Regulator of Social Housing

Annual Report and Accounts 2025-26

For the period 1 April 2025 to 31 March 2026

HC 716



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Chair's foreword

I am delighted to present RSH's Annual Report and Accounts for April 2025 to March 2026. It was an important year, in which we embedded our stronger remit and supported social landlords – councils and housing associations – in achieving more and better social homes.

We are very clear that good-quality social housing can transform people's lives. Having a safe and secure home is often the foundation for better outcomes in a range of other areas, including employment, health and education. Social housing also helps communities to thrive, creates jobs and supports wider economic growth.

The country desperately needs more social homes.

As the regulator, we have a crucial role in unlocking them. We regulate social landlords so they are better able to manage risks and deliver new homes for the long term. This is more important than ever given the challenging economic climate in which they are operating – with higher borrowing costs, inflation and labour shortages.

Social landlords delivered over 51,000 new homes last year. Achieving this against such a difficult backdrop is a testament to the sector's resilience – which is underpinned by our regulation.

But 1.3 million households are still on waiting lists and there aren't enough homes to meet demand. Councils and housing associations have an important role to play in the delivery of new homes. Landlords with strong governance – that stress test their development plans and mitigate risks – will be best placed to take advantage of grant funding and deliver new homes for their communities.

The country also needs better social homes.

Most landlords take their responsibilities seriously. They are investing record amounts into fixing issues like damp and mould. They are also making tenants' homes more energy efficient and remediating fire safety risks. And they are working to improve their services to tenants, by listening to tenants and responding promptly to address problems.

But some landlords have failed to do this. We now have a stronger remit to find issues and get them to put things right at an earlier stage. Our first priority is for landlords to self-refer when things go wrong – that way they can be fixed more

quickly. But we are also using our inspections and investigations to hold landlords to account and intervene when needed.

We have a range of tools to get landlords to turn around poor performance. We are already seeing the benefits of this improvement work, with some landlords achieving higher regulatory grades through the year.

But even landlords with the highest grades need to improve. There is no room for complacency. Again, good governance is crucial. Senior councillors and boards need to have a clear understanding of the risks facing their organisation. This needs to be underpinned by robust data that is used strategically to find problems at an early stage and address their root causes. Although our governance requirements do not apply to councils, they should still use these lessons to improve outcomes for tenants.

We are extremely grateful for the interest and involvement of our stakeholders throughout the year. I look forward to working with RSH staff and the sector more widely as we continue to regulate for more and better social homes.

Bernadette Conroy

Chair, Regulator of Social Housing

Accounting Officer's statement

This is the Regulator of Social Housing's eighth annual report. We embedded our stronger regulatory approach through the year and continued to drive improvements in councils and housing associations across the country.

In April 2024 the government gave us a stronger remit, including the ability to inspect all large social landlords in England. The inspections are well underway – with over 45% of landlords covered by March 2026 as part of our four-year programme. The inspections are happening alongside our investigations of issues that tenants and landlords refer to us.

Two years in, some clear themes are emerging. We published our first annual casework review in September 2025. It drew out findings from our regulation of councils and housing associations. It is clear that good governance and positive outcomes for tenants are intertwined: themes that continue to be central to our regulation.

Landlords need to have strong governance arrangements so they can manage risks to tenants. This should be underpinned by robust data about tenants and their homes. Senior councillors and boards must use this insight strategically so they can tackle issues promptly and address their root causes.

Not only does this approach keep tenants safe; it enables more effective long-term investment planning. Having a strong grip on housing conditions means landlords can deliver better value for money, by addressing issues proactively through major planned repairs rather than reactively. This was also the conclusion of our focus report in July 2025 – Understanding the condition of tenants' homes – and the findings apply equally to senior councillors and boards.

We continue to emphasise the importance of self-referrals. We take strong action when landlords mismanage their affairs, get into significant financial trouble or fail to keep tenants safe. But the most effective way for landlords to deal with problems is to tell us about them at an early stage. This allows us to work with landlords as they put things right and ensure tenants are protected in the meantime.

Another key theme from our casework is the importance of robust financial governance. Landlords need to stress test their business plans, be alert to financial risks, and have mitigations in place to deal with new challenges. We do not regulate councils' finances, but they also need to make sure they carry out robust due diligence of development plans as they take up a bigger role in delivering new social homes.

This is more important than ever given the financial pressures facing the sector, which we explored in our Sector Risk Profile (published in November 2025). It set out the risks faced by councils and housing associations in their delivery of more and

better homes. Some challenges come from within the sector – including the need to tackle hazards like damp and mould, make homes more energy efficient, and remediate fire safety risks. Landlords also face wider economic headwinds, including the relatively higher cost of capital, inflation and labour shortages.

We also highlighted changes in the policy environment – including the roll-out of Awaab's Law in phases, the government's review of the Decent Homes Standard, and new electrical safety requirements. They are really important changes that landlords need to prepare for, both in terms of the cost and the operational delivery.

We concluded that landlords have little margin for error. Good governance – underpinned by robust data – is crucial. It enables landlords to make strategic decisions and balance trade-offs when delivering more and better homes.

The challenging economic climate was also reflected in our Global Accounts (January 2026). It showed that housing associations' interest cover stood at an average of 87 per cent. But the financial squeeze is not spread evenly: it is felt most acutely by housing associations in large cities, which typically manage more tall buildings that require greater investment, particularly in relation to fire safety. These pressures are also felt by councils in large urban areas.

Our annual stability checks – through which we assess the financial resilience of all large housing associations – also pointed to landlords' lower financial capacity. 65 per cent of landlords had a V2 grade, which means that they still comply with our viability requirements but have less headroom to deal with new shocks.

Despite these challenges, the sector continues to attract significant private investment. Total agreed borrowing facilities reached £143 billion by the end of March 2026. This would not be possible without effective regulation. Lenders value the stable environment that our regulation has created, underpinned by our focus on governance and financial viability.

Grant funding and private capital allow councils and housing associations to build new homes for the future.

They built or acquired around 51,000 new homes in the year. This is a significant achievement. But 1.3 million households are still on waiting lists and many more homes are needed to meet demand. The government has started to allocate grant funding from its Affordable Homes Programme which is expected to further increase social housing delivery. In their long-term development plans, landlords are starting to forecast a stronger pipeline of new homes.

We continue to collect a range of data about social landlords, to get big-picture insights into the sector and to help with our regulation of individual landlords.

We hold landlords to account for the fire safety of tall (11-metre plus) buildings. Alongside the insights from 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 they are not making progress quickly enough.

We published our second year of analysis on landlords' Tenant Satisfaction Measures (TSM) results in November 2025. Over half a million tenants gave responses and the results provide a rich source of insight for landlords (so they can improve their performance) and tenants (to hold landlords to account). The results showed a modest improvement on the first year, including improvements in reported health and safety performance. Overall satisfaction remained at around 70%, but shared owners were less satisfied (48%) than other tenants. We use the TSMs as a source of information – alongside inspections and other data points – to build an overall picture of a landlord.

The tragedy of the Grenfell Tower fire continues to shape how we regulate. It showed the devastating consequences of landlords not listening to tenants or treating them with fairness and respect. As part of the legacy of the fire, the government has brought forward two important new requirements for social landlords: competence and conduct, and social housing access to information (STAIRs). At the end of 2025 we consulted on how we will integrate them into our standards. These changes, which come into effect in October 2026, will further increase transparency in the sector and drive long-term improvements in homes and services.

Developing our people

The year was one of significant organisational development. We carried out a staff survey in June 2025 and have developed action plans to respond to feedback across a range of areas. This will ultimately make RSH a better place to work and ensure we are more agile and effective in our regulation.

We continue to prioritise staff development. This included training for regulatory staff with specific sessions on landlord improvement. We also launched a new learning and development plan, which we will continue to update in line with changing requirements. And we launched a new Digital, Data and Technology learning hub to help strengthen our digital capabilities.

Staff wellbeing is another key focus for RSH. We promote and support this through several initiatives, including First Contact Officers, trained Mental Health First Aiders and an Employee Assistance Programme.

We also developed a new Equity, Diversity and Inclusion strategy and action plan to build on our successes so far, and to challenge ourselves further. The two areas we are focusing on are inclusive leadership and inclusive colleague experience, underpinned by the more robust use of data.

Conclusion

Our regulation is supporting social landlords to build more and better social homes.

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

As we look forward, we want to make sure that our economic regulation is fit for the future. We also want to make sure that we are an agile, assertive and efficient regulator that is ready to meet new challenges. We look forward to our continued dialogue with the sector as we shape our approach over the coming year.

Thank you to everyone at RSH 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.

Jonathan Walters

Chief Executive

Performance report

Performance overview

This overview provides information on the Regulator of Social Housing for the period from 1 April 2025 to 31 March 2026. 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 more and better quality homes and services for current and future tenants.

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 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 **avoid** the imposition of an **unreasonable burden** (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
- 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, and
- to encourage RPs to contribute to the **environmental, social and economic well-being** 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 change, following the publication of the Social Housing White Paper in November 2020 and its recommendations, was 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, need to:

- 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.

The government's formal response to the Grenfell Inquiry's Phase 2 report, published in February 2025, directed RSH to set standards for the competence and conduct of staff working in social housing. Following a consultation in December 2025, a new standard to cover competence and conduct obligations will be implemented in 2026-27.

Strategic objectives

In the delivery of our statutory role, we set ourselves the following strategic objectives 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 objectives during 2025-26 is described on pages 27 to 50.

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 and led to these being updated to be more inclusive of all the different roles and functions within the regulator:



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.

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 (local authority or private registered providers with over 1,000 homes) 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 have established memorandums of understanding with appropriate bodies to liaise regarding issues of mutual interest which are relevant to our respective roles. These include: the Housing Ombudsman, The Charity Commission for England and Wales, Homes England, the Greater London Authority and The Health and Safety Executive (Building Safety Regulator).

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 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 second year of our four-year programme of inspection.

- 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.
- 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 indicate a potential breach of our standards. We act 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.
- 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.

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 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, regulates small providers, responds to enquiries and referrals, provides responsive engagement and assurance of findings and identifies opportunities for improvement.
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 and delivers internal and external communications and engagement.

Key risks and issues

The Overview of risk management section (page 73) sets out how we manage risk effectively at the regulator and how this is supported by our internal controls and governance structures. A review of risk management was carried out in 2024-25 and changes were made to our strategic risk review process. A further in-depth review followed in 2025-26 and we now have a performance, risk and corporate assurance framework which sets out how various related corporate governance processes come together to help us ensure we are delivering our objectives and managing risk effectively. The new framework became operational in Q1 2026-27. We have also developed corporate risk appetite statements for implementation in 2026-27, with a review planned towards the end of the financial year to ensure they are operating as envisaged.

Financial failure

As in previous years, both the size and type of landlords that operate within the sector and the range of activities they undertake continues to evolve. The likelihood of both multiple and individual landlord failures remained high as the wider economic and geopolitical environment remained challenging in 2025-26, with continuing 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. Increased market focus continues amongst some landlords and is seen in the number of for-profit providers, and the rise of non-traditional business models including lease-based organisations. In April 2025 we published a report on the fundamental issues with some lease-based provision of specialised supported housing highlighting issues which have caused concern in regulating in recent years (further detail is provided on page 36).

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 have carried out work to test our approaches to multiple financial failures and our approaches to resolving financial distress in large or multiple landlords. Our internal auditors, the Government Internal Audit Agency, carried out a review of these arrangements in early 2025-26 as part of the internal audit plan which provides the third line of assurance on our activities. We have produced new guidance for assessing and engaging with landlords who can assist as rescue partners and are developing a refreshed response plan to invoke and implement action when needed as part of our managing financial failures process.

Regulatory approach alignment with sector risk exposure

Another key risk is that our regulatory approach does not align with landlords' greatest risk exposures. This will remain an important risk and we keep this under constant review. To ensure it is managed effectively we carried out a review of our first year of regulation under our new remit and made improvements to our guidance and training. However, there is always the potential for unexpected risks to materialise within individual providers or the sector more generally. We have set up a programme covering a range of work to consider how we regulate and this will progress through 2026-27. This will help us to ensure that our regulation remains agile in response to changes in the operating environment. 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.

Significant negative sector event

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 an event occurring, but we can only reduce so far, the likelihood and impact of a negative event occurring at a landlord regardless of how effective our regulation is.

Stakeholder expectations

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 as well as our stakeholder engagement whilst accepting it may not be possible to always keep all our stakeholders content all the time. We are aware there is an emerging underpinning risk, with some stakeholders seeking a more permissive approach from our regulation. As we continue to evolve our regulatory approach to reflect a rapidly changing market, we will explain our thinking about the trade-offs between a more permissive regime and the increased risks that may imply.

Regulatory effectiveness and sector improvement

During our second year regulating under our new remit, we further considered two other risks, that we cannot evidence our effectiveness in delivering our fundamental

or strategic objectives and a risk that our approach is not seen to drive sector improvement.

The first risk relates to our core purpose, focussing on the reality of our regulation and the evidence of improvements or change that will show the value of our work. We can do little about the difficult operating environment, but our judgements continue to be well received and there is ongoing investment in the sector which provides some assurance. As mentioned previously we are progressing work to look at our impact and review how we regulate and this is discussed further on page 47.

