficit)	**3,761**	**24,461**	**28,222**
Impact of asset ceiling	(3,761)	(24,461)	(28,222)
Adjusted net surplus / (deficit)	**-**	**-**	**-**

The schemes have reported an asset ceiling restriction, which limits the recognition of further increases in net pension assets as per IAS 19, paragraph 64. This ceiling is determined by the maximum benefit obtainable through a refund or reduction in employer contributions. Details of the asset ceiling movements are provided in Note 13(h).

b. Actuarial assumptions

Financial assumptions:	31 March 2025		31 March 2024	
	HCAPS	**LGPS**	**HCAPS**	**LGPS**
Inflation (CPI)	2.70%	2.75%	2.80%	2.75%
Pension increases	2.70%	2.75%	2.80%	2.75%
Salary increases	3.20%	3.75%	3.30%	3.75%
Discount rate	5.90%	5.80%	4.90%	4.85%

Mortality assumptions at 65:

	31 March 2025		31 March 2024	
	HCAPS	**LGPS**	**HCAPS**	**LGPS**
Male – retiring today	22.2	21.9	22.2	22.0
Male – retiring in 20 years	23.1	23.3	23.1	23.4
Female – retiring today	23.9	25.4	23.8	25.5
Female – retiring in 20 years	25.6	26.0	25.6	26.0

c. Fair value of employer assets

	HCAPS	LGPS	31 March 2025 Total	31 March 2024 Total
	£'000	£'000	£'000	£'000
Equities - quoted	4,269	31,628	35,897	34,279
Equities – unquoted	-	4	4	4
Debt – quoted	8,129	6,321	14,450	13,626
Debt – unquoted	-	3,011	3,011	2,330
Real estate - quoted	1,309	1,662	2,971	3,000
Real estate – unquoted	-	1,430	1,430	1,052
Investment fund – quoted	4,594	858	5,452	5,232
Infrastructure - unquoted	-	6,789	6,789	6,567
Cash & cash equivalents	443	686	1,129	1,096
	18,744	**52,389**	**71,133**	**67,186**

d. Charge to net expenditure

	HCAPS	LGPS	2024-25 Total	2023-24 Total
	£'000	£'000	£'000	£'000
Amounts charged to net operating expenditure:				
Current service costs	773	780	1,553	3,270
Expenses	126	-	126	116
	899	**780**	**1,679**	**3,386**
Amounts charged to finance costs:				
Interest charged to liabilities	790	1,560	2,350	2,316
Expected return on assets	(921)	(2,402)	(3,323)	(2,979)
Interest on asset ceiling	-	836	836	-
	(131)	**(6)**	**(137)**	**(663)**
Recognised in SoCNE	**768**	**774**	**1,542**	**2,723**

LGPS current service costs includes an allowance for administration expenses.

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e. Amounts recognised in income and expenditure reserve

	HCAPS £'000	LGPS £'000	2024-25 Total £'000	2023-24 Total £'000
Actuarial losses / (gains)	**2,369**	**254**	**2,623**	**362**

f. Reconciliation of fair value of employer assets

	HCAPS £'000	LGPS £'000	2024-25 Total £'000	2023-24 Total £'000
Fair value of employer assets at 1 April	**18,067**	**49,119**	**67,186**	**60,482**
Expected return on assets	921	2,402	3,323	2,979
Contributions by member	419	332	751	942
Contributions by employer	1,209	1,028	2,237	3,733
Actuarial gains / (losses)	(1,691)	(16)	(1,707)	(335)
Expenses	(126)	-	(126)	(116)
Insurance premiums for risk benefits	(12)	-	(12)	(20)
Benefits paid	(43)	(476)	-(519)	(479)
Fair value of employer assets at 31 March	**18,744**	**52,389**	**71,133**	**67,186**

g. Reconciliation of fair value of employer liabilities

	HCAPS £'000	LGPS £'000	2024-25 Total £'000	2023-24 Total £'000
Defined benefit obligation at 1 April	**16,139**	**31,872**	**48,011**	**48,240**
Current service cost	773	780	1,553	3,270
Interest costs	790	1,560	2,350	2,316
Contributions by members	419	332	751	942
Insurance premiums for risk benefits	(12)	-	(12)	(20)
Actuarial losses/(gains) – demographic	(26)	(56)	(82)	(1,227)
Actuarial losses/(gains) – financial	(3,052)	(5,887)	(8,939)	(2,920)
Actuarial losses/(gains) – experience	(5)	(197)	(202)	(2,111)
Benefits paid	(43)	(476)	(519)	(479)
Defined benefit obligations at 31 March	**14,983**	**27,928**	**42,911**	**48,011**

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h. Reconciliation of asset ceiling

	HCAPS £'000	LGPS £'000	2024-25 Total £'000	2023-24 Total £'000
Asset ceiling at 1 April	**-**	**17,247**	**17,247**	**10,962**
Interest on the effect of the asset ceiling	-	836	836	-
Actuarial movements	3,761	6,378	10,139	6,285
Asset ceiling at 31 March	**3,761**	**24,461**	**28,222**	**17,247**

The regulator has considered the requirements of IFRIC 14 IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction for both HCAPS and LGPS, and in each case any surplus is fully restricted by the asset ceiling.

i. Sensitivity analysis as at 31 March 2024

The primary assumptions used in calculating the defined benefit obligation include the discount rate, inflation, salary growth and mortality expectations. Further details are provided in Note 13(b) above.

