Housing21

Report and Financial Statements

2024/2025

Contents

Board and Executive

Name	Appointed
Elaine Elkington	Chair of Board (from 3 May 2024)
Suki Kalirai	Deputy Chair of Board Chair of Retirement Living Committee and Oldham Retirement Housing Partnership
David Clark	Chair of Investment and Development Committee
Ian Skipp	Chair of Audit and Assurance Committee (appointed 1 August 2024)
William Roberts	Chair of Extra Care Committee and Kent Community Partnership
Richard Dell	Board Member and resident (appointed 1 August 2024)
Elizabeth (Anne) Golledge	Board Member and resident (appointed 1 August 2024)
Keith Carnegie	Board Member (appointed 20 September 2024)
Bola Owolabi	Board Member (appointed 20 September 2024)
Rosemarie Jenkins	Board Member (appointed 30 September 2024)
Mike Stevenson	Board Member (appointed 1 June 2025)
Alistair Brown	Independent Audit and Assurance Committee member (appointed 1 May 2025)
Ian Devereux	Extra Care Committee member and resident
Mike Rose	Retirement Living Committee member and resident
Gurpreet Dehal	Chair of Board (resigned 3 May 2024)
Catherine Dugmore	Chair of Audit and Assurance Committee (resigned 13 May 2024)
Christina Law	Independent Audit and Assurance Committee member (resigned 20 September 2024)
Michael McDonagh	Deputy Chair of Board (resigned 19 September 2024)
Lara Oyedele	Board member (resigned 29 September 2024)
Sandra Stark	Board member (resigned 28 February 2025)

Executive Directors and Company Secretary	
Bruce Moore	Chief Executive
Tony Tench	Deputy Chief Executive
Andy Shaw	Chief Financial Officer
Kris Peach	Chief Operations Officer (from 1 August 2025)
Pam Mastrantonio	Managing Director of Retirement Living (resigned 31 July 2025)
Paul Hutton	Director of Legal Services and Company Secretary

Registered office

Tricorn House, 51–53 Hagley Road, Edgbaston, Birmingham B16 8TP

External Auditors

Beever and Struthers
One Express, 1 George Leigh Street, Ancoats, Manchester, M4 5DL

Principal Bankers

Barclays Bank plc
Corporate Banking, Level 28, 1 Churchill Place, Canary Wharf, London E15 5HP

Biographies

Biographies of our Board and Executive can be found on our internet page:
Housing 21 — Housing 21 — Our people

Insurance of Directors and Officers

Directors are covered by Directors and Officers liability insurance to an indemnity limit of £5m in respect of their duties as directors of the Group.

A register of interests is maintained by the Company Secretary and members actively declare any potential or actual conflicts of interest during meetings as and when they arise with declarations of interest found on their individual biography pages:

Housing 21 — Board Declaration of Interests.

Chair and Chief Executive statements

The financial year 2024/2025, also referred to as 2025, was a good year for Housing 21. We celebrated our 60th anniversary as a housing association, improved on our already sector-leading levels of resident satisfaction, continued to invest to maintain the high-quality standards of our properties, combined a strong development pipeline with our biggest ever acquisition, delivered great services with the support of our fabulous employees and did all this whilst also achieving better-than-budgeted financial results.

Great results are not a matter of luck or chance, but the consequence of our complete commitment to do our best to deliver on our purpose of enabling older people to live well, with dignity and autonomy, by providing high quality yet affordable housing with support or care.

We are also helped by our guiding principles of '21' (being a modern and forward-looking organisation); 'better' (never being complacent and striving for continuous improvement); and 'experience' (seeking to provide great experience and customer service to residents).

Increased provision

A lot has changed over the past 60 years. The world we live and operate within has changed, economically, socially, politically and technologically, but there remains a need for older people to have more and better housing options. With the shifting demographic profile, this need is set to become ever more pressing and acute. This is why it is so important for Housing 21 to play its part in ensuring that the housing requirements of our ageing population continue to be considered and addressed. As we celebrated all that Housing 21 has achieved and delivered over the past 60 years, we also recognised the need to carry on developing, evolving and improving our services for the future, and for the next 60 years.

> "We achieved practical completion on the development of 255 new properties in the year 2024/2025, but at the end of the financial year also had an additional 19 development projects on site that are set to deliver a further 1,028 new properties as well as a strong pipeline of other development prospects."

The 2024/2025 year was also our biggest yet for the acquisition of specialist housing for older people from other providers. As well as acquiring one Extra Care scheme with 42 properties from Rooftop Housing Association, we acquired 1,566 properties from Midland Heart. Almost 85 percent of these homes are for social rent, but with some shared ownership and leasehold properties. The portfolio also included several retirement villages, which provide an exciting new dimension to the range and type of services we deliver. The acquisitions have also increased the number of Extra Care schemes in the Housing 21 portfolio to 191 and, for the first time, we have exceeded the threshold of 10,000 Extra Care properties, thus confirming our status as the leading provider of this specialist form of accommodation.

Safe and desirable properties

Development and growth, however, are never undertaken if this would be to the detriment of the services delivered to our existing residents or the investment needed in their existing properties.

We are committed to ensuring our properties remain 100 percent safe with no outstanding compliance concerns in respect of fire, gas, electrical, water, asbestos or lift safety. We also have no instances of unaddressed damp or mould. We not only ensure all our properties meet the national Decent Homes Standard but also seek to apply more exacting standards that include having kitchens and bathrooms that are no more than 25 years old and a design-based makeover or refresh of communal areas every 10 years. This is a significant undertaking and last year we invested £38.8 million in maintaining the standards of our properties and a further £8 million on their décor and design. These high standards demonstrate the positive respect and dignity we believe older residents deserve.

> “Virtually 100 percent of our properties (98.6 percent) also achieved Energy Performance Certificate Level C; those that did not were because the resident has declined to have the necessary works undertaken or the works are about to commence on newly acquired schemes. We are committed to moving from this strong position of energy efficiency towards a situation where all energy is derived from non-fossil fuel sources, but in making this transition we will remain acutely aware of not making decisions that are detrimental to the convenience and affordability of heating options for our residents.”

Difficult decisions

Just as other landlords have recognised that Housing 21 has the expertise and commitment to take on and invest in their specialist housing for older people, we recognised that the expectations of leaseholders were often at odds with the quality of service Housing 21 was committed to providing for its rent and shared ownership residents. We therefore took the decision to sell the bulk of our leasehold management portfolio to Churchill Estates Management Limited who specialise in leasehold management, without the complication of having rented properties where higher standards are applied.

We also took a very difficult decision at the end of the 2024/2025 financial year to decommission the services at Oak Grange and Ash Grange in Liverpool. These are two concrete tower blocks and, although currently entirely safe, they do require substantial investment. The advice from expert surveyors suggested that the concrete frames on both buildings are expected to erode within the next five to 10 years and even with significant, multi-million-pound investment and two years of disruptive work to residents, the buildings’ lifespan could only be increased to a potential of 20 years. Under the circumstances it was felt to be the right thing to start the process of finding the residents suitable alternative accommodation. Many of these residents are long-standing and dedicated teams are in place to ensure individual support and advice is provided to them and their families at what we appreciate is a difficult time.

Help and satisfaction funding

Housing 21 is proud to have maintained its commitment to going above and beyond to help those residents who need a bit of extra help or support through its Helping Hands initiative. The fund provided over £275,000 to 1,186 households to assist with unexpected one-off costs or help residents avoid falling into a debt, as well as offering additional help and support packages for new residents moving into our properties with few or no possessions. The Helping Hands support is not just about helping residents in times of crisis; it also provides support and advice to help residents fully access the benefits and support they are entitled to receive.

As part of our commitment to improve services and resident satisfaction, we also set aside additional funds at the start of 2024/2025 so, if necessary, we could pay for scheme improvements to enhance residents' quality of life. Most of the things residents requested did not involve spending more money, so very little of the budget provision had been spent by the time the Tenant Satisfaction Measure (TSM) surveys were undertaken. Despite this, we had further conversations about what residents would like and as a result, a considerable amount of garden furniture and equipment was purchased which, alongside a very positive 'In Bloom' competition, also supported some great summer celebrations of Housing 21's 60th anniversary.

This initiative set the precedent for making funds available to enhance resident wellbeing by supplementing local fundraising projects. We established a separate charitable fund for the wellbeing of residents totalling £2 million. This will not replace or be a substitute for the existing support offered to residents but instead will be an additional resource to support other projects. The charitable fund will be overseen by trustees who will manage its distribution and use.

Improved satisfaction

It is pleasing to see that all aspects of resident satisfaction — now measured using the standardised Tenant Satisfaction Measures set by the Regulator of Social Housing — have all increased in 2024/2025 from an already very strong position. When broken down across Extra Care and Retirement Living separately, both business streams recorded increased satisfaction across all areas. Although there is no scope for complacency, as we remain still below our aspirational target of getting to a satisfaction level of 95 percent, we are nevertheless very encouraged by this endorsement by from our residents.

Improving visibility of performance information

We were deeply disappointed that the high resident satisfaction levels did not result in a C1 assessment for consumer standards when the Regulator of Social Housing undertook its inspection of Housing 21 in early 2025 (the outcome of which was published in May 2025). The inspection process was very thorough and professionally conducted and confirmed the retention of the top ratings for governance (G1) and financial viability (V1).