The second 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 be felt 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 to ensure that the sector has confidence in the value of our work and continues to participate.

Capacity and capability

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 continued through 2024-25 bringing new skills into the organisation and retaining existing expertise. In 2025-26 staff turnover remained within target levels, with necessary staff in post to deliver frontline regulation. Our ongoing work to develop our staff and build our culture continues to help manage this risk.

However, we identified a subsidiary capacity and capability risk in our corporate and enabling functions, which have not grown and aligned to our expanded regulatory function. To manage this, we set up a Strengthening the Corporate Centre project in 2025-26, which will run into 2026-27 and ensure all our corporate and enabling functions are appropriately structured and resourced.

Digital

In July 2025 we transitioned to MHCLG as our new digital supplier and our risk that we do not keep pace with digital and data organisational requirements or external developments remains under scrutiny. MHCLG provides opportunities for introducing new software and skills to improve our capabilities and staff development. We have recruited roles in both our Digital and Data teams to increase our capacity and

capability to support our digital objectives and develop our digital capability over the next year.

Going concern

The Housing and Regeneration Act 2008 enables RSH to charge registered providers fees to recover the costs of regulation.

RSH ended the year with net assets of £3.3 million and cash of £13.1 million. In assessing whether it remains appropriate to prepare the financial statements on a going concern basis, RSH considered its financial position, expected fee income and forecasts covering at least 12 months from the date the financial statements are authorised for issue.

RSH has identified no material uncertainties that may cast significant doubt on its ability to continue operating. The financial statements have therefore been prepared on a going concern basis, reflecting the continuing delivery of RSH's statutory functions.

Performance summary

We aim to inspect all large private registered providers every four years against our governance and financial viability and consumer standards and local authority providers against the consumer standards and the rent standard. The programme is on track as we enter our third year. The inspection plan considers all the information that we hold about landlords to schedule inspections on a risk-based approach.

We concluded our second year of the inspection programme and where appropriate, we took robust and prompt regulatory action. This included downgrading 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 remain 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 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 high levels of registration activity with 125 applications from organisations interested in joining the sector, compared to 117

the previous year. We maintained performance against our service standard for assessing preliminary registration applications at 100%.

On 4 November 2025 we published our analysis of the second set of social housing landlords' Tenant Satisfaction Measure (TSM).

Our analysis, based on the 2024/2025 returns from large landlords, found that the biggest driver for overall satisfaction continues to be a tenant's view of their landlord's repairs service and how well their home is maintained. The survey showed modest changes from the previous year with slightly more than 70% of tenants and slightly less than 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 the data reflects an improved coverage of these fundamental safety checks for a minority of landlords that had gaps. Most tenants live in homes meeting the Decent Homes Standard.

Once again, nearly half a million tenants took part in the Tenant Satisfaction Measures (TSMs) by responding to a survey about their landlord and in general the sector has engaged effectively 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 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.

In September 2025 we published a report of our voluntary TSM pilot with a range of small social housing providers, including local authorities, alms houses, for-profit providers, supported housing specialists and other private registered providers. The pilot helped us understand small providers' experience of collecting TSMs so far and to assess the potential benefits and challenges of them submitting TSM data to RSH.

Feedback from the pilot, along with our own experience of regulating small providers, demonstrates the importance of them collecting TSMs. The data gives providers and tenants insight on service performance across a range of areas, which can be used

to drive service improvements. We decided to continue with our existing approach; we will not ask small providers to submit the data as their results cannot often be compared directly with each other in a meaningful way and submission could also create an additional burden. Small providers, like all social landlords, are still required to collect TSMs and publish the results.

2025-26 was a year of significant organisational development. Following the biennial staff survey conducted in June 2025, action plans were implemented across teams and at an organisational level to address feedback, improve ways of working, and further embed our One RSH culture with the aims of supporting greater collaboration, effectiveness, and organisational performance. As usual we published both our gender pay gap and ethnicity pay gap reports[1] (please note that due to reporting timescales the latest published report on which these figures are based is for the 2024-25 financial year).

The gender pay gap reflects the distribution of men and women across grades at RSH rather than differences in pay between men and women in the same grade. Our gender pay gap report (2024-25) shows that over 50% of staff in all pay levels are women but that the very high percentage of women in the bottom, lower and upper middle pay levels means that the pay gap within the organisation, remains in favour of male staff.

As for the gender pay gap, the ethnicity pay gap reflects the diversity of staff at different grades rather than differences in pay between staff from different backgrounds. 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 whilst we have increased diversity in the upper middle and bottom pay levels, the net impact has been limited.

A strong focus of our work on equity, 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 three years, but this level has been static 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

[1] Gender and Ethnicity Pay Gap Report - the latest published report on which these figures are based is for the 2024-25 financial year

of the fees regime, we will provide a rebate to the sector of unspent fee income for the year to 31 March 2026.

In line with the Government Efficiencies Framework[2], introduced in 2024-25, we reviewed our business plan to identify areas where efficiencies are most likely to be secured. We developed a process to track and report benefits and savings in 2025/26 and plan to further develop this in 2026/27 (further detail is on page 44).

Performance analysis

This section provides a summary of how we performed against our business plan, which sets out how we deliver the four corporate objectives (set out on page 16) 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. The plan is kept under review and revised 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. This year we continued to develop an approach to evaluating both the short and long-term impact of our regulatory activity, to analyse the early impact of the change in how we regulate and who we regulate.

We use mechanisms such as service standards and our stakeholder survey as proxy measures for quality. We also developed a set of key performance indicators, which form part of our Corporate Plan, to help us understand and track our performance under our new remit. We will be reviewing these in 2026-27 as part of our work to refresh the Corporate Plan. Some of these KPIs are already covered in our current performance reporting alongside our service standards and under the relevant corporate priority and there will be further development of our KPIs in 2026-27.

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.

[2] The Government Efficiency Framework-Gov.uk

Forward look

There has been no change to our four strategic objectives for 2025-26 but we will be reviewing them as part of the work on the Corporate Plan in 2026-27. For 2026-27 we have developed three corporate priorities which span our four strategic objectives to help focus our work for the year. These are:

- continue to deliver improved outcomes for tenants through robust regulation and building on relationships with stakeholders
- continue to develop the process for regulation by reviewing our founding concepts and operating principles to ensure that they are fit for purpose; and
- strengthen and develop RSH's corporate centre.

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. We will also continue to look at ways to assess the impact of our regulation and understand if our work helps to provide more and better homes.

We began a review of how we regulate in 2025-26 to ensure that our regulatory approach, processes and tools continue to respond to the changing operating environment and support us in delivering our fundamental and strategic priorities. This work culminated in the publication of our discussion document 'more and better homes' in June 2026, and the feedback from this document will feed into and help develop our thinking in 2026-27 and beyond. This will be done alongside a review of our financial standards in 2026-27 to make sure they remain fit for purpose.

In 2025-26 we also consulted 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. These are discussed on page 37.

Alongside this we will continue our work to build the organisation to make us fit for the future, reviewing and strengthening our corporate centre to ensure it supports our regulatory work effectively.

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)

As in the previous year, our planned regulatory engagement with large landlords (private registered providers and local authority landlords with more than 1,000 homes), is structured around the Quarterly Survey, the annual stability check and our inspection programme.

We have completed our second year of planned inspections of large registered providers. 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 looked at the consumer and economic standards for private registered providers and at the consumer standards and the rent standard element of the financial standard only for local authorities. 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 that we reached.

As our new remit is embedded, we began to consider the impact and value of our work. We published our first Regulatory Casework Review in September 2025 (detailed on page 32). This highlighted the importance of good governance, not only for the PRPs who are inspected against our governance standard, but also for local authorities looking to improve provision for their tenants. We carried out reactive and intensive engagement with large and small landlords who failed to meet our standards and helped some to return to delivering necessary requirements (noted on page 31). We have also begun to develop key performance indicators to measure our impact and these are explained in more detail on page 47.

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 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 regulatory judgements arising from our inspection programme throughout the year and at the end of the year just over 45% of large landlords had a regulatory judgement published following an inspection as part of the four-year

programme. At the end of March, we had given a total of 178 large landlords a consumer grading, with 40 (23%) receiving a C3 grade and 7 (4%) a C4 grade. The majority of these were for local authority landlords.

Issues seen related most often 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 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, especially relevant where an inspection is not imminent. It focuses on indicators of financial robustness in the light of increased expenditure on repairs and maintenance and considers evidence of any significant changes in risk profile, assessing borrowing costs, construction inflation and safety remediation funding and financial capability to meet the revised Decent Homes Standard (DHS). The programme also includes a check on private registered providers' governance gradings, checking if business plans properly factor in new legal obligations arising from Awaab's law and updated electricity safety rules. We do not assess consumer gradings as part of the stability check process. Of note during 2025-26 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 and at the end of March 2026, the majority of large PRPs with a viability grading were at V2 (circa 65%), which is once again a slight rise from the previous year (62%).

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. The surveys showed the outturn and forecast spend on repairs and maintenance continues to increase. The 12-month spend on repairs and maintenance totalled £9.5 billion, 5% higher than incurred in the previous year. The sustained growth reflects ongoing commitment to maintaining and improving existing homes, despite broader economic challenges.

From Stability checks, responsive engagement and our inspections there was a slight fall in Governance and Viability gradings this year with more private registered providers receiving downgrades. At the end of March 2026, 81% of large PRPs with a governance grading had a G1 grade and 15% had a G2 grade, compared to 83% at G1 and 12% at G2 at the end of March 2025. Similarly, the percentage of large PRPs with a viability grading at V1 decreased from 35% to 34%, with those rated V2 increasing from 62% to 65%. We followed up with several providers to ensure that individual providers' viability positions continued to be managed[3].

In addition to our planned work, we also continued to respond where landlords have serious failings in their delivery of the outcomes of our standards. The introduction of proactive regulation of the consumer standards increased the number of landlords identified as requiring improvement last year. This is still an issue but there has been a slight improvement in consumer ratings. At the end of March 2026, around 22% of large landlords with a consumer grading were rated C3, compared to 30% at the end of March 2025. Slightly more providers had a C4 grade; 4% compared to 3% at the same point last year.

We carry out intensive engagement with such landlords as they develop and deliver their improvement work, and we seek 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 2025-26 and six landlords achieved an upgraded consumer grade.

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

[3] The number of large registered providers will change as mergers take place and new providers join or leave the register.

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.

Following the first year regulating under our new remit, we published our first Regulatory Casework Review in September 2025. This new annual report covers the key themes from our governance, financial viability and consumer regulation of social landlords. It highlights important points for all social landlords from our regulatory work and especially the importance of good governance, including:

- the need for strong governance and effective risk management, including keeping robust data on the safety and quality of tenants' homes and other key issues.
- a need to demonstrate that tenants are safe in their homes, with effective oversight from boards and councillors.
- that landlords should keep up to date comprehensive data on homes and tenants to make the right evidence led decisions across their business.
- that they should embed tenants' views into decision making,
- they should manage financial viability to prioritise efficiency and value for money, maximising resources to invest in current and future homes and
- landlords should refer themselves to RSH if they find or suspect a failure to meet our standards.

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 can benchmark with previous years for the first three quarters of 2024-25 and our performance against the revised standards for Q4 2024-25 and annual data for 2025-26.

	Service standard (Timeliness)		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 (Timeliness)		2025-26 (Annual)	2024-25 (Q4)
Referrals from Landlords	Acknowledgement	5 working days	99%	100%
	Response	25 working days	96%	95%
Other referrals	Response	5 working days	100%	100%

We monitor trends in referral volumes and service standard performance on an ongoing basis to inform our resourcing decisions. In 2024-25 we revised our approach to handling referrals, so only quarter four data was available for last year under our new standards but annual data for 2025-26 shows a significant increase in referrals, a trend which started in 2024-25 where there was a 20% increase in the number of referrals received compared to the previous year. We received 217 landlords' referrals and 1,490 other referrals (last year we received 586 consumer referrals and 113 economic referrals). The number of referrals has more than doubled and this is something we are monitoring and working to better understand.

Registering new providers

	Service standard	2025-26	2024-25	2023-24	2022-23	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 2025-26 we received 125 new registration applications, of which 97 were preliminary applications and 28 detailed applications. We approved 13 applicants onto the register during the year, slightly fewer than the previous year and this comprised seven for-profit and six not-for-profit providers. A further 94 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.

Our regular stakeholder engagement continued. We spoke at 122 speaking engagements in 2025-26 in addition to attending a wide range of engagement opportunities including panels, roundtables, and bilateral meetings. We engage with landlords, tenants, financial institutions, and other stakeholders from across the social housing sector.

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.

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. We publish reports on emerging issues affecting the sector and this year these included:

- Focus report on the fundamental issues with some lease-based provision of specialised supported housing published in April and highlighted issues which caused concern in regulating in recent years. We concluded that there is generally not enough flexibility in current lease terms for landlords to manage risks effectively and they may need further negotiations with the freeholders to address this.