The assumptions are determined by independent professional actuaries whose work is compliant with Technical Accounting Standard 100: Principles for Technical Actuarial Work as issued by the Financial Reporting Council. IAS 19 sets out the principles underlying the setting of assumptions, that they should be based on the best estimate of future experience. The defined benefit obligation has the following sensitivities to the assumptions used:

Adjustment to discount rate	**+0.25%** £'000	**Current** £'000	**-0.25%** £'000
Present value of total obligation	40,744	42,911	45,119
Movement	(2,167)		2,208

Adjustment to inflation	**+0.25%** £'000	**Current** £'000	**-0.25%** £'000
Present value of total obligation	44,956	42,911	40,898
Movement	2,045		(2,013)

Adjustment to salary increase	**+0.25%** £'000	**Current** £'000	**-0.25%** £'000
Present value of total obligation	43,293	42,911	42,535
Movement	382		(376)

Adjustment to life expectancy	**+1 year** £'000	**Current** £'000	**-1 year** £'000
Present value of total obligation	44,300	42,911	41,516
Movement	1,389		(1,395)

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j. Expected future cash flows

The expected employer pension contribution for the year to 31 March 2026 is:

	HCAPS £'000	LGPS £'000	Total £'000
Expected employer contribution	-	1,028	1,028

k. Maturity profile of the defined benefit obligation

The weighted average duration of the defined benefit obligation is approximately 15 years for HCAPS as a whole scheme and 21 years for the regulator's section of the LGPS.

l. Funding arrangements

Contribution rates for each scheme are reviewed at least every three years following a full actuarial valuation. The funding strategy for each scheme aims to achieve a fully funded position, with an acceptable level of risk determined by the schemes' trustees.

HCAPS is a multi-employer scheme that does not operate on a segregated basis. Therefore, the assets and liabilities are not separately identified for individual participating employers. Benefit obligations are estimated using the Projected Unit Credit Method. There are no formal arrangements in place for the allocation of a deficit or surplus on the wind-up of the plan or the regulator's withdrawal from the plan. Under both scenarios, exit debts could become payable under Section 75 of the Pensions Act 1995.

Assets and liabilities for all employers in LGPS funds are identifiable on an individual employer basis. However, the allocation of assets to the regulator's section of the fund is notional, as the assets are held within the City of Westminster Pension Fund. The LGPS does not have minimum funding requirements or specific winding-up provisions. On withdrawal from the scheme, any deficit is calculated by the administering authority and must be settled by the withdrawing employer. In the case of a surplus, it would be for the fund to determine whether any refund is provided to the employer. However, in practice, such refunds are highly unlikely as surpluses are typically retained within the fund to ensure its long-term sustainability and meet future liabilities.

HCAPS employs asset-liability matching strategies to hedge interest and inflation risks through liability-driven investments and derivatives, while LGPS does not use an explicit asset-liability matching strategy.

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As both schemes are multi-employer, there is a risk of orphan liabilities, where employers leave the scheme with insufficient assets to cover their pension obligations. In such cases, the remaining employers may bear the shortfall if it is not covered by the exiting employer.

14. Financial instruments and related risks

In accordance with the Government Financial Reporting Manual and IFRS 7, the regulator's accounts must disclose material financial instrument risks. These risks primarily arise from exposure to credit, market and liquidity risks.

Credit risk

The regulator is exposed to credit risk primarily through Trade and Other Receivables, where there is a risk that counterparties may fail to settle outstanding amounts when due. As outlined in Note 9, these balances are not considered to pose a significant credit risk due to the nature of the regulator's counterparties and historical recovery rates.

Market risk

The regulator holds deposits within the Government Banking Service, which provides a secure environment for public sector deposits. Market risk primarily arises from the regulator's pension schemes, as detailed in Note 13.

Liquidity risk

Liquidity risk arises from the regulator's need to manage cash flows to meet its obligations as they fall due. The regulator receives regulation fee funding at the start of the financial year, which is expended throughout the year. Surplus funds are maintained in instant access accounts, ensuring sufficient liquidity to meet short-term operational needs. As of 31 March 2025, the regulator held £15,805,000 in cash and cash equivalents (31 March 2024: £8,056,000). Liquidity risk is not considered significant due to the regulator's robust cash flow management and access to instant funds.

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15. Events after the reporting period

There have been no significant events after the reporting period date requiring disclosure.

The Accounting Officer authorises these Financial Statements for issue on the date certified by the Comptroller and Auditor General.

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Accounts direction

REGULATOR OF SOCIAL HOUSING

ACCOUNTS DIRECTION GIVEN BY THE SECRETARY OF STATE WITH THE CONSENT OF THE TREASURY, IN ACCORDANCE WITH SECTION 100C OF THE HOUSING AND REGENERATION ACT 2008.

1. The annual Financial Statements of the Regulator of Social Housing (hereafter in this accounts direction referred to as "the Regulator") shall give a true and fair view of the income and expenditure, cash flows for the year and the state of affairs at the year end. Subject to this requirement, the Financial Statements for 2018/19 and for subsequent years shall be prepared in accordance with:

   (a) the accounting and disclosure requirements given in Managing Public Money and in the *Government Financial Reporting Manual* issued by the Treasury ("the FReM") as amended or augmented from time to time;

   (b) any other relevant guidance that the Treasury may issue from time to time;

   (c) any other specific disclosure requirements of the Secretary of State;

   insofar as these requirements are appropriate to the Regulator and are in force for the year for which the Financial Statements are prepared, and except where agreed otherwise with the Secretary of State and the Treasury, in which case the exception shall be described in the notes to the Financial Statements.

2. This direction shall be reproduced as an appendix to the Financial Statements.

3. This direction replaces all previously issued directions.

Signed by authority of the Secretary of State for the Ministry for Housing, Communities and Local Government

Robert Jenrick.

Secretary of State for the Ministry for Housing, Communities and Local Government

Date: 25 September 2019

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