The consumer standards cover four key measures: Safety and Quality; Transparency, Influence and Accountability; Neighbourhood and Community; and Tenancy. Housing 21 achieved a compliant C2 rating and no areas were identified where residents were not receiving the standards of service they deserve and are entitled to expect. However, the inspection did highlight areas where improvements could be made in respect of monitoring and reporting of performance to the Board.

Consequently, the Board and Executives of Housing 21 are proactively working to strengthen the oversight and triangulation of performance data and other feedback mechanisms to ensure there is clear oversight of the quality of services that residents receive and any feedback they give, especially if the quality of service does not match their reasonable expectations. We hope that the action being taken will be positively endorsed by the regulator and a consumer standard grading of C1 will be achievable within 12 months of the original C2 assessment being issued in May 2025.

Providing more transparent information and feedback of our performance data will also empower residents to make better assessments and challenge service quality. It is our intention to publish more of this information on the Housing 21 website and increase opportunities for capturing feedback and reactions so that these can influence and potentially drive further improvements.

Investing in systems and people

In 2024/2025, we implemented the Birdie Care Management System, and this is already proving invaluable in reducing the need for paper records and reducing the risk of medication errors. We have also updated our Information Technology and Business Systems Strategy to emphasise the importance systems can have in enabling employees to work smarter — rather than harder — and deliver better value for money and outcomes for residents.

The employees of Housing 21 remain a core strength and are the primary means of delivering positive services to residents. We are pleased to have retained the prestigious Investors in People Platinum standard and remain committed to maintaining a positive culture where everyone is treated with dignity and respect; a diversity of views and experiences is valued; and the wellbeing of employees is an active consideration for the organisation.

Leadership resilience

Our desire to be an employer of choice that both attracts and retains talent has meant we have relatively low levels of employee turnover. However, at the end of July 2025, Pam Mastrantonio will leave her role as Managing Director of Retirement Living to become the Chief Executive of South Lakes Housing Association. We wish Pam every success in her new role and thank her for the eight years of great service she has given Housing 21 and for raising the profile and prominence of Retirement Living services and the support it can provide to help residents to live independently.

Pam will be a hard act to follow. Kris Peach (who was Managing Director of Extra Care), will take on the new role of Chief Operations Officer and we will seek to appoint two service directors who, as service matter experts, will take on responsibility for the leadership, guidance and development of the Retirement Living and Extra Care services. The Senior Executive and Director Leadership Team for Housing 21 will also be expanded to include all the corporate and operational service directors, to incorporate more voices and management perspectives into the decision making and leadership process. The effectiveness of these new arrangements will be reviewed by the Board over the coming year to ensure that they produce the desired benefits and impact.

Renewed governance

Following a rigorous external recruitment and selection process, the new Board Chair decided to resign after just three months in May 2024. Following this, Elaine Elkington stepped into the Board Chair role and has subsequently been unanimously approved to remain in post until September 2026. Elaine is a passionate advocate for high standards and making the interests of residents a paramount consideration in all we do, and we recognise that we are fortunate to have such a capable and committed Chair to see us through a process of Board transition and renewal.

We appointed three new Board members who joined in September 2024, as did two new Resident Board members (Richard Dell and Anne Golledge). A previous independent member of the Audit and Assurance Committee (Ian Skipp) joined the Board and took on the role of Chair of the Audit and Assurance Committee.

We have since appointed a new Chair of the Audit and Assurance Committee (Mike Stevenson) but are pleased that David Clark (Chair of Investment and Development Committee) and Ian Skipp have extended their normal six-year maximum terms of office by an additional year until September 2026. Suki Kalirai (Deputy Chair and Chair of Retirement Living Committee) and William Roberts (Chair of Extra Care Committee) will also extend their terms of office until September 2027 to ensure that the process of transition over the next couple of years is managed with minimal loss of organisational memory but still with full scope for new ideas and challenge to come through.

As Chair, Elaine has already overseen and been a part of an external review of the Board's effectiveness and an Inspection by the Regulator of Social Housing. Elaine has also personally championed Housing 21's commitment to the National Housing Federation's Chair's Challenge to positively promote an open, diverse culture of leadership within Housing 21 and across the social housing sector. As part of this process Elaine Elkington as Chair and Bruce Moore as Chief Executive have also given new prominence to the set of behaviours and standards and are committed to upholding these and using them as a guide to the effectiveness of our working relationship as Chair and Chief Executive.

Influence and advocacy

Whilst we have a lot to feel optimistic about, we do still operate in a challenging external context and we need to remain alert to risks, act responsibly and prudently, and advocate strongly to demonstrate the positive outcomes that Housing 21 delivers for older people.

We continue to make the case and work with others across the sector to emphasise the importance of having a long-term strategy for housing our ageing population. We recognise the power of a collective voice and have worked with the Housing and Ageing Alliance, National Housing Federation, National Care Forum and Retirement Housing Group and continue to support the All Party Parliamentary Group on Housing and Care for Older People. We continue to make the case for national recognition of the need for greater housing provision to give older people better housing options in later life. If we fail to do this, the repercussions for the health, social care and welfare systems could be overwhelming and have severe consequences for the economy.

Positive outlook

We are confident the positive outcomes and results of 2024/2025 will be sustained or potentially even improved upon as we remain committed to doing our best to maintain Housing 21's focus on providing high-quality housing with care or support to meet the needs and desires of older people, both now and into the future.

Elaine Elkington
Chair

Bruce Moore
Chief Executive

Strategic Report

The Group Board presents its report and the audited Financial Statements of Housing 21 (the Association) and its subsidiaries undertakings, together forming the Housing 21 Group (the Group) for the year ended 31 March 2025, referred to as 2024/2025.

What we do: Housing with support and/ or care

At Housing 21, our business model is simple; we are a specialist provider of older people's housing with on-site care or support and have been for more than 60 years. We do not diversify from this model or offer general needs housing; we focus entirely on our core business model and meeting the specific needs of residents.

Across the sector, older people's housing is referenced by different terminology and offers varying degrees of support. For us, we have two offers: Retirement Living which provides on-site support and Extra Care, which has on-site Care Workers available 24/7. Except for The Watermill in Walsall, which has a Care Quality Commission (CQC) rating of 'Outstanding' we do not manage care homes.

Retirement Living

13,659 properties across **512** schemes including **1,429** managed properties in Oldham.

Our Retirement Living model is designed to strike the balance between contrasting themes: privacy and community as well as independence and support.

All our Retirement Living schemes are built to offer people the privacy and independence of their own self-contained property enabling them to live their day-to-day lives within the comfort of their own home.

Outside of their front door, there are communal amenities, such as a lounge and garden, to support the creation of a localised community through shared spaces. Many schemes also offer a guest room for visiting family and friends to stay.

Unlike other housing providers, who manage schemes from a centralised head office, we have Local Housing Managers based on site to oversee the daily running of the scheme, organise repairs and offer support to residents.

Despite the terminology, many residents in Retirement Living remain in employment as people work into their later years but still welcome the concept of living as part of a community.

It's been a successful year for Retirement Living where we have invested in our people and systems which has ultimately led to increased levels of resident satisfaction across the service.

Resident satisfaction

The commitment we have made to improving the Retirement Living experience for residents was reflected in this year's Tenant Satisfaction Measures.

> "We recorded improved levels of satisfaction across all 12 areas which are measured through the annual resident satisfaction survey, with overall satisfaction levels for Retirement Living rising from **86 percent** to **89 percent** year on year."

We also achieved extremely high results for the cleanliness and maintenance of communal areas (**92 percent**), repairs (**90 percent**) and the safety of residents' homes (**90 percent**).

Our biggest area of improvement centred around satisfaction with complaints handling, which rose by eight percent from 45 percent to 53 percent. Whilst these numbers are still relatively low in comparison to other areas, we recognise there are mitigating factors in that complaints ultimately indicate a level of dissatisfaction which are likely to translate across to these figures. However, with the introduction of the new Complaints Handling Code which removes the 'informal' stage of complaints, we hope to further build on the high improvement rates we have seen this year.

Investing in our people

In February 2025, we completed a review of Retirement Living and implemented a new structure. These changes increased the number of regions from two to five, enabling Regional Managers to better support Local Housing Managers and provide increased visibility of senior colleagues to both employees and residents.

As part of our commitment to invest in employees, we have introduced new training for managers and are offering enhanced coaching and support to colleagues. In recognising that many Retirement Living employees often work in isolation or with limited numbers of on-site colleagues, we have also provided all employees with personal safety devices.

We were thrilled to get a 98 percent response to our employee survey and delighted that our current employee satisfaction levels are 88 percent across Retirement Living, an increase of three percent compared to the previous year. With so many colleagues engaging with the survey, we are able to confidently identify trends in areas that we are performing well, and in those that require improvements, which will in turn help us to prioritise future areas of focus.

Investing in our systems

We continue to review and invest in our systems, ensuring they remain efficient, fit for purpose and secure.

But our digital investment is not limited to employees. We recognise the impact the digital divide can have on residents, who are unable to access products or services that may be cheaper online and who are therefore subsequently disadvantaged.

Following our pilot initiative, Connect 21, where we introduced Wi-Fi into communal areas, we have now agreed the funding to roll this out into all Retirement Living schemes from April 2025. This means residents will be able to access online services at no additional cost to themselves, helping to bridge inequalities in the digital divide.