- Focus Report: Understanding the condition of tenants' homes. This year we published a focus report which highlights the importance of landlords understanding the condition of tenants' homes. This is crucial for good governance, strong financial viability, providing value for money and keeping tenants safe. It is an important issue that crosses our consumer and economic standards.

Our regular published reports include:

- 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 first Regulatory Casework Review was published in September 2025. As mentioned earlier in this report, this is a new annual report which covers the key themes from our governance, financial viability and consumer regulation of social landlords. It provides important learnings for landlords to help them to deliver more and better homes for tenants. This year the report reinforces several important points for landlords and especially the importance of good governance. While our economic standards do not apply to local authorities (other than the rent standard), the report shows that many of the lessons from our regulation of governance can also be used by councils to improve outcomes for tenants. We have carried out extensive engagement with senior leaders in local authorities new to our proactive regulation and received a positive response.

- Tenant satisfaction measures, (TSMs). First published this year, an analysis of the first set of social landlords' Tenant Satisfaction Measure (TSM) results alongside the results of a National Tenant Survey that we commissioned.

- Voluntary TSM pilot with a range of small social housing providers, including local authorities, almshouses, for-profit providers, supported housing specialists and other private registered providers. The pilot helped us understand small providers' experience of collecting TSMs so far and to assess the potential benefits and challenges of them submitting TSM data to RSH.

- 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 use a variety of channels to engage with stakeholders about our regulatory and analysis work including: speaking engagements at major conferences and events, articles by senior leaders in relevant press and through our digital presence, including our social media which we continue to enhance. These 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.

The Housing, Communities and Local Government committee published its report, "Housing Conditions in the Social Rented Sector" in February 2026. Amongst others, RSH provided written evidence and our CEO gave verbal evidence to the committee. The recommendations were not specifically for RSH but some touch on our work including timelines for extending Awaab's Law to other hazards and introducing interim targets to meet the new DHS with periodic reviews, to ensure rules reflect the changing needs of the population and the evolution of hazards.

In July 2025 we signed a memorandum of understanding (MOU) with the Building Safety Regulator (BSR). The MOU establishes clear frameworks for communication, cooperation and essential information exchange to support the safety of the homes and buildings that social housing tenants live in, which is a fundamental landlord responsibility.

In November 2025 we published a new Memorandum of Understanding (MOU) between RSH and the Charity Commission for England and Wales. The MOU was developed with colleagues across RSH and from the Charity Commission. It sets out how the two organisations will share relevant information and discuss matters of mutual interest.

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. As mentioned earlier we have produced new guidance for assessing and engaging with landlords who can assist as rescue partners and are developing a refreshed response plan to invoke and implement action when needed as part of our managing financial failures process.

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 Regulatory Reform (Fire Safety) 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. In June 2025 Awaab's Law regulations and the Electrical safety regulations were laid in parliament empowering residents to hold landlords to account by law if they fail to act on hazards in social homes and make them safe within set timescales. The first phase came into effect in October 2025 to cover damp and mould and all types of emergency hazards.

The electrical safety requirements came into force in November 2025 mandating electrical safety checks at least every five years in the social rented sector. The regulations will be introduced in a phased approach, starting with new tenancies and then six months later for existing tenancies. We have proposed a new Tenant Satisfaction Measures (TSM) on electrical safety, which will come into effect from April 2026.

The government's formal response to the Grenfell Inquiry's Phase 2 report, published in February 2025 did not specify new implications for RSH but it outlined significant reforms and commitments that align with our broader regulatory responsibilities and focuses on protecting residents.

The response referenced the Transparency, Influence, and Accountability Standard as key to strengthening resident voice and accountability. It also mentioned that RSH

will be directed to set standards for the competence and conduct of staff working in social housing and that we will collaborate with other regulators to help address building safety

In December 2025 we launched a consultation on proposed changes to the Transparency, Influence and Accountability Standard (TIA), to reflect new requirements on competence and conduct obligations to improve tenants' access to information and changes to the Tenant Satisfaction Measures (TSMs) requirements in the TI&A Standard.

We also proposed a new standard for providers to introduce social tenant access to information requirements (STAIRs). From October 2026, private registered providers will need to publish key information proactively, and from April 2027 respond to tenant information requests within set timescales. These changes are designed to empower tenants to hold their landlords to account.

As noted above, the government directed us to set competence and conduct requirements for relevant staff in registered providers to ensure they have the skills, knowledge and experience, and exhibit the necessary behaviours, to provide a good housing service. This includes qualification requirements for senior managers and executives. The consultation closed at the end of March 2026. The requirements will apply from October 2026, with a further transitional period for the qualifications' element.

In February 2026 we published the revised rent standard, which all social landlords must comply with from 1 April 2026. This follows the government's publication of a revised Policy statement on rents for social housing, which set out rent policy from April 2026 onwards. The government also directed us to set a new rent standard that reflects the government's 10-year rent settlement. Due to the timing, the government disapplied our usual requirement to consult when introducing a new standard and it will replace the current Rent Standard 2020. We reserved the ability to hold registered providers to account for any earlier failures to meet the outcomes of previous rent standards.

Regulations which come into force in April 2026 introduce new duties on building owners and managers of high-rise and higher risk residential buildings to address the fire safety of their most vulnerable tenants. This follows recommendations from the Grenfell Tower Phase 1 Inquiry Report, the Fire Safety (Residential Evacuation Plans) (England) Regulations 2025 which expect landlords to prepare personal emergency evacuation plans (PEEPs) for all residents whose ability to self-evacuate may be compromised. Landlords must also keep up-to-date information about

persons with reduced mobility and their associated PEEPs in an information box on the premises and provide copies in electronic and paper form to their local fire and rescue service. Our Safety and Quality standard requires landlords to take all reasonable steps to ensure the health and safety of tenants in their homes and associated communal areas and the regulations are particularly relevant in terms of how landlords are meeting PEEPs regulations.

The Renters' Rights Act (the Act) received Royal Assent in October 2025. The Act's primary intention is about reforming the private rented sector (PRS), but it makes reforms to the assured tenancy regime used by private registered providers (PRPs) and so will have direct implications for them and for our regulation of tenure. It is likely that we will be required to consult on an updated Tenancy Standard following direction from government.

Following a consultation on updates to the Decent Homes Standard (DHS), the government has released a policy statement laying out revised expectations of both social and private landlords. The new Standard features measures to eliminate damp and mould, and a renewed emphasis on Minimum Energy Efficiency Standards (MEES). For social housing, the new Standards will be introduced in stages and will apply from 2030. The DHS will then be implemented in 2035, at which point MEES will become part of the revised test of decency. In 2039, landlords will be expected to demonstrate compliance with two chosen MEES metrics. We expect directions from government in due course, to regulate both MEES and DHS.

Stakeholder satisfaction

We aim to carry out a stakeholder survey every year. We carried out the most recent one in May 2026, so this will be reported in full in the 2026-27 Annual Report. The survey helps us understand 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.

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

Under our expanded remit, we have continued to examine the financial management and governance of PRPs, while also regulating both PRPs and local authorities against our new consumer standards. This required changes to our structure, operational processes, leadership capabilities and ways of working. Between 2023 and 2025 we recruited 150 new starters, nearly doubling in size, and 49 staff moved internally to new roles. We recruited colleagues with new specialisms, existing staff learned new skills, and we developed our culture and ways of working. These changes also created a growth in demand on our corporate functions. We will be carrying out a review of these in 2026-27 to ensure they effectively support our larger organisation, and will provide an update in next year's annual report.

In 2025-26 most necessary roles had been filled but when vacancies arise, 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 equity in access to job opportunities at the regulator.

Staff turnover for the year has increased but continues to be within our target. Once again, we had slightly more leavers in 2025-26 than the previous year but as our numbers have grown, we have not seen much change in staff turnover. There is a balance between retaining expertise and bringing in new perspectives which the current turnover helps us achieve.

Our sickness rate has risen over the last four years and remains above target. Once again this is partly due to several instances of long-term sickness, which are being actively managed, some of whom are returning to work shortly. A review of sickness within the organisation has been carried out and absence levels reflect a trend externally where higher levels relate to work related stress. We have recalibrated our sickness target at 5.5 days compared to previous 4 days per employee per year. This brings us into closer alignment with the wider public sector and is a more realistic target given current performance and a follow up review is planned.

	Target	2025-26	2024-25	2023-24	2022-23	Trend
Staff turnover	Less than 10%	6.2%	6.1%	4.0%	3.7%	↑
Staff sickness days	5.5	7.3	5.5	3.6	2.9	↑

In October 2024 we launched a People Plan to help us build and evolve as an organisation. It was designed to help us be flexible, resilient and high performing, with inspirational leadership, excellent management, and a collaborative One RSH culture. We continued to deliver workstreams under the People Plan in 2025-26, including broadening our management development offer, refreshing our approach to development reviews and launching guidance to enable staff development through structured shadowing opportunities, as well as carrying out a range of organisational development activities to support our One RSH culture.

We took the decision to pause the People Plan in 2026-27 pending the review of our corporate functions, but people related activities are still being progressed through staff survey action plans, our Equity, Diversity and Inclusion action plan and our learning and organisational development activities, as well as the ongoing development of our approach to strategic workforce planning.

Our training delivery continued to evolve and we continued to provide training to build skills for our regulation activity, for new starters and on other specific elements for regulation staff including specific sessions on provider improvement. A Learning and Development programme is now in place which will be updated to take account of changing training requirements. Training modules have been commissioned for mandatory training to help manage compliance and mitigate risk. Relevant staff received training in customer support and neurodiversity awareness. We have a new Digital, Data and Technology Learning Hub to help staff access learning as we develop our digital capabilities. Corporate membership of the Institute of Regulation is now in place, with the first directly commissioned training taking place in April 2026.

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 taken forward through our Equity, Diversity and Inclusion (EDI) strategy and action plan. We set out more detail of our work on EDI in the relevant section on page 51. We carry out a full staff survey every two years and our 2025 staff survey is reported on page 85.

Achieving Effectiveness, Efficiency and Economies of Scale

During 2024-25, government departments and arms-length bodies were required to adopt the Government Efficiencies Framework. In line with the framework, we identified areas where we are most likely to secure efficiencies and put processes in place to track and report 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.
- **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 in 2025, refining how we use our case management and other systems, including our upgraded provider data collection system, which has proved flexible and coped well with data submissions from our expanded remit, and exploring the opportunities offered by AI.

Systems and IT security

Our cyber security is managed by MHCLG and our security teams continue to monitor alerts and guidance from MHCLG and other national partners, maintain security updates and ensure mandatory training is completed by all.

We have continued to demonstrate a high level of operational resilience, continuing with hybrid ways of working in 2025-26. Meetings, staff briefings and training are regularly held online. We continue to develop our e-learning capabilities.

Finance

Our work is funded through fees paid by registered providers. RSH continued to collect 100% of fees due in 2025-26, ensuring that all registered providers contributed in line with the agreed fee arrangements.

RSH is committed to paying suppliers promptly, supporting their cash flow and maintaining effective working relationships. RSH continued to pay 100% of undisputed invoices within 30 days of receipt.

	Target	2025-26	2024-25	2023-24	2022-23	Trend
Fee collection	100%	100%	100%	100%	100%	➔
Supplier invoices paid in 30 days	100%	100%	100%	100%	100%	➔

Response to enquiries

We received 2,394 general enquiries in 2025-26 and responded to 100% within our target time of five working days for an initial response. This maintains our performance from the previous year, although we have handled slightly fewer general enquiries.

We received 1,823 enquiries about our NROSH+ data system, once again this is a reduction of over a quarter from the previous year and we responded to 99.7% 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. As 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 and as we improve our guidance, we have seen an overall reduction in queries. We continue to monitor enquiry categories to identify opportunities to improve communications and guidance.

We also dealt with 96 freedom of information requests (FOIs) and 10 subject access requests in 2025-26, with a service standard performance of 97%. We responded to all but two of the FOI requests within the statutory deadlines. The two late responses

were due to extended consultation with external parties in one case and an administrative error in the other.

One complaint was received by the Information Commissioner's Office (ICO) in relation to our FOI responses. This case remains ongoing and we await further engagement or an outcome from the ICO.

The tables below set out the details for our FOI responses. 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 and the cases that this applies to are counted separately.

Overview of FOI requests	Total
Number of requests received	96
Number of open requests	2
Number of requests processed in full	90
Number of requests responded to within statutory deadlines	79
Number of requests responded to after 20 working days with permissible extension	9
Number of requests responded to after 20 working days – late response	2
Number of requests closed as either invalid/withdrawn or no clarification within 3 months	4
Number of internal review requests	3

Breakdown of FOI responses	Total
Information not held	24
Refused in full – information exempt exc. s21	18
Refused in full – s21 information available by other means	2
Information released in full	21
Information released in part	25

Advice and assistance provided	Total
Advice and assistance is applicable to several of the requests including where the regulator asks for clarification or applies the cost limit.	26

Key Performance Indicators

We started to look at ways of assessing the impact of our regulatory work and have devised a set of key performance indicators (KPIs), now published in our Corporate Plan. The KPIs cover regulatory work, our relationship with stakeholders and our internal people metrics. There are many factors that affect the performance of landlords in the social housing sector that are not directly related to regulation, but we continue to consider how we may understand our impact in relation to the wider sector environment. Objective 1 - Driving improvement

KPI1	2025-26	2024-25
Percentage of large landlords with published RJs from inspections at the end of each financial year	45.2%	16.1%

KPI2	2025-26	2024-25
Percentage of large landlords receiving G grading each financial year	91.3%	82.5%
Percentage of large landlords receiving V grading each financial year	90.8%	82.5%
Percentage of large landlords receiving C grading each financial year	31.7%	20.3%

KPI3	Number	%
Number of large landlords by regulatory judgement as at 31 March 2026:		
Governance		
G1	155	80.7%
G2	28	14.6%
Viability		
V1	65	33.9%
V2	124	64.6%
Consumer		
C1	50	28.1%
C2	81	45.5%

KPI4	2025-26	2024-25	2023-24	2022-23
Percentage of stakeholders who agree our regulation is consistent with our objectives on…				
…economic regulation	77%	74%	75%	82%
…consumer regulation	80%	80%	74%	77%

Objective 2 - Maintaining confidence

KPI5	2025-26	2024-25	2023-24	2022-23
Percentage of stakeholders who agree we take action where possible to ensure that confidence in the sector is maintained, and access to finance on competitive terms continues	74%	77%	76%	79%

KPI6	2025-26	2024-25	2023-24	2022-23
Percentage of stakeholders who agree we take appropriate action in line with our remit	74%	79%	77%	N/A

KPI7	2025-26	2024-25	2023-24	2022-23
Percentage of stakeholders who find RSH publications very or somewhat useful	78%	76%	76%	N/A

Objective 3 - Working with others

KPI8	2025-26	2024-25	2023-24
Number of external speaking engagements delivered by RSH staff each year	122	138	116

KPI9	2025-26	2024-25	2023-24
Number of engagements with RSH social media posts each year	73,996	76,719	74,008
Engagement rate with RSH social media posts each year	8.0%	9.3%	7.5%

KPI10	2025-26	2024-25	2023-24
Percentage of stakeholders who agree we are professional and respectful when we engage	94%	87%	N/A

Objective 4 - Building the organisation

KPI11	2025-26	2024-25	2023-24
Staff engagement score	81%	N/A	67%

KPI12	2025-26	2024-25	2023-24
Staff turnover	6.2%	6.1%	3.7%

KPI13	2025-26	2024-25	2023-24
Average number of staff sick days per head	7.3	5.5	3.6

KPI14	2025-26	2024-25	2023-24
Board member meeting attendance rate	95.9%	94.6%	91.0%

KPI15	2025-26	2024-25	2023-24
Percentage of annual fees receivable that were received	100%	100%	100%

Contextual indicators

CI1	2024-25	2023-24
Overall satisfaction from TSMs	71%	70%

CI2	2024	2023	2022
Percentage of social homes that do not meet the Decent Homes Standard	10.2%	10.3%	10.4%

CI3	2025	2024	2023
Median headline social housing cost per unit (2025 prices)	£5,688	£5,136	£4,586

CI4	2024-25	2023-24	2022-23
Total new facilities agreed each year	£9.9bn	£12.5bn	£10.2bn

CI5	2025	2024	2023
Gross supply of social housing units for large private registered providers	51,655	57,222	54,877

Equity, diversity and inclusion

Compared to the general population, social housing tenants are more likely to share certain protected characteristics. We therefore place equity, 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 require 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 our culture. 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 developed a new Equity Diversity and Inclusion strategy and action plan to build on our successes so far, and to challenge ourselves further. The two areas we are focussing on are inclusive leadership and inclusive colleague experience, underpinned by more robust use of data.

Financial performance

The financial statements for the year ended 31 March 2026 (set out from page 97 onwards) reflect the continued expansion of RSH following the introduction of proactive consumer regulation on 1 April 2024.

Operating expenditure increased to £36.0m (2024-25: £29.7m). Staff costs increased to £30.7m (2024-25: £25.1m). This reflected the full-year cost of staff recruited during 2024-25 and further recruitment during 2025-26 as RSH continued to build the capacity needed to deliver its wider regulatory role.

Expenditure on goods and services increased to £4.8m (2024-25: £4.3m). This was mainly due to one-off costs arising from the transfer of digital services from Homes England to MHCLG's shared service arrangements. Homes England was not set up to provide these services to RSH on a continuing shared-service basis. The transfer will allow RSH to benefit from the economies of scale and wider digital expertise available through MHCLG's shared services.

Operating income increased to £36.3m (2024-25: £27.0m). This reflected the increase in costs recovered through regulatory fees. It also reflected the first full year of the revised full cost-recovery fee regime, which took effect on 1 July 2024.

MHCLG sets delegated resource and capital expenditure limits for RSH. RSH remained within both limits during 2025-26. Resource expenditure was £4.0m below the delegated limit. This was mainly because RSH had not yet reached its staffing establishment as recruitment continued on a phased basis.

	Actual expenditure	Delegated limit	Underspend
Resource	£36.3m[4]	£40.3m	£4.0m
Capital	£0.9m	£1.0m	£0.1m

Assets decreased to £14.8m at 31 March 2026 (31 March 2025: £17.0m), mainly because cash decreased to £13.1m (31 March 2025: £15.8m), reflecting the timing of annual regulatory fee invoices. Deferred fee income decreased by £2.0m for the same reason, contributing to a reduction in liabilities to £11.5m (31 March 2025: £13.8m). Net assets increased slightly to £3.3m (31 March 2025: £3.2m).

[4]Resource expenditure is reported on the departmental budgeting basis and includes employer pension contributions of £1.0m, while operating expenditure includes IAS 19 pension service and administration costs of £0.7m. This explains the £0.3m difference between resource expenditure (£36.3m) and operating expenditure (£36.0m).

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 2026, 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 2025-26.

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.

2025-26 saw an increase in travel compared to the previous year, in line with trends from the last two years.

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

that each occupier discloses their share of the building's sustainability performance data.

Currently, we are in the private sector for the Manchester office, and we are working with the landlord to gather data and improve their sustainability.

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[5]
	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 and requires CEO level sign off.
	Update organisational travel policies so that they require lower carbon options to be considered first as an alternative to each planned flight.	Our travel policy highlights a preference for low carbon travel.

[5] Data provided centrally for, Bristol, Leeds and London. Birmingham is reported through MHCLG. In Manchester we are in 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

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. We are working with our landlord to improve sustainability where possible.
	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.	Where we purchase our own stationery, we are minimising the purchase of CSUP with the intention of fully phasing out.
	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 equipment encourages less use of paper. RSH 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).[6]
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.

[6] 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.

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 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 acting where we can 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.
	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 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 swapped contracted digital services from Homes England to MHCLG in August 2025. 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.

Sustainability performance data

Greenhouse Gas Emissions (scope 3)		2025-26	2024-25	2023-24	2022-23
Non-financial indicators (tonnes CO2e)	**Flights**[7]	0.3	-	0.2	0.1
	Car	5.6	8.1	3.6	2.1
	Rail	36.6	30.5	20.8	11.9
		42.5	**38.6**	**24.6**	**14.1**
Related energy consumption ('000s km)	**Flights**	1	-	1	1
	Car	35	49	22	10
	Rail	1,033	859	586	335
		1,069	**908**	**609**	**346**
		£'000	**£'000**	**£'000**	**£'000**
Financial indicators	**Official business travel**	497	424	249	138
Paper consumed	**Number**[8]	Not available	59	78	66
	Reams per FTE staff	Not available	0.20	0.33	0.25
		£'000	**£'000**	**£'000**	**£'000**
Financial indicators	**Paper procurement**	**-**	**-**	**-**	**-**

The Performance Report has been signed on 3 November 2026.

Jonathan Walters
Accounting Officer

[7] All reported flights are domestic. No international business flights have been undertaken in any of the years shown.
[8] In 2024-25 paper consumption reduced by 44% compared with 2021/22 (from 105 to 59 reams). This year, data is not available about usage since our move to GovPrint. It will be available next year. We purchased 15 reams of paper prior to the transition to GovPrint in August 2025.

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:

- Bernadette Conroy, Chair
- Jo Boaden, CBE[9]
- Kalpesh Brahmbhatt
- David Cassidy[10]
- Deborah Gregory
- Richard Hughes[11]
- Chan Kataria[12]
- Sukhvinder Kaur-Stubbs
- Fiona MacGregor (Chief Executive)
- Geoff Smyth
- John Liver
- Robert Light

[9] Jo Boaden left in August 2025
[10] David Cassidy joined the Board in July 2025
[11] Richard Hughes left in May 2025
[12] Chan Kataria joined in November 2025

Except for the Chief Executive, the Chair and the other Board members are collectively referred to in the legislation as appointed members. The appointed members hold 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 two data breaches to the Information Commissioner's Office (ICO) in 2025-26. No further action was required by the ICO in one case and we are still waiting to hear regarding the other.

Auditors

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

The Comptroller and Auditor General charged a fee of £120,000 for the audit of RSH's 2025-26 Annual Report and Accounts (2024-25: £105,000). No non-audit services were provided.

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.

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.

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 2025-26 and up-to-date approval of the Annual Report and Accounts to support the Accounting Officer in discharging these responsibilities.

The regulator's Accounting Officer is responsible for maintaining a sound system of governance, risk management and internal control by ensuring that the Regulator's risk management framework is aligned with HM Treasury's *Orange Book: Management of Risk – Principles and Concepts* and is integrated into strategic planning, decision-making and performance management processes. The framework supports the systematic identification, assessment, management and reporting of risks across the organisation and promotes a culture in which risk is managed proactively and proportionately.

Regular assurance is provided from the Board, the Audit and Risk Assurance Committee, the Executive Leadership Team, internal audit and other assurance providers on the effectiveness of governance, risk management and control arrangements.

During 2025-26, the Regulator continued to develop its risk management arrangements in line with the principles of the Orange Book and the associated Risk Control Framework. The Board and Audit and Risk Assurance Committee received regular reports on principal risks, emerging risks and the effectiveness of mitigating controls.

Internal audit work was mapped to the Risk Control Framework to provide a structured assessment of governance, risk management and control arrangements and to support the Accounting Officer's annual governance assessment. The Accounting Officer has reviewed the effectiveness of the system of internal control, informed by management assurances, internal audit opinion, external scrutiny and the work of the Audit and Risk Assurance Committee, and is satisfied that appropriate arrangements were in place throughout the year to support effective stewardship and delivery of the Regulator's objectives.

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 61.

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

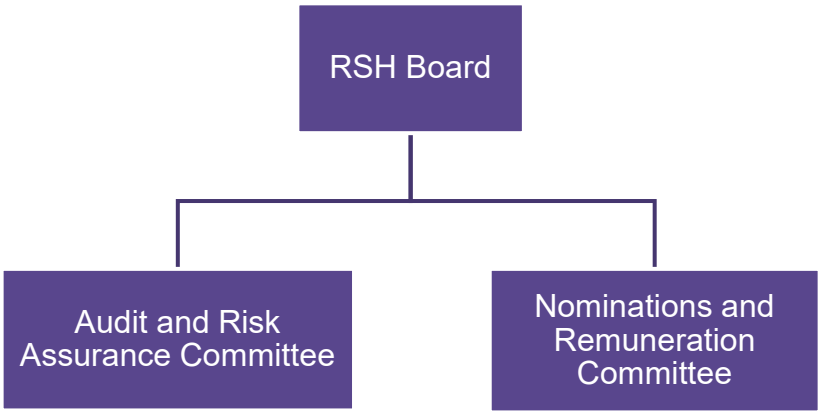
The Board receives regular reports on policy development, performance, risk management, governance, financial information and internal controls, assuring itself of the effectiveness of the regulator's internal control and risk management systems and providing assurance to MHCLG on these systems.

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[13]. The Board has had oversight of the regulator's annual budget for approval by MHCLG in relation to grant-in-aid.

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

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.



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 during the year were:

- John Liver (Chair)
- Kalpesh Brahmbhatt
- Richard Hughes
- David Cassidy

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. This year ARAC reviewed our new risk and performance strategy and our risk appetite statements.

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 during the year were:

- Jo Boaden, CBE
- Deborah Gregory
- Bernadette Conroy
- Sukhvinder Kaur-Stubbs

- Chan Kataria

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 2025 pay remit.

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[14]	4/4		2/2
Kalpesh Brahmbhatt	9/10	4/5	
Bernadette Conroy - Chair	10/10		5/5
Deborah Gregory	10/10		5/5
Richard Hughes[15]	2/2	1/1	
David Cassidy[16]	7/7	4/4	
Sukhvinder Kaur-Stubbs	9/10		1/1
John Liver	9/10	5/5	
Robert Light	9/10		
Fiona MacGregor	10/10		
Geoff Smyth	10/10		
Chan Kataria[17]	4/4		1/1

[14] Jo Boaden left in August 2025
[15] Richard Hughes left in May 2025
[16] David Cassidy joined in July 2025
[17] Chan Kataria joined in November 2025

Executive Team

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

The 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 2026:

Fiona MacGregor	Chief Executive
Jonathan Walters	Deputy Chief Executive
Robert Holroyd	Acting Senior Assistant Director of Investigation & Enforcement
Kate Dodsworth	Chief of Regulatory Engagement
Angela Holden	Director of Regulatory Engagement
Karen Doran	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

Fiona MacGregor left RSH on 30 April 2026. Jonathan Walters was appointed Chief Executive and Accounting Officer from 1 May 2026.