Investing in our future

The number of older people in the UK is increasing and so in order to meet growing demand, we need to continue to grow our Retirement Living portfolio to ensure people have choice as they get older. Whilst not everyone will require care, they will all need a property that is safe, affordable and meets their needs whether through rehousing, downsizing or the desire to feel part of an established community.

We continue to develop new properties, and this year achieved practical completion on 172 Retirement Living properties across four schemes. We also completed the purchase of Glen Mill House, a newly built Retirement Living development in Shipley comprising 56 unoccupied apartments which we are now welcoming the scheme's first residents.

Looking ahead

For 2025/2026, we will continue to focus on the five key strategic priorities for Retirement Living and use these as the basis for a new strategy:

Our five key strategic priorities for Retirement Living are as follows:

Quality and consistency

We are also committed to improving services, strengthening links with local communities, and offering new services our residents will value.

Growth

We want to continue to develop or acquire schemes, led by evidence-based demand and needs, and we are working to develop a clear vision of the Retirement Living offer and all its benefits.

Future of Retirement Living

We want to provide modern services that keep up with technology and increasing expectations and needs.

Recognising and supporting the increasingly complex needs of our residents

Needs and expectations are always changing but we remain committed to supporting residents by creating communities where they can live their best possible life.

Investing in our employees

We will continue to invest in leadership and development, unlocking potential, ensuring quality and consistency and creating effective teams as well as learning new skills so we can offer residents more services that will improve wellbeing and quality of life while offering real value for money.

Specific to fulfilling these commitments, our key projects for 2025/2026 will be digital inclusion, including commencing the rollout of Wi-Fi in communal areas across all Retirement Living schemes.

Affordability and tenancy sustainment will be a key area of focus, helping to support residents to avoid falling into arrears and promoting initiatives such as Helping Hands.

We will continue to identify and support opportunities for the provision of more Retirement Living properties through our growth agenda.

Extra Care

10,345 properties across **191** schemes including those operated under our PFI and PPP contracts. **48,000 hours** of in-house care delivered each week. **95%** of care services rated **'Good'** or **'Outstanding'** by the Care Quality Commission.

In Extra Care, our vision is for older people to aspire to live in one of our properties where they can expect to receive high-quality housing and care services and where every resident feels valued and listened to.

Our Extra Care model offers similar principles to Retirement Living, but with increased support to bridge the gap between fully independent living and care homes, offering increased choices for older people.

Like Retirement Living, residents live independently in self-contained apartments as part of a fully accessible scheme, which is managed by an on-site Housing Manager. There are also communal spaces including a lounge and garden to support with community activities, as well as the addition of an on-site bistro and salon for use by residents and visitors.

The key difference between the two concepts is that in Extra Care, residents also have the reassurance of a Care Team based onsite 24/7 to respond to planned and emergency care.

Unlike a care home, not everyone living in Extra Care has a care need. Some residents may never utilise the services of Care Workers but like the peace of mind in knowing someone is always available to respond quickly in an emergency. Others may require temporary care whilst they recover from a hospital admission or just a small amount of assistance, such as help with getting dressed, to enable them to retain their independence. For some residents, they receive support from Care Workers daily.

Crucially, for couples with differing care needs who would be unable to live together in a care home, they can remain together with Care Workers on hand to assist so they can focus on quality time with each other.

Resident satisfaction

We were thrilled that 95 percent of residents receiving in-house care from Housing 21 employees were satisfied with the service, particularly as it is this care offering which sets us apart from the Retirement Living model.

We were also delighted to see increased satisfaction levels across all Tenant Satisfaction Measures, with overall satisfaction levels rising from 87 percent to 89 percent.

We were also pleased to achieve 92 percent satisfaction levels for communal areas and 91 percent satisfaction for both feeling safe at home, and for being treated fairly and with dignity.

Like Retirement Living, the most significant area of improvement was in complaints handling, which rose by an impressive 17 percent from 50 percent to 67 percent. Again, the lower figures are likely to reflect the fact that residents have, at a point, felt dissatisfied enough to complain. However, the increase in satisfaction levels around complaints handling indicates we are improving in the processing and managing of those complaints. This may, in part be due to new Complaints Handling Code and the dedicated resource which was introduced to help support the process.

We noted increased response rates to both our resident survey and care survey, at 53 percent and 61 percent respectively, enabling us to obtain increased feedback from people living in Extra Care.

Investing in our people

Our Extra Care presence in London has increased in recent years, most notably through the acquisition of 487 properties from Notting Hill Genesis in 2023. As such, we created a new London region to reflect our expansion in this area and provide increased support to local Housing Managers and Housing and Care Managers through Regional Managers and a new Head of Extra Care, London.

We also recognised the resource required in supporting colleagues transferring to Housing 21 as part of an acquisition, so created a new Head of Operational Development role to support with this transition without impacting on business-as-usual service delivery.

We have always been committed to positioning Care Worker roles as viable career options, so this year transitioned Care Workers from weekly to monthly payroll and paperless payslips, in line with corporate colleagues.

Overall, employee satisfaction across Extra Care remained at 82 percent, but with an increased response to the employee survey (up from 86 percent to 90 percent), we are hearing from more colleagues. This, in conjunction with a service review, has helped us to develop new recommendations to improve service delivery and employee support across Extra Care, with this work currently in development.

Investing in our systems

During 2024/2025 we made significant progress in bridging the digital divide between corporate and frontline employees, particularly Care Workers and ancillary employees.

We focused on a digital connection for frontline employees and purchased F1 Microsoft Licences to enable colleagues to access key online resources from their mobile device.

The digital connection means they can now access news and resources from the intranet rather than being reliant on print outs; request annual leave through My View rather than submitting a paper form and complete their online learning without having to wait for an on-site computer to become available.

With more than 90 percent of frontline employees now connected, they can have a comparable experience to corporate employees.

Growth

We saw huge growth in our Extra Care portfolio with the completion of our biggest ever acquisition (1,566 properties from Midland Heart) alongside the transfer of 42 properties from Rooftop Housing and the completion of 83 new properties.

With more than 10,000 Extra Care properties in our portfolio, we have not only achieved a numerical milestone but have also entered a new era of Extra Care by welcoming our first Extra Care Villages from Midland Heart. These schemes are significantly larger than our standard Extra Care model, with increased communal amenities, including on-site shops and gyms, and will be the focus of a new marketing initiative in 2025/2026.

Looking ahead

For 2025/2026, we will continue to focus on the key principles for Extra Care and use this to launch a new strategy:

The three Extra Care principles are:

Resident satisfaction: we are striving to ensure at least 95 percent of residents are satisfied with the housing and care services they receive and will listen and respond to resident feedback to ensure we achieve this.

Quality and compliance: we will work to ensure 100 percent of our housing and care services are compliant in meeting and exceeding regulatory and quality standards, strengthening our assurance levels by enhancing management and independent assurance.

Performance: by fostering a culture of continuous improvement and high performance at every level, we will achieve 100 percent of our key performance indicators.

The three principles will be underpinned and supported by two key enablers:

Providing quality systems: our working practices must be modern, efficient, and effective in meeting residents' needs.

Investing in our people and leadership: we will continue to invest in our teams and leaders to ensure our people are equipped with the skills, knowledge, and tools to provide the best possible outcomes for residents.

As well as delivering our annual plan, we will develop a new set of five-year strategic aims and priorities in partnership with residents. This is likely to include a resident profiling review to gather data on resident characteristics, as well as research on the changing demographics, preference and lifestyles of older people.

Coupled with this work, we will focus on the future of Extra Care through our Growth Strategy, looking at future acquisitions and new developments as well as working with residents on a building design review to better understand how we can meet resident needs both now and into the future.

Our Strategic Direction

Our three core principles remain unchanged and provide the underlying foundation for our overarching strategic direction:

- **21:** being a modern and forward-looking organisation
- **Better:** never being complacent and striving for continuous improvement
- **Experience:** seeking to provide great experience and customer service to residents

Strategic Framework

In June 2024, we launched our Strategic Framework, designed to provide a clear and cohesive model to help us achieve our core objective of 95 percent resident satisfaction. The framework brings together the key elements that will collectively guide our efforts and ensure we remain focused on delivering the best possible outcomes for residents.

Residents are at the heart of the framework. Our **core focus** is to deliver schemes and services that are co-created with residents and centred around their needs. This commitment to resident-centricity underpins all our work and serves as the benchmark against which we measure our success.

Our **strategic drivers** are the aspects of the framework that have the most direct impact on residents' daily experiences. These drivers influence the areas residents engage with regularly and play a crucial role in determining their overall satisfaction levels.

Supporting the strategic drivers are our **essential enablers**, which are the fundamental requirements needed to deliver the drivers effectively at a local level. These enablers provide the organisational infrastructure, processes, and resources that ensure we can consistently deliver high-quality services and experiences for our residents.

Finally, our **ambitions** reflect our longer-term goals for Housing 21 and our commitment to the future. They demonstrate our dedication to providing purpose-built housing for older people and ensuring our organisation remains responsive, sustainable, and focused on the evolving needs of those we serve.

By bringing together all these elements, the Strategic Framework establishes the foundation for achieving our objective of 95 percent resident satisfaction and sets a clear direction for our ongoing work.

Social value

We have always been focused on ensuring we offer value for money, but going forward, we want to measure how Housing 21 adds value far beyond financial proxies.