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.

Secretary of State directions

During 2025-26, the regulator received the following directions from the Secretary of State under section 197 of the Housing and Regeneration Act 2008

- Rent direction issued 20 January 2026 to take effect from 1 April 2026,
- Competence and conduct direction issued 23 September 2025
- Direction on the Social Tenant Access to Information Requirements issued 23 September 2025

Overview of risk management

The regulator has a performance, risk and assurance framework 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 uses the Central Government Assurance Directory and relevant Government Functional Standards to assess compliance and identify opportunities for improvement. Compliance with the standards is reviewed regularly and no material departures were identified during 2025-26.

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

implemented further improvements in 2025-26 and carried out an in depth review. We now have a performance, risk and corporate assurance framework which sets out how various related corporate governance processes come together to help us ensure we are delivering our objectives and managing risk effectively. The new framework became operational in Q1 2026-27. We have also developed corporate risk appetite statements for implementation in 2026-27, with a review planned towards the end of the financial year to ensure they are operating as envisaged.

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 2025-26

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. These are discussed in more detail in the Performance Report on page 21.

Conclusion

I have reviewed a range of evidence from varied 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 2025-26 programme comprised four audits and one advisory review:

- Investigation and Enforcement Casework: substantial assurance, one minor action

- Safe Harbours: substantial assurance, two actions, one complete and the other due in Q1 2026-27

- HR Operations: moderate assurance, four actions due in 2026/27

- New Regulatory processes and assurance: moderate assurance, six actions due in 2026/27

- GIAA DDAT specialists carried out an advisory review of the transition of provision of IT systems from Homes England to MHCLG, following issues encountered and provided advice on how similar transitions could be effectively managed in future

The overall internal audit conclusion for the year was one of moderate assurance and it was noted that some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.

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. The format of these statements has been refreshed this year. The 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 governance, accountability, efficacy, and efficiency of all Arm's Length Bodies. MHCLG determined at the self-assessment stage that RSH is a well-run organisation that demonstrates no fundamental weaknesses across its operations and so a full-scale review was not necessary at that time. The review identified several 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.

The work to deliver on these recommendations is well established within the regulator with MHCLG being kept abreast of developments as the work progresses.

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.

Jonathan Walters

Accounting Officer

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 £600 for the year. Board members are not eligible to receive performance-related pay.

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

Remuneration Information

Remuneration and pension interests of Board members and the Executive Team for the year ending 31 March 2026:

Board members' remuneration (subject to audit)

Remuneration bands, £'000	2025-26	2024-25
Jo Boaden, CBE[18]	0 - 5	10 - 15
Kalpesh Brahmbhatt	10 - 15	10 - 15
Elizabeth Butler[19]	-	10 - 15
David Cassidy[20]	5 - 10	-
Bernadette Conroy, Chair	65 - 70	65 - 70
Deborah Gregory	10 - 15	10 - 15
Richard Hughes[21]	0 - 5	10 - 15
Chan Kataria[22]	0 - 5	-
Sukhvinder Kaur-Stubbs	10 - 15	10 - 15
Robert Light[23]	10 - 15	0 - 5
John Liver[24]	10 - 15	0 - 5
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 remuneration 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. All remuneration for Board members relates to fees only. Board members do not receive performance-related pay, benefits in kind or pension benefits.

[18] Jo Boaden left the board on 31 August 2025
[19] Elizabeth Butler left the board on 31 March 2025
[20] David Cassidy joined the Board on 1 July 2025
[21] Richard Hughes left the Board on 31 May 2025
[22] Chan Kataria joined the Board on 1 November 2025
[23] Robert Light joined the Board on 1 November 2024
[24] John Liver joined the Board in November 2024

Executive Team remuneration (subject to audit)

	Salary, £'000		Bonus, £'000		Pension, £'000		Total, £'000	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Harold Brown[25], Senior Assistant Director of Investigation & Enforcement	80-85	115-120	0-5	0-5	17	75	100-105	190-195
Kate Dodsworth, Chief of Regulatory Engagement	150-155	145-150	0-5	0-5	57	43	205-210	185-190
Karen Doran, Director of Regulatory Engagement	130-135	125-130	0-5	0-5	49	81	180-185	205-210
Robert Holroyd[26], Acting Senior Assistant Director of Investigation & Enforcement	90-95	-	0-5	-	39	-	130-135	-
Angela Holden, Director of Regulatory Engagement	125-130	125-130	0-5	0-5	49	81	175-180	205-210
Fiona MacGregor, Chief Executive	175-180	170-175	0-5	0-5	35	95	215-220	265-270
Richard Peden, Director of Finance & Corporate Services	130-135	125-130	0-5	0-5	49	53	180-185	180-185
Will Perry, Director of Strategy	130-135	125-130	0-5	0-5	49	57	180-185	180-185
Emma Tarran, Senior Assistant Director of Legal and Company Secretary	120-125	115-120	0-5	0-5	45	51	165-170	165-170
Jonathan Walters, Deputy Chief Executive	160-165	155-160	0-5	0-5	34	93	195-200	250-255

There were no benefits-in-kind paid in 2025-26 (2024-25: £nil). All staff, including the Executive Team, were eligible for non-consolidated performance bonuses ranging from £0 to £600 in 2025-26 (2024-25: £0 to £640).

[25] Harold Brown's full-year equivalent salary for 2025-26 was £120,000 - £125,000.
[26] Robert Holroyd joined the Executive Team on 1 July 2025. The remuneration disclosed for 2025-26 relates to the period from 1 July 2025 to 31 March 2026 and includes a one-off additional responsibility allowance paid during that period. His full-year equivalent salary from 1 July 2025 was in the range £115,000 - £120,000.

Executive Team Pension Benefits (subject to audit)

	Annual accrued pension as of 31 March 2026[27]	Real change in accrued annual pension	Accrued lump sum as of 31 March 2026	Real change in accrued lump sum	CETV as of 31 March 2026[28]	CETV as of 31 March 2025	Real change in CETV
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Harold Brown	60-65	0-2.5	65-70	(0-2.5)	1,267	1,186	37
Kate Dodsworth	11-15	2.5-5	-	-	132	77	52
Karen Doran	20-25	2.5-5	55-60	(0-2.5)	402	336	54
Angela Holden	20-25	2.5-5	40-45	(0-2.5)	187	146	36
Robert Holroyd[29]	25-30	0-2.5	0	0	379	338	32
Fiona MacGregor	75-80	2.5-5	70-75	(2.5-5)	1,607	1,496	53
Richard Peden	15-20	2.5-5	30-35	(0-2.5)	271	211	51
Will Perry	20-25	2.5-5	50-55	(0-2.5)	280	228	44
Emma Tarran	15-20	2.5-5	40-45	(0-2.5)	276	223	44
Jonathan Walters	65-70	2.5-5	45-50	(0-2.5)	1,155	1,059	55

All staff, including the Executive Team, are eligible for either the Civil Service Pension Scheme or the Local Government Pension Scheme, depending on when they joined RSH or its predecessor bodies.

Employees who were members of the Homes and Communities Agency Pension Scheme (HCAPS) transferred to the Civil Service Pension Scheme on 1 October 2024. Benefits accrued in HCAPS before the transfer have been retained. The figures above include benefits accrued in both schemes.

Figures in brackets represent negative real changes after allowing for inflation.

[27] Accrued pension as of 31 March 2026: The accrued pension entitlement represents the annual pension payable upon retirement, based on pensionable service up to 31 March 2026.
[28] Cash Equivalent Transfer Value (CETV) as of 31 March 2026. 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.
[29] Robert Holroyd joined the Executive Team on 1 July 2025. Comparative values are provided as of 1 July, with increases shown for the period from 1 July 2025 to 31 March 2026

Termination payments to key managers (subject to audit)

Termination payments to key managers during the period 1 April 2025 to 31 March 2026 were £nil (2024-25: £nil).

Staff costs (subject to audit)

	2025-26			2024-25		
	Permanent	Others	Total	Permanent	Others	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Wages and salaries	21,545	305	21,850	18,708	198	18,906
Social security costs	3,036	42	3,078	2,250	21	2,271
Pension costs	5,670	127	5,797	3,926	44	3,970
Staff cost	**30,251**	**474**	**30,725**	**24,884**	**263**	**25,147**

Wages and salaries for 2025-26 include £102,000 of non-consolidated performance-related payments (2024-25: £92,000).

Other staff comprise employees on fixed-term contracts including apprentices.

Staff composition (subject to audit)

Average staff numbers by contract type

The average number of staff employed, expressed as full-time equivalents, by contract type was as follows:

	2025-26	2024-25
Permanent UK staff	333	293
Fixed-term UK staff	7	6
Total	**340**	**299**

Average staff numbers by salary band

The average number of staff employed, expressed as full-time equivalents, by salary band was as follows:

	2025-26	2024-25
£0 - £25,000	0	0
£25,001 - £50,000	90	79
£50,001 - £75,000	198	171
£75,001 - £100,000	22	21
£100,001 - £125,000	23	21
£125,001 - £150,000	5	5
£150,001 - £175,000	2	2
Total	**340**	**299**

Gender composition

The following table shows the number of people by sex who were members of the executive team or other employees at 31 March. This is a headcount measure at a point in time and is therefore not directly comparable with the average full-time equivalent figures above.

	2026	2025
Executive team members - Female	5	5
Executive team members - Male	5	4
Other employees - Female	230	212
Other employees - Male	115	109
Total	**355**	**330**

Fair pay disclosure (subject to audit)

The annualised remuneration[30], as of 31 March, of the Chief Executive[31], was £180,000 - £185,000 (2024-25: £175,000 - £180,000). Remuneration ranged from £27,132 to £180,000 - £185,000 (2024-25: £25,596 to £175,000 - £180,000).

The 2024-25 comparatives have been updated to exclude non-executive directors, in line with updated FReM guidance.

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
2025-26	Total remuneration	£50,261	£55,833	£74,459
	Of which, salary	£49,961	£55,533	£74,159
	Pay ratio	**3.6:1**	**3.3:1**	**2.5:1**
2024-25	Total remuneration	£50,042	£55,000	£72,165
	Of which, salary	£49,772	£55,000	£71,825
	Pay ratio	**3.5:1**	**3.2:1**	**2.5:1**

The small increases in the 25th percentile and median pay ratios in 2025-26 reflect new starters and leavers during the year. The average pay award across RSH was 3.5%, delivered through a tiered approach, with increases ranging from 6% for the lowest paid staff to 3.25% for the highest paid staff. There were no material changes to RSH's employment model. RSH considers the 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	3%	-12%
Workforce average	3%	5%

[30] 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.
[31] The Chief Executive is the highest paid director.

Exit packages (subject to audit)

The table below shows exit packages agreed during the year. Exit costs are recognised when the departure and the associated terms have been agreed. Figures in brackets relate to 2024-25.

Exit package cost band	Compulsory redundancies	Other departures agreed	Total exit packages
£0 - £10,000	0 (0)	1 (0)	1 (0)
£10,001 - £25,000	0 (0)	0 (0)	0 (0)
£25,001 - £50,000	0 (0)	0 (0)	0 (0)
£50,001 - £100,000	0 (0)	0 (0)	0 (0)
£100,001 - £150,000	0 (0)	0 (0)	0 (0)
£150,001 - £200,000	0 (0)	0 (0)	0 (0)
Total number of exit packages	**0 (0)**	**1 (0)**	**1 (0)**
Total cost of exit packages (£'000)	**0 (0)**	**10 (0)**	**10 (0)**

Expenditure on consultancy

Consultancy expenditure of £86,000 was incurred during the year ended 31 March 2026 (2024-25: £nil). The expenditure related to assessments of data maturity and the use of Microsoft Dynamics 365 and SharePoint.

Apprenticeship levy

Expenditure of £93,000 was incurred on apprenticeship levy contributions during the year ended 31 March 2026 (2024-25: £79,000). The levy supports the cost of apprenticeship training and assessment.

Off-payroll arrangements

No expenditure was incurred on off-payroll engagements during the year ended 31 March 2026 (2024–25: £nil). All board members were paid through payroll during the year.

Staff policy regarding disabled persons

The regulator is committed to ensuring equity 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.

Staff sickness absence and turnover

The regulator's sickness absence levels have risen to a rolling average of 7.3 working days lost per employee during 2025-26 compared to 5.5 working days lost per employee during 2024-25. Our sickness trends mirror wider external patterns, with work related stress the main contributor (22.6% of total sickness), driven by a small number of long-term cases. Other absence relates to personal psychological stress (19.51%), hospital interventions (20.45%) and seasonal illness such as coughs, colds and flu (10%).

Annual staff turnover was 6.2%, a slight increase on 6.1% in 2024-25.

Health and safety

The regulator's Health and Safety Committee meets quarterly and is chaired by the Director Finance and Corporate Services. Incidents and near misses are recorded and investigated as appropriate, noting that none have occurred during the period 1 April 2025 to 31 March 2026 that required reporting 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. Annual performance remains strong and continual improvements have been programmed for the next financial year.

Employee engagement and consultation

We ran our fourth all staff survey in summer 2025 and our first following our transformation with the recruitment of over 100 new staff. We maintained our high response (83%) and engagement rate (81% up 14%), and we also compare favourably to public sector and high performing organisation benchmarks.

Following the survey, bespoke action plans have been developed for all teams, the impact of which will be measured as part of team performance reporting. Corporately, staff engagement was carried out via 12 demographic and thematic focus groups, based on three bespoke areas, which are:

- Working across teams: collaboration. Improve collaboration and relationships between teams and directorates to support strong regulatory and organisational outcomes.
- Energising work: skills & empowerment. Make the most of the skills we have at RSH and empower colleagues to problem solve within our corporate risk appetite and with appropriate delegations.
- Difficult conversations: psychological safety. Encourage constructive challenge and have difficult conversations to transform our culture from ‘nice’ to ‘kind’ and improve performance management practice.

Our next staff survey is due in Summer 2027.

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.

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)

There were no losses or gifts during the year ended 31 March 2026 (2024-25: £nil). One special severance payment of £10,000 was made during the year. This payment is also included in the exit-packages disclosure on page 84.

Fees and charges (subject to audit)

The fee regime operates on a full cost-recovery basis. Fee rates are set and eligible regulatory expenditure is allocated separately for private registered providers and local authorities to avoid cross-subsidy between the two sectors. Application fees are set to recover the cost of assessing applications to join the Register of Social Housing.

The fee principles are:

- a fixed fee applies to applications for initial registration
- annual fees are based on the number of social housing units owned by each registered provider
- a fixed annual fee applies to providers with fewer than 1,000 units
- where a group owns 1,000 or more units and its parent is a private registered provider, the annual fee is calculated at group level
- providers are liable for the full annual fee for any year in which they join or leave the register
- information on regulatory costs and fees is published each year

The following rates applied during 2025-26:

Fee	2025-26
Initial registration fee for applications submitted before 1 July 2024	£2,500
Preliminary application stage	£525

Fee	2025-26
Detailed application stage	£2,625
Small registered providers with fewer than 1,000 units	£682.50
Large private registered providers (1,000+ units)	£9.80 per unit
Large local authority registered providers (1,000+ units)	£7.55 per unit

Where fees from either sector exceed the related eligible regulatory expenditure, the excess is returned to large registered providers in that sector. Small private registered providers do not receive a rebate because their annual fee is fixed and reflects the proportionate cost of regulation.

The total rebate payable for 2025-26 was £4.1 million and will be settled during 2026-27:

Annual fees, £'000	2025-26		2024-25	
	PRP	LA	PRP	LA
Total fee invoices	28,488	11,788	23,850	7,763
Fee-funded costs for the period	25,945	10,253	20,391	6,455
Rebate to large providers	**2,543**	**1,535**	**3,459**	**1,308**

The Fees and Resources Advisory Panel provides a forum for stakeholder engagement and supports transparency over fee-setting and the resources used to deliver regulation.

Further information on fee income and rebate balances is provided in note 4 to the financial statements.

Remote contingent liabilities (subject to audit)

In the ordinary course of business, statutory appointments are made to the boards of some registered providers under section 269 of the Housing and Regeneration Act 2008. Indemnities are provided to appointees. The resulting remote contingent liability cannot be quantified because of its nature and the absence of any claims under indemnities provided to date.

There were no other material remote contingent liabilities at 31 March 2026.

The Accountability Report has been signed on 3 November 2026.

Jonathan Walters

Accounting Officer

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 2026 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 2026;
- 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 standards.

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 2026 and its net income for the year then ended; and
- have been properly prepared in accordance with the Housing and Regeneration Act 2008 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 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.

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 Reports 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 Reports.

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 are not in agreement with the accounting records and returns; or

- the Governance Statement does not reflect compliance with HM Treasury's guidance.

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.

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, the Regulator of Social Housing's head of internal audit 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, Managing Public Money and the Government Financial Reporting Manual.
- inquired of management, the Regulator of Social Housing's head of internal audit 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 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, and 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 the Housing and Regeneration Act 2008, Managing Public Money, employment law and pensions legislation.

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 and Risk Assurance 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.

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 4 November 2026

Comptroller and Auditor General

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

Financial Statements

Statement of Comprehensive Net Expenditure

Year ended 31 March 2026

	Note	2025-26 £'000	2024-25 £'000
Operating income:			
Registered provider fee income	4.1	(36,277)	(26,902)
Other income	4.2	(61)	(56)
		(36,338)	**(26,958)**
Operating expenditure:			
Staff costs	2	30,725	25,147
Purchase of goods and services	3	4,813	4,288
Depreciation charges	3	445	250
		35,983	**29,685**
Net operating expenditure/(income)		**(355)**	**2,727**
Interest income		(91)	(107)
Pension net finance costs	13(d)	(10)	(137)
Net expenditure/(income) for the period		**(456)**	**2,483**
Other comprehensive net expenditure:			
Actuarial loss/(gain) on pension fund	13(e)	329	2,623
Total comprehensive expenditure/(income)		**(127)**	**5,106**

The notes on pages 101 to 126 form part of these accounts.

Statement of Financial Position

As at 31 March 2026

	Note	2026 £'000	2025 £'000
Non-current assets:			
Pension assets	13(a)	-	-
Property, plant and equipment	5	502	155
Intangible assets	6	826	617
Right-of-use assets	7	35	87
		1,363	**859**
Current assets:			
Trade and other receivables	9	409	314
Cash and cash equivalents	8	13,066	15,805
		13,475	**16,119**
Total assets		**14,838**	**16,978**
Current liabilities:			
Registered provider fee rebate	10	(4,080)	(4,769)
Registered provider deferred fees	10	(4,879)	(6,855)
Trade and other payables	10	(2,552)	(2,154)
		(11,511)	**(13,778)**
Total net assets		**3,327**	**3,200**
Reserves:			
Income and expenditure reserve	SoCTE	999	962
Regulation reserve	SoCTE	2,328	2,238
Taxpayers' equity		**3,327**	**3,200**

The notes on pages 101 to 126 form part of these accounts.

Jonathan Walters
Accounting Officer
3 November 2026

Statement of Cash Flows

Year ended 31 March 2026

	Note	2025-26 £'000	2024-25 £'000
Net cash flow from operating activities		**(1,836)**	**4,741**
Cash flows from investing activities:			
Purchase of non-financial assets	5 and 6	(918)	(138)
Interest received		91	107
Net cash flow from investing activities		**(827)**	**(31)**
Cash flows from financing activities:			
Grant-in-aid from sponsor department	SoCTE	-	3,106
Principal element of lease payments	7.1	(73)	(66)
Lease interest paid	7.1	(3)	(1)
Net cash flow from financing activities		**(76)**	**3,039**
Net change in cash and cash equivalents		**(2,739)**	**7,749**
Cash and cash equivalents at 1 April	8	**15,805**	**8,056**
Cash and cash equivalents at 31 March	8	**13,066**	**15,805**

Reconciliation of net operating income/(expenditure) to operating cash flow:

	Note	2025-26 £'000	2024-25 £'000
Net operating income/(expenditure)	SoCNE	355	(2,727)
Amortisation	3	108	108
Depreciation and loss on disposal	3	337	142
Lease interest expense	7.1	3	1
Non-cash IFRS 16 lease remeasurement adjustment		18	-
Pension costs	13(d)	673	1,679
Employer contributions to pension	13(f)	(992)	(2,237)
(Increase)/decrease in trade and other receivables		(95)	(71)
Increase/(decrease) in trade and other current liabilities		(2,243)	7,846
Net cash flow from operating activities		**(1,836)**	**4,741**

The notes on pages 101 to 126 form part of these accounts.

Statement of Changes in Taxpayers' Equity

Year ended 31 March 2026

	Note	Income and expenditure reserve £'000	Regulation reserve £'000	Total £'000
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**
Net income/(expenditure)	SoCNE	366	90	456
Actuarial gain/(loss) from pension fund	13(e)	(329)	-	(329)
Balance at 31 March 2026		**999**	**2,328**	**3,327**

No Grant-in-Aid was received in 2025-26 following the move to the full cost recovery fee regime in July 2024.

The notes on pages 101 to 126 form part of these accounts.

Notes to the Financial Statements

1. Accounting policies

These financial statements have been prepared under the direction issued by the Secretary of State under section 100C of the Housing and Regeneration Act 2008 and in accordance with the 2025-26 Government 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 date the financial statements are authorised for issue and has identified no material uncertainties. This assessment reflects the continuing delivery of RSH's statutory functions and future funding arrangements.

The FReM applies International Financial Reporting Standards, adapted or interpreted for the public sector. Where the FReM permits a choice of accounting policy, RSH applies the policy that best reflects its circumstances.

1.01 Accounting convention

The financial statements have been prepared under the historical cost convention, except where the FReM requires another measurement basis.

Assets are reviewed for impairment where there is an indication that their carrying value may not be recoverable.

1.02 Property, plant and equipment (PPE)

Property, plant and equipment comprise IT equipment, mainly staff laptops. Assets are capitalised where the cost of an individual asset, or group of similar assets, is £5,000 or more. PPE is measured at current value in existing use. IT equipment is measured at depreciated historical cost as it has a short useful life and is not subject to material changes in value.

IT equipment acquired before 1 April 2025 is depreciated on a straight-line basis over three years. Equipment acquired from 1 April 2025 is depreciated over four years. This reflects the expected useful life of the laptops purchased as part of the move to MHCLG's digital shared service. The revised useful life has been applied prospectively as a change in accounting estimate.

1.03 Intangible assets

Intangible assets comprise capitalised development costs for NROSH+, RSH's data collection platform used by registered providers to submit regulatory information.

Development costs are capitalised where the recognition criteria in IAS 38 are met and the cost is £5,000 or more.

Intangible assets are measured at cost less accumulated amortisation and impairment. From 1 April 2025, the FReM requires intangible assets to be measured using the cost model. The carrying value at 31 March 2025 was treated as deemed historical cost. No transition adjustment was required as RSH had previously used depreciated historical cost to value these assets.

The original NROSH+ system is amortised on a straight-line basis over seven years from 1 April 2023. Later enhancements are amortised from the date they are available for use over the remaining life of the system. At 31 March 2026, the remaining amortisation period was four years. This is consistent with the support contract including the available extension periods.

1.04 Leases

RSH applies IFRS 16 to arrangements that give it the right to control the use of an identified asset. At the start of a lease, RSH recognises a right-of-use asset and a lease liability.

The lease liability is measured at the present value of future lease payments, using the interest rate implicit in the lease or, where this cannot be determined, the relevant HM Treasury discount rate.

Right-of-use assets are measured at current value in existing use. RSH uses the IFRS 16 cost model as a proxy for current value because the assets have short remaining useful lives and are not subject to material changes in value.

Short-term leases and leases of low-value assets are charged to expenditure over the lease term.

Most of RSH's office accommodation arrangements are not leases because the supplier retains a substantive right to substitute the space. These costs are charged to expenditure as incurred.

1.05 Registered providers' fees

In accordance with the FReM adaptation of IFRS 15, the statutory arrangements under which RSH charges fees are treated as contracts with customers. This income arises from statutory fee arrangements with private registered providers and local authorities under section 117 of the Housing and Regeneration Act 2008.

Application fee income is recognised over time as assessments are completed. Amounts invoiced before the related work is completed are recognised as contract liabilities.

Annual fee income is recognised over the financial year as regulatory services are provided. Fees received for future periods are recognised as contract liabilities. Amounts repayable to registered providers are recognised as rebate liabilities. Further information is provided in Note 4.1.

1.06 Funding

From 1 July 2024, RSH has operated a full cost recovery model funded through statutory fees charged to registered providers. Before that date, some activities were funded through grant-in-aid from MHCLG.

Grant-in-aid was treated as financing and credited directly to the income and expenditure reserve. Net income or expenditure for the year is transferred to the income and expenditure reserve.

1.07 Pension costs

RSH accounts for pension costs in accordance with IAS 19. RSH participates in the Homes and Communities Agency Pension Scheme, the Local Government Pension Scheme through the City of Westminster Pension Fund and the Civil Service Pension Scheme.

The Homes and Communities Agency Pension Scheme and the Local Government Pension Scheme are funded defined benefit schemes. Scheme assets are measured at fair value and liabilities are measured using the projected unit credit method. The net defined benefit position is recognised in the Statement of Financial Position, subject to the asset ceiling requirements of IAS 19 and IFRIC 14. Service costs are recognised within staff costs, net interest is recognised as finance income or expense and remeasurements are recognised in other comprehensive net expenditure.

The Civil Service Pension Scheme is an unfunded multi-employer defined benefit scheme. RSH cannot identify its share of the underlying liabilities, so the scheme is accounted for as if it were a defined contribution scheme. Further information is provided in Note 13.

1.08 Holiday accrual

RSH recognises a liability for annual leave earned but not taken at the reporting date.