Underpinning the Strategic Framework is a focus on social values, which aligns with our commitment to always do 'the right thing'.

This is not a new concept; through employee volunteer days, community partnerships and the use of local contractors, we have been consistently adding additional value to residents and their communities.

Residents too have also played their part, supporting charities, hosting local fundraisers or involving the community at events at their scheme.

For many, this approach has become second nature, but going forward, we want to identify, recognise and celebrate these actions and embed them across the whole organisation.

Case study: Smalley Court in Burntwood

Residents at Smalley Court in Burntwood demonstrated the power of community by coming together to fundraise for a public-access defibrillator.

The project was sparked by a conversation between a resident and the scheme's Local Housing Manager about the critical importance of defibrillators and the lack of one nearby.

The idea to fundraise for a defibrillator was proposed at a residents' meeting and received overwhelming support. This was followed by a creative campaign; residents organised coffee mornings, tabletop sales, quiz afternoons, raffles and afternoon teas.

Support also poured in from the wider community, including fundraising efforts by groups using the communal lounge and featuring generous prizes from local businesses.

Burntwood Town Council offered to procure the defibrillator at a discounted rate, install it free of charge, and cover future maintenance and servicing costs.

Strategic Framework: Ambitions

The ambitions reflect our longer-term goals for Housing 21 and our commitment to ensuring the provision of purpose-built housing for older people.

Organic growth

	UoM*	Actual 2023/24	Actual 2024/25	Target 2024/25	Target 2025/26
Number of starts on site	No.	407	511	384	396
Number of completions	No.	117	255	256	352

*UoM — Unit of measurement

Housing 21 plays a critical role in the future of older people's housing as one of the few providers actively developing new social housing specifically for this demographic. We remain committed to delivering at least 400 new homes annually. Following the recent government announcement of a 10-year rent settlement, which provides valuable certainty around rental growth, the Board is actively considering the additional development capacity this creates and the potential to increase delivery beyond our current targets.

In shaping our future development programme, we are focused on investing resources where they will deliver the greatest value for our future residents. Although there is unmet demand for shared ownership homes, our preference is to deliver more properties for social rent, which represents most of our forward development pipeline. The Board is currently reviewing its appetite for shared ownership sales, mindful of the limitations associated with the older persons' shared ownership lease, which we are required to use and ensuring we are helping those individuals who need it most.

The development market remains buoyant for Housing 21, with an average of 30 to 50 new opportunities presented each month. This strong pipeline enables us to be selective and prioritise opportunities that align with our strategic objectives and offer certainty of delivery. Encouragingly, the construction market has stabilised over the past 12 months, with tendered costs now aligning more closely with our financial assumptions. The small to medium sized contractor market has also recovered significantly, with greater availability of contractors and increased confidence in fixing prices for future delivery.

However, challenges persist in the land market, particularly in securing local authority sites, where capital receipts are often prioritised amid competing demands and constrained budgets. This issue remains a sector-wide concern, rather than one specific to Housing 21.

Despite these challenges, we delivered 255 completions during the year, comprising 172 Retirement Living properties across four schemes and 83 Extra Care properties in a single scheme, falling just one unit short of our target of 256. Notably, we achieved 511 starts on site.

> "This growth has been supported by funding secured from our local authority partners, totalling £0.7 million, alongside £39.6 million received from Homes England."

Our priorities for the year ahead are to maintain this momentum, targeting 396 starts and delivering 352 completions, as we continue to strengthen our contribution to the provision of high-quality housing for older people.

Growth by acquisition

	UoM*	Actual	Actual	Target	Target
		2023/24	2024/25	2024/25	2025/26
Number of acquisitions	No.	504	1,608	1,609	Not set

*UoM — Unit of measurement

Acquisitions continue to from a key part of our growth agenda as more general needs landlords look to focus on their main portfolio and transfer any older person's housing to a reputable, experienced landlord able to meet their specific needs.

Following on from the success of past acquisitions including Clarion and Notting Hill Genesis in 2023, we completed our first acquisition of the year in July, welcoming 42 Extra Care properties at Dorothy Terry House in Redditch from Rooftop Housing Association.

This was followed in September by our biggest ever acquisition — and one of the largest within the sector — when we transferred 1,566 Extra Care properties across from Midland Heart.

Looking ahead, we are continuing to work on a pipeline of new acquisition opportunities across both Retirement Living and Extra Care but do not have any firm commitments so have not set a target for acquisitions for the coming year.

Case study: Midland Heart acquisition

In September 2024 we completed our biggest ever acquisition when we transferred 1,566 properties from Midland Heart.

Comprising 23 Extra Care schemes, including our including several retirement villages, the acquisition helped us to achieve a new milestone as our Extra Care portfolio surpassed 10,000 properties for the first time, cementing our position as one of the largest Extra Care providers in England.

As part of the transfer, Housing 21 welcomed 1,600 new residents and 137 employees to Housing 21.

Sustainability

We are keen to build on our achievement of substantially meeting the government target for all rented properties to have an Energy Performance Certificate (EPC) rating of C or above, well ahead of the 2030 deadline. Currently, 98.6 percent of our schemes are rated EPC C or better, with 29.5 percent of properties achieving an EPC B rating or higher, helping to keep energy costs low for residents. Additionally, 87 percent of properties have an Environmental Impact Rating of C or above, and 98 percent of schemes include green space, reflecting our broader commitment to sustainability and resident wellbeing.

We remain committed to going beyond legal requirements, exceeding minimum standards, and striving to achieve a position of "doing no harm." Ensuring our schemes and properties are both environmentally and socially sustainable is integral to our decisions and actions. To support this approach, last year we launched our Net Zero Carbon and Environmental Sustainability Strategy. Our key aims to be achieved by 2030 include:

- Maintaining an EPC rating of at least C for all properties
- Achieving an Environmental Impact Rating of C or better for all properties
- Reducing energy consumption by 15 percent for communal heating systems and by 10 percent for individual domestic systems, measured in kWh/m²

We are continuously researching low-carbon heating solutions and have trialled various innovative technologies, including biomass boilers, ground source heat pumps, and air source heat pumps. However, these systems often present challenges, such as greater disruption to residents during installation, higher capital and operational costs, and more complex system controls. All heating replacement options are carefully appraised using a structured scoring matrix to identify the best solutions, with proposals reviewed and approved by our Property Steering Group.

Case study: Marigold Court in Gateshead

In February 2025, Marigold Court, an Extra Care scheme in Gateshead, transitioned from its former gas-powered heating system to a sustainable, low-carbon District Heat Network.

The scheme had operated its own gas-powered plant room for several years to supply heating and hot water to the building. Connecting to the heat network has completely removed the gas consumption from the scheme, drastically reducing its carbon footprint.

The pioneering heat network has been operational for several years and uses old mining infrastructure to provide clean, sustainable heating to the surrounding community. Residents at Marigold Court can enjoy the benefits of this innovative system, experiencing reliable, cheaper, efficient heating and hot water without the need to adjust to unfamiliar systems or bear the cost of a major retrofit.

Heat networks are a major part of the UK's plan to reach net zero and when they are done well, are a fantastic solution. Following the success of Marigold Court, we will continue to look for other heat network opportunities.

Looking ahead, changes to Building Regulations make achieving net zero more challenging, particularly for existing buildings where we must balance reducing heat loss with ensuring adequate ventilation and managing the risk of overheating. We are working closely with consultants to develop tailored solutions for each scheme, considering design, tenure, and the affordability of running costs for residents.

Despite these challenges, we remain committed to exploring and implementing sustainable solutions in both the development of new schemes and the ongoing management of our existing properties.

Influence

We have remained relentless in our commitment to championing the importance of housing with care or support for older people and continue to work in partnership with key stakeholders to influence the government to introduce a housing strategy for our ageing population.

We are active members of many national organisations, working in collaboration with other social housing landlords and relevant organisations to highlight the challenges created by a lack of purpose-built housing for older people and the subsequent strain placed on public sector bodies including the NHS and adult social care.

As a member of the Housing and Ageing Alliance (HAA) we steadfastly urged the government to implement recommendations from the Older People's Housing Taskforce report, 'Our Future Homes'. The HAA, which comprises a range of housing providers and older people's campaigners, wrote to Deputy Prime Minister Angela Rayner, Chancellor Rachel Reeves and Health Secretary Wes Streeting calling for urgent implementation of the Older People's Housing Taskforce recommendations. These recommendations included the need to build 1.5 million homes offering better living standards for older people and ending hospital backlogs.

We also supported the All Party Parliamentary Group (APPG) on Housing and Care for Older People with the 2024 publication of the Regeneration of Outdated Sheltered Housing report, which discussed the best way to regenerate existing sheltered housing instead of solely relying upon new developments.

Elsewhere, our role on the Dementia and Housing Working Group continues to raise awareness amongst developers, local authorities and health professionals of the benefits that purpose-built housing can offer to people living with dementia.

Innovation

Our devolved operating model has always centred around the delivery of Retirement Living and Extra Care models, but we are keen to explore new opportunities that ultimately help us achieve our goal of purpose-built housing for older people. One such option is through cohousing.

> "We are continuing to make progress on the delivery of our first cohousing scheme, Rupali Court in Birmingham, working with Legacy West Midlands and the local community to support with the design and construction. We continue to host regular engagement events which have supported with the creation of a community long in advance of practical completion, which is expected in 2026."