1.09 Value added tax

RSH's regulatory activities are outside the scope of VAT. Input VAT is not recoverable and is charged to expenditure or included in the cost of an asset.

1.10 Receivables

Receivables are recognised at fair value and subsequently measured at amortised cost, less any expected credit loss allowance. In assessing expected credit losses, RSH considers the age of outstanding balances and any specific information affecting recoverability. In practice, balances more than three months overdue are provided for in full unless there is clear evidence that they remain recoverable.

1.11 Regulation reserve

The regulation reserve comprises proceeds of surplus property transferred to RSH under section 167 of the Housing and Regeneration Act 2008 and predecessor legislation.

The funds may be used to support the resolution of serious problems at non-profit registered providers. Cash relating to the reserve is held separately from RSH's general operating funds.

1.12 Accounting judgements and estimates

The most significant estimates relate to the valuation of RSH's funded defined benefit pension schemes. The valuations are prepared by independent qualified actuaries using assumptions including discount rates, inflation, salary growth and mortality.

RSH also applies judgement in assessing whether accommodation arrangements contain a lease, the useful lives of non-current assets and whether development costs meet the criteria for capitalisation. Further information on pension assumptions and sensitivities is provided in Note 13.

1.13 Segmental reporting

RSH has one reportable operating segment for the purposes of IFRS 8. This reflects the information reviewed by the Chief Executive to allocate resources and assess performance.

1.14 New and amended accounting standards and FReM requirements

RSH has considered new and amended standards and changes to the FReM effective for the year ended 31 March 2026.

From 1 April 2025, the FReM requires intangible assets to be measured using the cost model. As RSH had previously used depreciated historical cost as a proxy for depreciated replacement cost, the change had no effect on the carrying value of assets or taxpayers' equity.

IFRS 17 Insurance Contracts applies to central government bodies from 1 April 2025. RSH reviewed the indemnities provided to section 269 appointees and employees and concluded that they fall outside the scope of IFRS 17. The relevant risks arise from the appointment or employment relationship and are not pre-existing insurance risks transferred to RSH. No insurance contract asset or liability has therefore been recognised and no transition adjustment was required.

Other new or amended requirements effective in 2025-26 have not had a material effect on the financial statements.

Standards issued but not yet effective

IFRS 18 Presentation and Disclosure in Financial Statements will replace IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after 1 January 2027 in the private sector. The impact of IFRS 18 on the public sector is still being assessed, and a decision has not yet been taken on an implementation date. RSH will assess the effect of the standard once the public-sector implementation requirements are confirmed.

IFRS 19 Subsidiaries without Public Accountability: Disclosures is not applicable to RSH because RSH is not an eligible subsidiary.

RSH has considered other standards and amendments issued but not yet implemented through the FReM and does not expect them to have a material effect on its financial statements.

1.15 Housing Finance Corporation Ltd

RSH holds one £1 nominal value share in The Housing Finance Corporation Limited under a Declaration of Trust. The shareholding is not material to the financial statements. Further information is provided in Note 12.

1.16 Domicile status and nature

The Regulator of Social Housing is domiciled in the United Kingdom. Its headquarters are in Leeds and its operations are limited to England.

RSH is a statutorily independent non-departmental public body sponsored by MHCLG. It regulates registered providers of social housing in England.

2. Staff costs

	2025-26	2024-25
	£'000	£'000
Staff costs charged to net expenditure comprise:		
Wages and salaries	21,850	18,906
Social security costs	3,078	2,271
Pension costs	5,797	3,970
Total staff costs	**30,725**	**25,147**

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

Wages and salaries for 2025-26 include £102,000 of non-consolidated bonus payments (2024-25: £92,000).

IAS 19 pension costs for the funded defined benefit schemes can be volatile. In 2025-26, the pension cost was £319,000 lower than the employer pension contributions paid (2024-25: £558,000 lower). Further information is provided in Note 13.

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

3. Other expenditure

	2025-26	2024-25 reclassified
	£'000	£'000
Purchase of goods and services:		
Digital services	1,833	1,333
Corporate support services[32]	817	766
Office accommodation	724	782
Legal and professional fees	624	529
Travel and subsistence	497	424
National Tenant Survey[33]	22	191
External audit	120	105
Other expenditure	176	158
Total purchase of goods and services	**4,813**	**4,288**
Non-cash items:		
Depreciation (PPE)	133	80
Loss on disposal (PPE)	121	-
Amortisation	108	108
Depreciation (office right-of-use asset)	83	62
Total non-cash items	**445**	**250**
Total	**5,258**	**4,538**

The 2024-25 comparative has been reclassified to move £212,000 of office service charges and £24,000 of office supplies to office accommodation. Total expenditure is unchanged.

In 2025-26, digital services included £629,000 of one-off costs relating to the transition of services to MHCLG's shared services arrangements. The £121,000 loss on disposal related to laptops replaced as part of that transition.

[32] Corporate support services comprise HR, payroll, recruitment, training, internal audit and shared finance services. Digital services and office accommodation are shown separately.
[33] A national tenant survey was undertaken to capture feedback from social housing tenants across England. This 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. The survey work spanned two financial years, with costs incurred in both 2024-25 and 2025-26.

4. Income

4.1 Revenue from Contracts with Customers

Fee types and performance obligations

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

- The initial registration fee applies to applications submitted before 1 July 2024. It 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 when a provider is accepted onto the register.

- Application fees apply to applications to join the Register of Social Housing. The performance obligation is satisfied over time as RSH undertakes the assessment. Revenue is recognised by reference to the progress of each assessment. Revenue is recognised by reference to the progress of each assessment. Invoices are issued in advance of assessment activity.

- The annual fee applies to registered providers. It relates to continued registration and the regulation of social housing. The performance obligation is satisfied over time, in line with the delivery of regulatory activity and fee funded expenditure. Annual fees are invoiced at or shortly before the start of the financial year.

RSH does not adjust the transaction price for a significant financing component because the period between payment and satisfaction of the related performance obligation is expected to be less than one year.

Fee levels for 2025-26

Fee	
Initial registration fee for applications submitted before 1 July 2024	£2,500
Preliminary application stage	£525
Detailed application stage	£2,625
Annual fees:	
Small registered providers with fewer than 1,000 units	£682.50
Large private registered providers (1,000+ units)	£9.80 per unit
Large local authority registered providers (1,000+ units)	£7.55 per unit

Annual fee income and rebates

Any annual fee not required to meet eligible regulatory expenditure is returned to large private registered providers and large local authority registered providers. No rebate is payable to small private registered providers because their annual fees are set at a fixed amount that reflects the proportionate level of regulatory activity associated with those providers. Annual fee income is recognised using eligible fee funded expenditure as the measure of progress, as this reflects the regulatory services delivered during the period.

The rebate payable in respect of 2025-26 annual fee income not required to meet eligible regulatory expenditure has been recognised as a liability and will be settled during 2026-27.

Revenue from contracts with customers

RSH recognised the following registered provider fee income:

	2025-26	2024-25
	£'000	£'000
Initial registration	18	41
Application fees	61	15
Annual fee	36,198	26,846
	36,277	**26,902**

Contract and rebate balances

At 31 March 2026, deferred application fees were £34,000 (2025: £9,000).

Annual fees received in advance are recognised as deferred fees. Rebate liabilities are amounts payable to registered providers where annual fees collected exceeded regulatory expenditure.

The table below shows movements in annual fee balances and related rebates. Deferred application fees are excluded from the table.

	Private Registered Providers		Local Authorities	
	Fee rebate	Deferred fees	Fee rebate	Deferred fees
	£'000	£'000	£'000	£'000
At 31 March 2024	**(3,780)**	**(443)**	**-**	**-**
Rebate settled	3,778	-	-	-
Fees received	-	(23,407)	-	(7,763)
Income recognised	-	20,391	-	6,455
Transfer of unspent fees to rebate	(3,459)	3,459	(1,308)	1,308
Prepayment of 2025-26 fees	-	(6,846)	-	-
At 31 March 2025	**(3,461)**	**(6,846)**	**(1,308)**	**-**
Rebate settled	3,459	-	1,308	-
Fees received	-	(21,642)	-	(11,788)
Income recognised	-	25,945	-	10,253
Transfer of unspent fees to rebate	(2,543)	2,543	(1,535)	1,535
Prepayment of 2026-27 fees	-	(3,537)	-	(1,308)
At 31 March 2026	**(2,545)**	**(3,537)**	**(1,535)**	**(1,308)**

4.2 Other income

	2025-26 £'000	2024-25 £'000
Director fees	40	38
Digital Apprenticeship Service	21	18
	61	**56**

Director fees

Director fees represent income received in respect of an employee of RSH who serves as a non-executive director on the board 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.

5. *Property, plant and equipment*

PPE comprises IT equipment, primarily staff laptops, which RSH replaced in 2025-26 as part of the transfer to MHCLG's Digital Shared Service.

	2026	2025
	£'000	£'000
Cost:		
At 1 April	676	617
Additions	601	59
Disposals	(567)	-
As at 31 March	**710**	**676**
Depreciation:		
At 1 April	521	441
Charge for the period	133	80
Disposals	(446)	-
As at 31 March	**208**	**521**
Carrying value at 31 March	**502**	**155**

6. *Intangible assets*

Intangible assets comprise capitalised development costs for the NROSH+ system, a digital platform that enables registered providers to submit information to RSH.

	2026	2025
	£'000	£'000
Cost:		
At 1 April	832	753
Additions	317	79
As at 31 March	**1,149**	**832**
Amortisation:		
At 1 April	215	107
Charge for the period	108	108
As at 31 March	**323**	**215**
Carrying value at 31 March	**826**	**617**

7. Right-of-use assets

RSH recognises a right-of-use asset and lease liability for its Leeds office under IFRS 16. Other office arrangements are licences to occupy and fall outside IFRS 16 because the supplier retains the right to substitute the space.

	2026	2025
	£'000	£'000
Cost:		
At 1 April	272	272
Additions	31	-
As at 31 March	**303**	**272**
Depreciation:		
At 1 April	185	123
Charge for the period	83	62
As at 31 March	**268**	**185**
Carrying value at 31 March	**35**	**87**

7.1 Lease disclosures

	2026	2025
	£'000	£'000
Amounts in Statement of Comprehensive Net Expenditure		
Rates and service expenses not included in the lease liability	96	75
Interest expense on lease	3	1
Maturity analysis of lease liabilities		
1 year	35	60
2 - 5 years	-	-
Less interest element	-	-
Present value of lease liabilities	**35**	**60**
Total cash outflow for leases	**76**	**67**

The lease liability moved from £60,000 to £35,000 following a £48,000 non-cash remeasurement, £3,000 of interest and £76,000 of cash payments.

8. Cash and cash equivalents

	2026	2025
	£'000	£'000
Opening balance	15,805	8,056
Net change in cash balances	(2,739)	7,749
Cash balances at 31 March	**13,066**	**15,805**
The following cash balances were held at 31 March:		
General bank account	10,738	13,567
Section 167 bank account	2,328	2,238
Cash at bank	**13,066**	**15,805**

RSH's cash balances are held through the Government Banking Service. The Section 167 bank account holds the regulation reserve described in Note 1.11.

9. Trade and other receivables

Amounts falling due within one year	2026	2025
	£'000	£'000
Prepayments	393	308
Director fee receivable	10	-
Employee loans	4	2
Application fee receivables	2	4
	409	**314**

There were no amounts falling due more than one year after the reporting date.

10. Trade and other payables

	Note	2026 £'000	2025 £'000
Amounts falling due within one year:			
Employee holiday balance		909	770
Accruals		883	708
Taxation and social security		682	599
Trade payables		43	17
Lease liability		35	60
		2,552	**2,154**
Registered provider deferred fees	4.1	4,879	6,855
Registered provider fee rebate	4.1	4,080	4,769
Total trade and other payables		**11,511**	**13,778**

There were no amounts falling due more than one year after the reporting date.

11. Other financial commitments

Office accommodation:

The Leeds office lease meets the definition of a lease under IFRS 16 and is recognised as a right-of-use asset and lease liability. Further information is provided in Note 7.

Other office accommodation arrangements are licences to occupy and do not convey control over the use of an identified asset. They are therefore disclosed as other financial commitments.

Non-lease office accommodation commitments	**2026**	**2025**
	£'000	£'000
Payable within 1 year	420	421
Payable later than 1 year and not later than 5 years	-	159
Payable over 5 years	-	-
	420	**580**

Service contracts:

RSH has commitments for digital systems support, finance shared services and other corporate services.

Service contract commitments	**2026**	**2025**
	£'000	£'000
Payable within 1 year	349	206
Payable later than 1 year and not later than 5 years	626	674
Payable over 5 years	-	-
	975	**880**

The service contract commitments include £802,000 for support of the NROSH+ data collection system under a contract with Softwire Technology that runs to May 2030, including extension periods.

12. Related-party transactions

RSH is a non-departmental public body sponsored by the Ministry of Housing, Communities and Local Government (MHCLG). MHCLG is a related party.

During the year, RSH had material transactions with MHCLG for shared services and office accommodation. RSH also bought digital services from Homes England, which is also sponsored by MHCLG. RSH had material transactions with other government bodies, mainly the Government Property Agency, for office accommodation and related services.