Case study: Rupali Court in Birmingham

Our first cohousing project will be delivered on a site in Lozells, Birmingham.

We purchased the derelict space from Birmingham City Council in 2023 to deliver 25 one- and two-bedroom apartments which will be available for social rent.

Whilst enjoying the privacy of their own homes, the scheme is centred around communal facilities and spaces, both inside and outside, to bring residents together and create a strong sense of community.

The scheme will include a residents' lounge, multi-faith room, landscaped communal garden and a community garden for residents to grow their own vegetables. There will also be a common house area with a kitchen and open space, where the community can come together to cook, eat and enjoy activities.

We have worked closely with the local community and prospective residents to create individual apartments and communal facilities that will meet current and future needs.

This process has been delivered in partnership with Legacy West Midlands, a recognised and trusted local charity that brings people together across diversity and inclusivity to celebrate and learn from cultural heritage.

Construction on site commenced in early 2024, ahead of completion in 2026.

Strategic Framework: Essential Enablers

The essential enablers are the fundamental requirements that are needed to deliver the strategic drivers at a local level. They provide the foundations for us to deliver the best overall experience to residents, utilising resource from across the wider organisation.

Governance and leadership

Following our latest inspection by the regulator, we were pleased to retain our G1 rating for governance, with the summary report citing: “Housing 21’s Board has a clear purpose, supported by its strategic plan and business plan. The strategic direction of Housing 21 is regularly reviewed by the Board. We saw evidence that the Board, supported by its committees, applies relevant scrutiny and oversight to the performance of the organisation.”

The news that Pam Mastrantonio, Managing Director for Retirement Living would be leaving Housing 21 provided us with a natural opportunity to review the leadership of our Retirement Living and Extra Care services.

We have introduced a new Chief Operations Officer role, which Kris Peach will take up in summer 2025, utilising his experience to ensure consistency in quality and service delivery across both Extra Care and Retirement Living. These two business streams will be managed by two new service directors, with recruitment currently under way for both posts.

Finance and viability

It is essential that everything we do is underpinned by a robust and well-controlled financial framework that enables the safe delivery of our strategic ambitions. Our Board has agreed a set of financial parameters and golden rules which guide our decision-making, and we regularly review financial performance through a comprehensive suite of reports and early warning indicators to ensure timely corrective action where necessary.

Our external stakeholders recognise this, and we are proud that we retained our financial viability rating (V1) and Standard and Poor’s reaffirmed our credit rating of A-, with a stable outlook in August 2025. The Regulator said: “Based on the evidence gained from the inspection we have concluded that there is appropriate assurance that Housing 21’s financial plans are consistent with, and support, its financial strategy. Housing 21 has appropriately evidenced that it has an adequately funded business plan, sufficient security in place to support its financial plans, and Housing 21 is forecast to continue to meet its lenders financial covenants under a wide range of adverse scenarios. Housing 21’s Board has effective oversight of its financial position.”

> “We had a strong financial year in 2024/2025, during which time we exceeded our budgets and key performance indicators while continuing to grow and invest in our properties and services.”

Our financial strength has enabled us to establish new funding relationships, including with Lloyds and HSBC, while enhancing our existing partnerships.

Looking ahead, like many organisations, we expect to face several challenges that will require careful navigation to protect our financial stability. The rent increase for the forthcoming year was lower than initially forecast, reflecting a lower CPI rate in September 2024. While this was welcomed by residents, given recent years’ increases, it requires us to adjust our budgets accordingly. This is compounded by the Government’s announcement of increases to the National Living Wage, persistent higher inflation and changes to National Insurance contributions.

Our strong financial position means we are well placed to accommodate these pressures. However, it also places even greater emphasis on ensuring we deliver value for money in all areas, investing wisely in our people, properties, and services to secure long-term sustainability and resident value.

People and culture

To be able to deliver the best service to residents, we need to employ the best people who represent our commitment to always put residents at the heart of everything we do.

Positioning ourselves as an employer of choice will help to attract people to join us, but for them to stay, we need to create a culture of inclusivity, appreciation and support that encourages them to be the best versions of themselves.

This year we had the highest ever response to the employee survey at 91 percent, with employee satisfaction remaining at 83 percent. Turnover of employees is at 12.7 percent compared to our target of 15 percent. The stability of the workforce supports better customer service and return on training investment.

	UoM*	Actual	Actual	Target	Target
		2023/24	2024/25	2024/25	2025/26
Employee satisfaction	%	83	83	92	87
Voluntary turnover	%	14	13	15	15
Proportion of new employees who are non-white	%	10	21	15	15
Sickness — total direct sickness costs	£'m	2.4	2.6	2.2	2.1

* UoM — Unit of measurement

An inclusive and rewarding place to work

We need our employees to be representative of the diversity within our schemes to provide us with the understanding and perspective to best meet residents' needs. We want everyone, regardless of gender, ethnicity, disability, sexuality or any other protected characteristic to feel welcome and valued at Housing 21 and we continue to focus on inclusivity.

This year, we achieved Disability Confident Employer Level Two in recognition of the action undertaken to become a disability-friendly organisation — an accreditation only held by one fifth of employers registered with the initiative.

We also established two new engagement groups for neurodivergence and LGBTQ+. The groups provide a safe space to discuss what more the organisation can do to support people living with neurodivergent conditions or who are members of the LGBTQ+ community and provide an opportunity for other colleagues to learn more about either topic or practical ways they can offer support.

We continue to monitor the number of new employees from an ethnic minority background against our target of 15 percent; we're pleased that this year we have exceeded this number with 21 percent of new starters from an ethnic background.

For all employees, we want to ensure we are offering benefits that will support their health, finances and work/ life balance. This year, we introduced a salary sacrifice for pension contributions, parental leave enhancements and auto enrolled all employees into the Simply Health Cash Plan.

Investing in our people

We know the value in retaining employees' knowledge and expertise so want to ensure that when people are keen to improve or take the next step, we are providing them with the skills and opportunities to progress with us, rather than elsewhere.

We continue to maintain our Investors in People (IIP) Platinum status, reflecting our strong and ongoing commitment to investing in our employees learning and development across a number of different initiatives.

> "Our apprenticeship programme saw 54 employees successfully complete their qualifications, and we strengthened our support for early careers by hosting T-Level students (aged 16 — 19) on 45-day work placements within our IT and People and Culture teams as part of their two-year academic course."

Leadership development remains a key priority. We have broadened our offer through the Leadership Essentials programme, equipping managers with the tools to lead on performance, inclusion, coaching and wellbeing. In response to evolving ways of working, we introduced new modules on leading remote teams and managing change.

Our formal leadership pathways also continue to grow, with nine employees completing the 'Leading to Excellence' programme and seven completing 'Inspiring Excellence'. In addition, 15 employees are currently working towards Level 5 and Level 7 leadership qualifications in partnership with De Montfort University.

Case study: Extra Care Academy

Two years ago, we launched our flagship Extra Care Academy, an industry-first initiative designed to provide Care Workers with a designated career pathway into future management roles.

The two-year programme, launched in September 2022, provided Care Workers with the necessary training, qualifications and leadership skills to advance their careers within the care sector. Those enrolled engaged in both theoretical and practical training, leading to a Level 3 Health and Social Care qualification whilst having the opportunity to gain hands-on experience.

This year, the first cohort of Care Workers completed the academy and 75 percent of graduates have now moved into management roles, such as Assistant Care Managers.

This achievement aligns with the academy's goal of developing internal talent and establishing a defined career pathway for Care Workers. It marks a significant stride in creating appealing career opportunities within the care sector to retain and motivate individuals to advance in the industry. This progress comes against the backdrop of Care England's warning that the adult social care sector is at 'breaking point,' with 131,000 vacancies reported as of March 2025.

The second cohort of students is part-way through its training and a third cohort will begin in 2025/2026.

Systems and data

We recognise that to provide the best service to residents and to best support our employees, we need quality systems that enable colleagues to work efficiently and access secure, trusted data.

Our strategic priorities for IT continue to be focused around these key areas:

- Fit-for-purpose systems
- Data analysis and reporting
- Cyber security

Fit-for-purpose systems

Having fit-for-purpose systems is essential to enable us to conduct our business efficiently and serve our residents effectively. Our systems need to be accessible, user-friendly, and responsive to user needs. This year, we have made important progress across our key systems as part of our wider IT and Business Systems strategy, including work on our housing, finance and care systems.

Over the past two years, we have been evaluating the potential implementation of a new housing management system to enhance the experience for both employees and residents. However, it has become clear that most housing management systems do not align well with our devolved operating model. As a result, we have focused on investing in our current system to deliver enhancements and process improvements and will continue this approach. Where necessary, we may introduce additional systems to improve specific areas, such as compliance, ensuring they integrate seamlessly into our wider infrastructure.

Our finance system was always scheduled for review to determine whether a new solution should be implemented. We have since been informed that our current provider plans to decommission the existing product in the coming years. Consequently, we have commenced a tender process to identify a new solution, with implementation targeted for October 2026.

This year, we continued the roll out of our new Extra Care rostering system, Birdie, to all Extra Care schemes that deliver care. Birdie will transform the way we deliver care by helping us to achieve a smarter, more efficient way of working and subsequently delivering a better service to our residents.

Case study: Birdie

Birdie has enabled us to move from paper-based care records to digital data, speeding up admin tasks for Care Workers so they can spend more time on what matters most, caring for residents.