RSH holds one £1 nominal value share in The Housing Finance Corporation Limited under a Declaration of Trust. Fiona MacGregor was RSH's Chief Executive throughout the reporting period. She also served as a non-executive director of The Housing Finance Corporation Limited and its subsidiary, Affordable Housing Finance plc. Fees from these appointments were payable to RSH and are included in other income in Note 4.2. RSH had no other financial interests in or transactions with either organisation during the year.

Except as disclosed above, no Board member, key management personnel or other related party had any material transactions with RSH during the year.

Details of key management personnel compensation are included in the Remuneration and Staff Report.

13. Pensions

RSH accounts for pension costs in accordance with IAS 19 Employee Benefits. RSH participates in three pension schemes, reflecting employees' historic membership arrangements and organisational changes over time.

Homes and Communities Agency Pension Scheme (HCAPS)

HCAPS is a funded, multi-employer defined benefit scheme. It is closed to future accrual for regulator staff following the transfer of all active RSH members to the Civil Service Pension Scheme (CSPS) on 1 October 2024. Accrued benefits remain in HCAPS. RSH has entered into a deferred debt arrangement with the HCAPS trustees and remains responsible for making ongoing contributions to fund past service liabilities. Homes England, as principal employer, leads engagement with the trustees, who regularly review the investment strategy, including liability hedging, to ensure alignment with long-term obligations.

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

RSH participates in the LGPS through the City of Westminster Pension Fund. This is a funded, multi-employer defined benefit scheme. The scheme is closed to new entrants, although existing active members continue to accrue benefits. Westminster City Council is the administering authority. Its Pension Fund Committee oversees the Fund's investment strategy and the management of related risks.

For HCAPS and LGPS, plan assets are measured at fair value and defined benefit obligations are measured using the projected unit credit method. The net defined benefit asset or liability is recognised in the Statement of Financial Position, subject to the asset ceiling. Service cost and net interest are recognised in net expenditure. Remeasurements are recognised in other comprehensive net expenditure.

Civil Service Pension Scheme (CSPS)

CSPS is an unfunded, multi-employer defined benefit scheme. Active RSH employees transferred to CSPS on 1 October 2024 and new staff are enrolled in the scheme. As RSH cannot separately identify its share of the scheme's liabilities, it accounts for CSPS as if it were a defined contribution scheme. Employer contributions are recognised as an expense when they fall due.

Employer contributions to Civil Service pension arrangements of £5,125k were recognised as an expense in 2025-26 (2024-25: £2,289k). The increase reflects a full year in the Civil Service Pension Scheme in 2025-26 compared with part-year participation in 2024-25. This includes contributions to alpha and partnership. Based on current staffing plans RSH expects to contribute circa £5,700k in 2026-27.

The disclosures and figures that follow apply only to HCAPS and LGPS, as CSPS is accounted for as a defined contribution scheme.

McCloud judgment

The McCloud judgment relates to age discrimination arising from transitional protections introduced during the 2015 public service pension reforms. It does not affect HCAPS. The LGPS accounting valuation includes an allowance for the expected cost of the remedy. Any related CSPS liability sits within the central scheme and is not separately recognised by RSH.

a. Defined benefit pension assets and liabilities

	HCAPS	LGPS	Total
	£'000	£'000	£'000
31 March 2026:			
Fair value of plan assets	19,565	55,840	75,405
Present value of defined benefit obligation	(15,178)	(31,269)	(46,447)
Net surplus / (deficit)	**4,387**	**24,571**	**28,958**
Effect of asset ceiling	(4,387)	(24,571)	(28,958)
Net defined benefit asset recognised	**-**	**-**	**-**
31 March 2025:			
Fair value of plan assets	18,744	52,389	71,133
Present value of defined benefit obligation	(14,983)	(27,928)	(42,911)
Net surplus / (deficit)	**3,761**	**24,461**	**28,222**
Effect of asset ceiling	(3,761)	(24,461)	(28,222)
Net defined benefit asset recognised	**-**	**-**	**-**

The asset ceiling limits the net pension asset recognised to the maximum economic benefit available through a refund or reduction in future employer contributions. RSH does not have an unconditional right to a refund or reduction in future contributions from either scheme. The full surplus has therefore been restricted. Movements in the asset ceiling are shown in Note 13(h).

b. *Actuarial assumptions*

Financial assumptions:	**31 March 2026**		**31 March 2025**	
	HCAPS	**LGPS**	**HCAPS**	**LGPS**
Inflation (CPI)	3.00%	3.00%	2.70%	2.75%
Pension increases	3.00%	3.00%	2.70%	2.75%
Salary increases	3.50%	4.00%	3.20%	3.75%
Discount rate	6.20%	6.30%	5.90%	5.80%

Life expectancy at age 65:	**31 March 2026**		**31 March 2025**	
	HCAPS	**LGPS**	**HCAPS**	**LGPS**
Male – retiring today	22.6	22.4	22.2	21.9
Male – retiring in 20 years	23.4	23.5	23.1	23.3
Female – retiring today	24.0	24.7	23.9	25.4
Female – retiring in 20 years	25.7	26.0	25.6	26.0

c. *Fair value of plan assets*

			31 March 2026	**2025**[34]
	HCAPS	**LGPS**	**Total**	**Total**
	£'000	£'000	£'000	£'000
Equities - quoted	-	32,877	32,877	31,628
Equities – unquoted	3,019	6	3,025	4,272
Debt – quoted	6,907	2,975	9,882	12,165
Debt – unquoted	7,052	3,856	10,908	9,921
Real estate - quoted	-	1,696	1,696	1,662
Real estate – unquoted	1,344	1,724	3,068	2,737
Investment fund – quoted	-	3,300	3,300	858
Investment fund – unquoted	912	-	912	-
Infrastructure - unquoted	-	8,692	8,692	6,789
Cash and cash equivalents	331	714	1,045	1,101
	19,565	**55,840**	**75,405**	**71,133**

[34] The 2024-25 comparative figures for HCAPS have been reclassified following a more detailed review of the underlying pension scheme investments, including the classification of assets as quoted or unquoted and the treatment of repurchase agreements within quoted debt. The changes include reductions of £4.3m in quoted equities, £2.3m in quoted debt, £1.3m in quoted real estate and £4.6m in quoted investment funds, and increases of £4.3m in unquoted equities, £6.9m in unquoted debt and £1.3m in unquoted real estate. The total fair value of plan assets remains unchanged.

d. Charge to net expenditure

	HCAPS	LGPS	2025-26 Total	2024-25 Total
	£'000	£'000	£'000	£'000
Operating expenditure:				
Current service costs	-	550	550	1,553
Expenses	123	-	123	126
	123	**550**	**673**	**1,679**
Net interest expense / (income):				
Interest cost on obligation	870	1,630	2,500	2,350
Interest income on plan assets	(1,088)	(3,062)	(4,150)	(3,323)
Interest on asset ceiling	222	1,418	1,640	836
	4	**(14)**	**(10)**	**(137)**
Total recognised in SoCNE	**127**	**536**	**663**	**1,542**

LGPS current service cost includes an allowance for administration expenses.

e. Remeasurements recognised in other comprehensive net expenditure

	HCAPS	LGPS	2025-26 Total	2024-25 Total
	£'000	£'000	£'000	£'000
Remeasurement losses / (gains)	**(127)**	**456**	**329**	**2,623**

f. Reconciliation of fair value of plan assets

	HCAPS	LGPS	2025-26 Total	2024-25 Total
	£'000	£'000	£'000	£'000
Plan assets at 1 April	**18,744**	**52,389**	**71,133**	**67,186**
Interest income on plan assets	1,088	3,062	4,150	3,323
Contributions by member	-	312	312	751
Contributions by employer	-	992	992	2,237
Actuarial gains / (losses)	326	(425)	(99)	(1,707)
Expenses	(123)	-	(123)	(126)
Insurance premiums for risk benefits	-	-	-	(12)
Benefits paid	(470)	(490)	(960)	(519)
Plan assets at 31 March	**19,565**	**55,840**	**75,405**	**71,133**

g. Reconciliation of defined benefit obligation

	HCAPS	LGPS	2025-26 Total	2024-25 Total
	£'000	£'000	£'000	£'000
Obligation at 1 April	**14,983**	**27,928**	**42,911**	**48,011**
Current service cost	-	550	550	1,553
Interest cost	870	1,630	2,500	2,350
Contributions by member	-	312	312	751
Insurance premiums for risk benefits	-	-	-	(12)
Actuarial losses/(gains) – demographic	(183)	72	(111)	(82)
Actuarial losses/(gains) – financial	(28)	(1,346)	(1,374)	(8,939)
Actuarial losses/(gains) – experience	6	2,613	2,619	(202)
Benefits paid	(470)	(490)	(960)	(519)
Obligation at 31 March	**15,178**	**31,269**	**46,447**	**42,911**

h. Reconciliation of asset ceiling

	HCAPS	LGPS	2025-26 Total	2024-25 Total
	£'000	£'000	£'000	£'000
Asset ceiling at 1 April	**3,761**	**24,461**	**28,222**	**17,247**
Interest on asset ceiling	222	1,418	1,640	836
Remeasurement of asset ceiling	404	(1,308)	(904)	10,139
Asset ceiling at 31 March	**4,387**	**24,571**	**28,958**	**28,222**

RSH has applied IFRIC 14 to HCAPS and LGPS. In both schemes the surplus is fully restricted by the asset ceiling.

i. Sensitivity analysis

The significant assumptions used to measure the defined benefit obligation are the discount rate, inflation, salary growth and life expectancy. These assumptions are determined by independent professional actuaries in accordance with TAS 100: General Actuarial Standards.

The table below shows the effect of reasonably possible changes in each assumption on the defined benefit obligation. Each assumption is changed independently, with all other assumptions held constant. The results are approximate because changes in actuarial assumptions may be correlated.

There were no changes in the method used to prepare the sensitivity analysis compared with the previous year.

Adjustment to discount rate	**+0.25%**	**Current**	**-0.25%**
	£'000	£'000	£'000
Present value of total obligation	44,512	46,447	48,420
Movement	(1,935)	-	1,973
Adjustment to inflation	**+0.25%**	**Current**	**-0.25%**
	£'000	£'000	£'000
Present value of total obligation	48,249	46,447	44,674
Movement	1,802	-	(1,773)
Adjustment to salary increase	**+0.25%**	**Current**	**-0.25%**
	£'000	£'000	£'000
Present value of total obligation	46,799	46,447	46,100
Movement	352	-	(348)
Adjustment to life expectancy	**+1 year**	**Current**	**-1 year**
	£'000	£'000	£'000
Present value of total obligation	47,957	46,447	44,905
Movement	1,510	-	(1,542)

j. Expected future cash flows

Expected employer contributions for the year ending 31 March 2027 are:

	HCAPS	LGPS	Total
	£'000	£'000	£'000
Expected employer contribution	**-**	**749**	**749**

k. Maturity profile of the defined benefit obligation

The weighted average duration of the defined benefit obligation is 14 years for HCAPS as a whole and 18 years for RSH's share of the LGPS.

l. Funding arrangements for HCAPS and LGPS

Contribution rates are reviewed following each actuarial valuation, normally at least every three years. The funding strategies aim to maintain sufficient assets to meet scheme obligations, with risks managed by the relevant trustees or administering authority.

HCAPS is a multi-employer scheme and does not hold separate assets for individual employers. For accounting purposes, the scheme actuary attributes a share of the plan assets and defined benefit obligation to RSH. RSH has entered into a deferred debt arrangement with the HCAPS trustees. An exit debt may become payable under section 75 of the Pensions Act 1995 if the scheme is wound up or RSH withdraws from it.

The City of Westminster Pension Fund does not hold separate assets for each employer. For funding and accounting purposes, the administering authority and scheme actuary attribute a notional share of the Fund's assets and liabilities to RSH. On withdrawal from the scheme, any deficit would be calculated by the administering authority and payable by RSH. Any surplus would be subject to the Fund's determination.

HCAPS uses asset liability matching strategies, including liability driven investments and derivatives, to manage interest rate and inflation risks. The LGPS does not use an explicit asset liability matching strategy.

As both schemes are multi-employer schemes, RSH may be exposed to orphan liabilities if another employer leaves a scheme without sufficient assets to meet its obligations. Any resulting shortfall may fall to the remaining employers.

14. Financial instruments and related risks

Financial instruments play a limited role in RSH's activities and the risks arising from them are not significant.

RSH holds its cash through the Government Banking Service and regularly reviews cash balances and forecast cash requirements. Financial receivables are limited, and outstanding balances are reviewed regularly. Credit risk is therefore low.

RSH holds sufficient cash to meet its financial liabilities as they fall due and liquidity risk is limited. RSH does not undertake transactions in foreign currencies and therefore has no significant exposure to foreign exchange risk. RSH has no significant exposure to market risk from its financial instruments. Risks arising from the defined benefit pension schemes are set out in Note 13.

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.

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;
    d) 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.

e) This direction replaces all previously issued directions.

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



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

Date: 25 September 2019

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