It also supports our devolved operating model by providing resident-facing employees with the data they need to make good, informed decisions at a local level. Care Workers can access the Birdie app on any device at any time and work with electronic care management plans.

For residents, they and their families can now access the care records online and there is no longer a need for paper-based documentation to be stored within their homes. The real-time data also means they can receive a more responsive care service.

For managers, Birdie has made the more administrative tasks, such as rostering and billing, more efficient through functionality such as drag and drop. Any concerns from Care Workers can also be reported directly from the app, alerting managers more quickly to potential incidents or errors.

We have continued to develop our digital emergency call systems to provide improved services and additional functionality. In 2024/2025, we piloted a new system that enables direct engagement with residents through a messaging service, facilitates customer surveys, and offers additional tools for our on-site housing managers via a Manager app. Looking ahead, we plan to retender our digital emergency call system in 2025/2026 to enable us to complete the programme ahead of the national digital switchover. Enhanced communication and engagement channels with residents will be a key element of the new specification.

> “We continue to strengthen how we engage with our residents and key stakeholders, with a clear focus on accessibility, transparency, and user experience. In response to feedback, we launched a new website in May 2025 — designed in partnership with residents to better meet their needs.”

The website was co-produced through a series of focus groups involving both residents and employees, ensuring it reflects what matters most to those who use it. With a cleaner, simpler design, improved navigation, and a more intuitive search function, the new site makes it easier to find relevant information quickly. We’ve also reduced text density to create a more accessible and user-friendly experience.

The website is fully compliant with WCAG 2.2 accessibility standards and supports content in 18 different languages, making it easier for more people to access the information they need. A new dedicated area for current residents provides tailored content, including quick access to policies, guidance, and other important updates — ensuring residents stay informed and connected.

Data analysis and report

We are committed to providing easy access to high-quality data that supports better service delivery for both our residents and colleagues. Currently, our data resides across multiple systems, often requiring manual intervention to consolidate information. We recognise the significant efficiency and value in integrating this data into a single, unified model. By building a more accessible data platform that transforms raw data into actionable insights, we will be better equipped to meet our regulatory, compliance, and operational reporting requirements more efficiently.

During the year, we achieved a major milestone with the implementation of a new data platform designed to create a single source of truth. Over the next year, we will focus on developing the platform’s capabilities to ingest data from various systems and produce a suite of reliable, interactive dashboards.

Looking ahead, we remain committed to creating a comprehensive data model that enables colleagues to access organisational data easily while allowing us to retire redundant reporting platforms. We will engage with the business to understand, evaluate, and prioritise reporting needs through facilitated working groups, ensuring our data solutions align with operational and strategic priorities.

Cyber security

Cyber security remains a priority for Housing 21, reflecting the growing threats faced across all sectors and the high-profile cyber incidents that have impacted organisations in recent years. We recognise the importance of protecting our systems, data, and services to safeguard both our residents and our business operations.

Building on the expertise of our internal team and the support of our outsourced Security Operations Centre (SoC), we are committed to mitigating cyber risk by proactively implementing preventative technologies and robust controls. Our SoC service provides 24/7 monitoring of our network and proactive intervention to detect and respond to potential threats swiftly.

Standards and practices at Housing 21 are driven by a hybrid approach, adopting both the NIST and CIS cyber security frameworks. We are also pursuing certification under Cyber Essentials Plus, ensuring strong governance and alignment with industry best practices across our organisation.

> “Recognising the inherent risk of a cyber event, we have robust incident management protocols and comprehensive cyber insurance in place to support business continuity in the event of an incident.”

To monitor and measure the effectiveness of our cyber security measures, we utilise Microsoft Secure Score for both our Office 365 and Azure environments. We have set an ambitious target to maintain scores exceeding 80 percent, significantly above the industry average of around 50 percent.

Engagement with our IT users is key to mitigating risk. Mandatory training is complemented by regular awareness sessions, frequent phishing simulations, and ongoing communication to keep cyber security front of mind for all employees.

Through these actions, we continue to strengthen our resilience against cyber threats and maintain the trust of our residents, employees, and partners.

Strategic Framework: Strategic Drivers

Our strategic drivers are the localised elements of the framework that have the most direct impact on residents and which they will come into daily contact with, ultimately determining their satisfaction levels.

Devolved decisions

We know that one size doesn't fit all which is why are proud to operate a devolved model and empower schemes to make decisions based on their needs at a local, rather than national, level.

Unlike other housing providers, we have employees based on site to understand the specific needs of residents and management of the scheme.

For residents, the devolved model provides reassurance and peace of mind in knowing they have a consistent, designated point of contact based on site who they can approach for support. It removes the barriers and frustrations that would otherwise occur from calling or emailing a centralised team who do not understand the nuances of the scheme or know the individual at the other end of the line.

The devolved approach means more support can be given to residents as employees are able to understand their individual needs. It means decisions around repairs, social events and the day-to-day running of the scheme can be actioned quickly and tailored to what is required, rather than what is dictated from a central head office.

It also helps schemes to foster and build relationships directly within the local area, helping to tackle loneliness and isolation and position our Retirement Living and Extra Care sites as central to the community.

Case study: Winton Court in Gateshead

Residents at an Extra Care scheme in Gateshead have formed strong relationships with the local community after their Local Housing Manager supported the introduction of an intergenerational project.

Winton Court was approached by a nearby nursery, who wanted to explore the possibility of 12 pre-school children visiting residents on a fortnightly basis as part of a pilot intergenerational project promoting the benefits of children and older people coming together.

Following a successful trial period which was well received by both the children and Winton Court residents, it was agreed that from September 2024 the visits would increase to include 26 children visiting Winton Court on a weekly basis.

Affordability

In providing safe and quality homes, we remain committed to ensuring that these remain affordable for our residents. Value for money continues to be central to all our financial decisions.

We continue to operate a social rent policy which is more suited to people of low incomes and our target demographic of older people. Social rents are typically set at around 50–60 percent of market rents and are significantly lower than affordable rents, which can be charged at up to 80 percent of market rent levels. This makes social rent a more sustainable and affordable option for those on lower incomes, aligning with our mission to support residents who might otherwise struggle to access suitable housing.

This year, our annual rent increase was 7.7 percent (April 2024), which was again based upon the Social Housing Rent Standard of one percent above the Consumer Price Index (CPI) from the previous September (2023). This figure was lower than the 11.1 percent implemented the year before (April 2023) when the cost-of-living crisis and rising inflation rates were at their peak. With the CPI falling further still in September 2024, the April 2025 rent increase was 2.7 percent for residents.

We operate a variable service charge policy across most of our properties, ensuring residents pay only for the actual cost of delivering communal services within their schemes. To support value-for-money decision-making, we continue to hold annual service charge review meetings at each scheme, giving residents the opportunity to discuss upcoming service costs and influence future charges by collectively reviewing costs, services, and service frequencies.

In recent years, resident service charges have increased, primarily due to higher utility costs. We work closely with our utility consultants to forward-purchase energy where beneficial to do so, helping to provide greater certainty over costs for residents.

> “We continue to offer residents financial support through our Helping Hands initiative. Through this fund, we paid out £275,950 to 1,186 households to assist with the cost of unexpected or one-off bills, helping to reduce the risk of residents falling into debt or arrears. More importantly, we have assisted residents to access £3.5million in additional income over the year that they were eligible for but had not been claiming.”

This year we also piloted a new initiative providing support to new residents moving into our properties with few or no possessions. More than £10,000 was spent funding 28 starter packs, helping residents to feel at home.

Looking ahead, we are strengthening our support further. From 2025, we will introduce dedicated subject matter experts on affordability and financial wellbeing. New training programmes are being rolled out to ensure our teams are equipped to offer tailored advice and guidance — ensuring every resident feels supported, informed, and secure.

Quality properties

Managing quality properties extends beyond meeting health and safety standards; it is about ensuring residents are living in properties they are proud to call home. In 2015 we introduced our enhanced Property Standards, ensuring we consistently exceed minimum property requirements. We continue to invest to maintain these high standards and apply them to our newly acquired stock.

Our new People and Property Visits (PPV) were launched, designed to support resident wellbeing and check property standards whilst capturing evidence required to comply with the regulator's new consumer standards. These visits were completed by the end of the year and a robust process for unsuccessful visits has been put in place.

Over the 2024/2025 year, we invested £38.8 million in stock improvement works and a further £8.0 million on communal makeovers, maintaining the high standard of our accommodation, whilst ensuring we respond to changing regulations and resident expectations.

> "We were proud that once again, 100 percent of our properties met the Decent Homes Standard. We also completed 100 percent of fire risk assessments, gas, asbestos, water hygiene and fire alarm checks to ensure we remained fully compliant."

Case study: Montgomery of Alamein Court in Bracknell

As well as continuing to replace key components such as kitchens and bathrooms so our properties exceed minimum requirements, we recognise some of our schemes require further investment to extend their longevity and make them modern, attractive places to live.

Montgomery of Alamein Court (Bracknell) is a Retirement Living scheme which received significant investment to modernise and make better use of underutilised space throughout the building.

Works included creating four new flats within the existing footprint, relocating and reconfiguring communal rooms, remodelling the entrance way, creating a new mobility scooter store, installing EV chargers in two parking bays and a communal lounge and kitchen makeover.

Building Control has signed off the substantial major works feedback from residents has been overwhelmingly positive.

We also completed a full refresh of our Stock Condition Survey on all our rented schemes which helps us to determine immediate and long-term investment requirements and ensuring compliance with the Decent Homes Standard as a minimum. We continue to inspect individual dwellings on a rolling annual basis.

	UoM*	Actual	Actual	Target	Target
		2023/24	2024/25	2024/25	2025/26
Decent Homes	%	100	100	100	100
Schemes with fully digital call systems	%	81	85.4	94	94
All kitchens < 25 years	%	100	99.6	100	100
All bathrooms < 25 years	%	100	99.2	100	100
All properties at EPC C	%	99.6	98.6	100	100
All scheme makeovers < 10 years	%	100	92.8	100	100

*UoM — Unit of measurement
** Housing 21 rented stock excluding Kent and Oldham PFI, Market Rent, Rukba
***Decent Homes excludes Somers Court

Over the coming year 2025/2026 we will continue to deliver against the key objectives within our Asset Management Strategy. This includes maintaining our enhanced Property Standards through investment in our stock and bringing up any additional acquired units up to similar levels. We have committed £40.9 million to our investment programme for 2025/2026 and a further £7.2 million towards delivering our communal makeover programme. We will ensure that all our current housing stock continues to meet our enhanced Property Standards.

We will continue to invest in and explore effective means to make our buildings more sustainable to achieve our net zero aspirations. We are committed to ensuring all our accommodation is safe and fully compliant, through undertaking building safety and fire risk assessments, as well as investing in robust service contracts and their administration.

Damp and mould

Housing 21 is committed to providing dry, warm and healthy homes for our residents. We have established a combined method to tackling these issues to ensure we effectively resolve known cases and undertake preventative control measures.

Our Surveying Team undertake annual Housing Health and Safety Rating System (HHSRS) inspections, and any outstanding hazards are continually reviewed. We have a robust set of Property Compliance Key Performance Indicators (KPIs), which include damp and mould monitoring, to provide full transparency and highlight outstanding issues. The KPIs are included in our regular Property Compliance Report, which is shared with our Board, Health and Safety Forum.

Over the period April 2024 to March 2025, we identified six properties through the HHSRS survey which had damp and mould. As of the end of April 2025, these have all had actions taken, and a third have been resolved. In all six cases, the levels of damp and mould were minor and did not pose a danger or health risks to residents.

Local operational teams inspect properties before they are re-let, and complete individual People and Property Visits every six months in Extra Care and annually for Retirement Living. Managers use these visits as an opportunity to inspect each room for signs of damp or mould growth.

Ash Grange and Oak Grange

We are committed to the provision of safe, quality and affordable properties for older people, which meet their current and future needs.

Ash Grange and Oak Grange are former local authority buildings in Liverpool comprising two high rise tower blocks that have exceeded their 60-year life expectancy. For high rise building structures such as these, we routinely undertake structural surveys and review investment requirements to ensure they continue to uphold our commitment to provide residents with safe and comfortable homes.

> "The results of surveys undertaken in 2024/2025 have shown that whilst the concrete frames on both buildings are currently acceptable, they are expected to erode within the next five to 10 years."

With significant, multi-million-pound investment their lifespan could be increased, to a potential of 20 years. Works would need to include replacing the cladding, roofs and windows on both buildings to address current issues around water ingress. In addition, the heating systems, lifts, kitchens and bathrooms are all due to be upgraded during this time to meet our property standards.

Collectively, all the issues combined are reflected in resident satisfaction scores at Ash Grange and Oak Grange, which are lower than the average for our other schemes across the country. Whilst none of the issues currently pose a risk to safety, it does not reflect the standard of quality we are committed to providing to residents.

The work to get the buildings to a safe and quality standard would involve two years of disruption to residents, including significant building works, scaffolding and the need to temporarily rehouse some residents. After considering all options, and as a last resort, we made the difficult decision to close Ash Grange and Oak Grange. This decision has also resulted in an impairment loss of £4.7m recognised in this year results.

Throughout 2025/2026 we will work closely with the residents, Liverpool City Council and relevant stakeholders to support everyone affected in finding a new home that is suitable for their needs. We have a designated team in place who are committed to supporting residents throughout this process.

Once all residents are rehoused, we will redevelop the site, ensuring the purpose remains exclusively for the provision of homes for older people linked to the highly acclaimed Extra Care scheme, Brookside House, adjacent.

Somers Court

We acquired Somers Court in Wisbech from Clarion Housing in 2023. At the time of acquisition, it was clear that the building, which comprises 38 apartments, does not meet contemporary standards or Decent Homes Standards.

None of the apartments offered individual cooking facilities and residents were required to share four communal bathrooms; this does not reflect the quality of properties that we manage.

As such, we advised residents of the difficult decision to close Somers Court in September 2024.

Since then, we have been providing one-on-one support to residents to help find them alternative, suitable accommodation. We have been in working in partnership with external stakeholders including Fenland District Council, who allocated all residents emergency housing status, and Cambridgeshire County Council, who offered all residents a care assessment to ensure their future support needs were considered.

We have also been supporting residents with arranging and funding the costs of moving, as well as providing necessary compensation through the Home Loss Payment.

We anticipate all residents will have found suitable accommodation by summer 2025. Once the building is empty, we will look to regenerate the site to deliver a new, purpose-built social rented scheme with self-contained apartments offering independent living for older people.

Quality services

The quality of the services we provide to our residents is just as important as the standard of properties they live in.

> We were thrilled to achieve our target of 95 percent satisfaction with the care provided to residents by Housing 21 employees. This reflects having the right people in the right roles, supported by investment in their learning and development to ensure they provide the best quality of care to residents."

In celebrating what we do well, we also need to be able to recognise where our standards of service are falling short of what residents deserve. In the same way other housing providers have recognised our expertise in the provision of housing for older people, we recognised that a landlord dedicated to managing leasehold properties would be better placed to meet their needs.

During 2023/2024 we engaged with residents at 43 of our leasehold schemes about our decision to transfer management of their sites to a more suitable landlord. Seven of these schemes (181 properties), opted for our Voluntary Offer of First Refusal to set up or select their own management company.

In July 2024 we transferred 33 schemes (1,068 properties) to Churchill Estates Management. This followed a lengthy process to find a landlord most suited to meeting the needs of leaseholders.

Accountable

We are not just accountable to the regulator and legislation as a social housing landlord; we are also accountable to residents and need to ensure we are open and transparent about our performance, costs and policies.

The consumer standard

Part of that accountability does sit under the Social Housing (Regulation) Act 2023 and the consumer standard that was introduced to give residents more rights to live in safe properties managed be a reputable landlord.

The act contains four updated consumer standards, underpinned by the code of practice. The four updated standards are:

- **The Safety and Quality Standard**: requires landlords to provide safe and good-quality homes and landlord services to tenants
- **The Transparency, Influence and Accountability Standard**: requires landlords to be open with tenants and treat them with fairness and respect so that tenants can access services, raise complaints when necessary, influence decision making and hold their landlord to account
- **The Neighbourhood and Community Standard**: 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**: sets requirements for the fair allocation and letting of homes and for how those tenancies are managed and ended by landlords

The revised consumer standards are put on an equal footing with the governance and viability standards. An additional 'C' rating with join the existing 'G' (governance) and 'V' (viability) ratings and will also be scored on a 1–4 scale.

Our Regulatory Inspection was carried out by the regulator in January 2025, and we received a C2 rating. This is a compliant rating, and the regulator did not raise any concerns about the services we are providing to residents.

The reason we didn't get the top C1 rating is that, although we have good compliance reporting and a clear understanding of service outcomes at a local level, there were felt to be areas where we could improve our reporting and monitoring arrangements.

In the summary report, the inspector wrote: "Housing 21 provided evidence-based assurance that it has appropriate systems in place to ensure the health and safety of its tenants in their homes and associated communal areas. It also demonstrated that it has a good understanding of its compliance with landlord health and safety requirements, its performance information demonstrated a good level of reported compliance with legal obligations, and it has recent third-party assurance that its reporting in this area is up to date and accurate.

"Housing 21 is making further improvements in the level of reporting to its Board on tracking the completion of some remedial actions identified through its programme of landlord health and safety checks.

"Housing 21 provides a wide range of opportunities for tenants to influence and scrutinise its strategies, policies and services. We saw evidence that Housing 21 has arrangements in place to seek the views of tenants and enables them to provide scrutiny. There are clear arrangements in place through which Housing 21 hears from its tenants and there is evidence of a wide range of meaningful engagement activities available to tenants. We also saw evidence that tenant scrutiny and feedback has directly and positively impacted service delivery."

We recognise and accept the findings of the inspection, and we will work with the regulator to put improvements in place as speedily as possible so we can secure the C1 grading.

Complaints

During 2024/2025 we received 1,067 compliments; 79 percent were about employees/ teams, 18 percent were about our services, and three percent about our contractors. A total of 199 schemes received compliments (in 2024/2025) without having had any complaints raised.

We received 297 complaints in 2024/2025, compared to 148 in the previous year. The revised Housing Ombudsman Complaint Handling Code removed the informal complaint stage. In previous years the number of informal complaints was six times that of formal complaints, so an increase in recorded complaints was expected (and has been seen across the sector).

Of the 297 complaints received, the majority related to repairs and maintenance (29 percent), employees (24 percent), and housing services (16 percent). Repairs and maintenance also accounted for the highest proportion of service requests at 39 percent, followed by care (17 percent) and other (13 percent).

While the overall number of complaints has risen significantly, the rate of escalation has declined. The proportion of complaints escalating from Stage One to Stage Two has decreased over time from 22 percent in 2022/2023 to 14 percent in 2024/2025, indicating that a higher proportion of complaints are being resolved satisfactorily at Stage One.

Although Stage Two escalations have declined in the past three years, some issues are more prone to escalation. Employee-related complaints see the highest likelihood, with around a quarter escalating each year (28 percent in 2022/2023, 24 percent in 2023/2024, and 21 percent in 2024/2025).

Our performance this year against the target response times, which have been set to correspond with the times specified in the Housing Ombudsman Complaints Handling Code, are as follows:

- Acknowledgement of stage one complaints within five working days: **we achieved 97 percent (five outside timescale)**
- Response to Stage One complaints within 10 working days: **we achieved 94 percent (18 outside timescale)**
- Response to Stage Two complaints within 20 working days: **we achieved 98 percent (one outside target)**

Complaints about repairs are considered to be relatively low when compared to the number of work orders raised. In Extra Care, there were just 32 complaints from over 35,000 work orders (0.9 per 1,000), while in Retirement Living there were 50 complaints from nearly 49,000 work orders (1.02 per 1,000).

Housing Ombudsman Service (HOS) cases

In the year to April 2024 to March 2025 we acknowledged and actioned 14 inquiries (11 Retirement Living and three Extra Care) and received and submitted 11 case requests (seven Retirement Living and four Extra Care).

An inquiry is usually a check from the HOS when a complainant contacts the service as to whether the landlord complaints process has been completed. A case can only be actioned by the HOS when both stages of the complaint procedure have been completed and they are satisfied that the complaint falls within their jurisdiction. Case requests have a target timescale of three weeks for us to submit.

However, it can take many months for the Housing Ombudsman to process complaints so determinations can often relate to a previous financial year. Our target is zero at fault cases.

The 11 case requests have, so far, resulted in eight determinations. Housing 21 was found to be at fault in two of these resulting in two findings of maladministration and one service failure:

- **Case one**: maladministration and service failure maladministration relating to the handling of concerns relating to heating and the temperature of the property service failure linked to the handling of the complaint
- **Case two**: maladministration relating to handling of the complaint

Two of the determinations received this year related to complaints handled in 2023/2024 period; both were found as no maladministration or resolved by reasonable redress.

Looking ahead, we will continue the training which we have put in place and target those schemes who have identified as 'requires improvement'.

Analysis will be undertaken of the complaints data to identify schemes with a high or low/ nil volume of complaints. Work will take place to identify why they are in this situation and training and support put in place where required.

Awaab's Law

From October 2025, Awaab's law will come into effect as a legacy to two-year-old Awaab Ishak, who died after being exposed to mould at his home in Rochdale in 2020.

The law will require all social housing landlords to investigate and fix dangerous damp and mould within set periods and repair all emergency hazards within 24 hours.

At Housing 21, we are committed to the provision of safe, quality and affordable homes for residents but understand that not everyone living in social housing has the same experience from their landlord. As such we welcome the legislation as another step forward in ensuring everyone has access to safe and quality properties, regardless of who owns or manages their home.

In preparation for the new legislation, we are undertaking training across the organisation to build upon our already robust approach to actioning any emergency repairs or reports of damp or mould within our schemes.

Strategic Framework: Core focus

Our core focus represents our overall objective; to achieve 95 percent resident satisfaction through schemes and services that are co-created and resident centric.

Resident centric

In fulfilling our commitment to put residents at the heart of everything we do, we need to ensure effective two-way communication so that we can continue to learn, develop and meet their evolving needs.

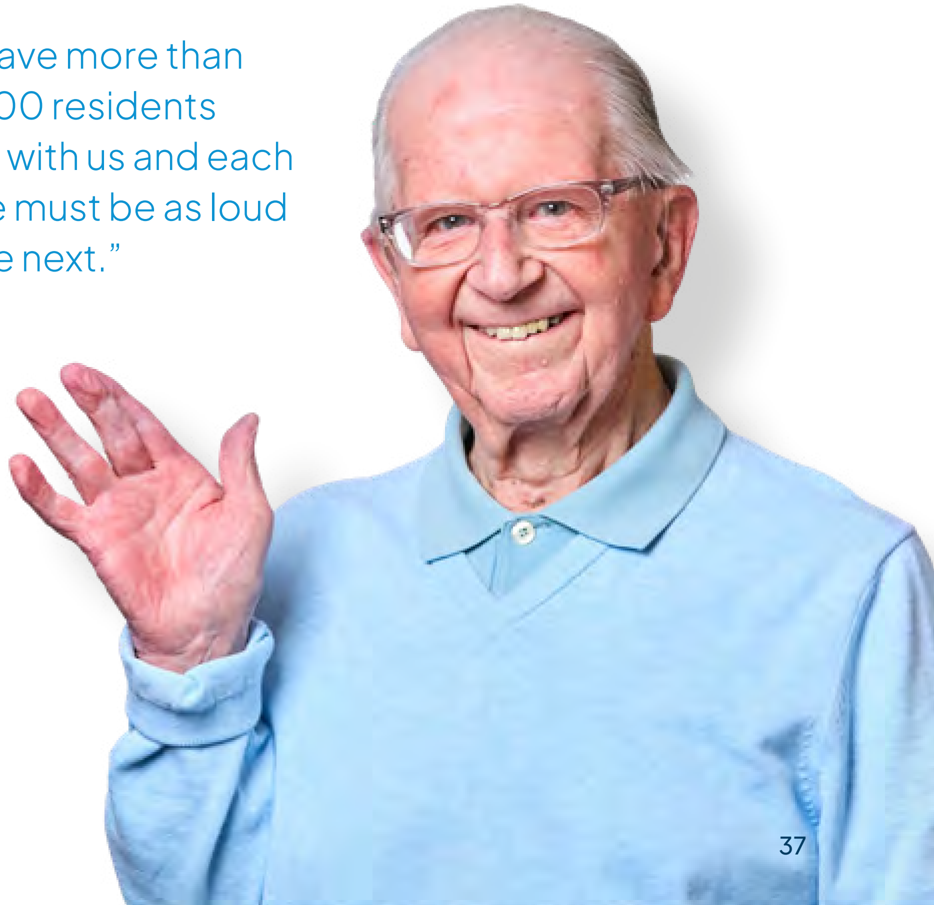
Listening, engaging and working with our residents is essential for the continual improvement and successful delivery of our services as this ultimately impacts overall satisfaction levels. We want to ensure a two-way conversation on the issues that are most important to them, especially those which directly affect them on a day-to-day basis.

Central to effective communication is simplicity; we need to make it easy for residents to hear from us and in turn, to hear from them. To do this, we need to provide choice; choice on how they receive information with us, whether that be in an alternative format such as Braille or audio, or in an alternative language. Equally, we need to provide options for how we hear from them.

It is not enough to provide one method for communication as this does not uphold our vision for inclusivity. Whilst more older people are using digital platforms — which enables us to explore communication through email, text and WhatsApp — we know others still choose not to engage or lack confidence with modern technology, as is their choice. In exploring new ways of engaging with residents, we must ensure that these are in addition to more traditional methods of communication — not instead of them.

This year we appointed a new Resident Communications Manager, with a focus on helping to better understand residents' needs in terms of the platforms for engaging with us, the frequency of communication and the language used. This appointment represents our ongoing commitment to ensuring every voice is heard and that we seek to remove any barriers. It is not acceptable to consider people as 'hard to reach' — it just means they have been 'easier to ignore'.

> "We have more than 24,000 residents living with us and each voice must be as loud as the next."



Co-created

Living with Housing 21 is intended to provide residents with independence and choice so it's vital that any decisions affecting where they live are made with their input, wherever possible.

Whilst we do have national policies in place to ensure schemes remain safe and compliant, our devolved model supports the concept of working with residents to collectively make decisions at a local level. Our Court Service Agreements are individual agreements produced at a local level and led by residents to collectively agree to the use of communal areas whilst our annual Service Charge review meetings give residents an opportunity to influence costs and services for the upcoming year.

These issues are important to residents' day-to-day lives as they impact upon their personal costs and living spaces, so it is important we include them. Equally as important are decisions regarding repairs, changes or upgrades to their individual homes which to many, are considered their own private sanctuary.

Each year our surveyors and operational teams hold annual, in-person resident engagement meetings which centre around key topics including property quality, safety and the environment. The meetings provide us with a forum to listen to residents at a local level, receive feedback on performance and hear suggestions on improvements. It also provides reassurance that the quality and safety of residents' homes remains a priority.

Residents are informed about the investment programme through meetings and individual letters which detail investment plans, providing transparency on the work being proposed at schemes over the coming years. Prior to any investment projects, consultations are held so residents fully understand the scope, impact and sequencing of works.

Case study: Elm Tree Court in Bradford

Resident feedback is invaluable to our decision making.

At Elm Tree Court in Bradford, approximately 40 Extra Care residents came together to provide feedback about new modular kitchen and bathroom designs at a product review day.

The event featured supplier demonstrations, presentations and question-and-answer sessions on how our kitchen and bathroom offer can be improved.

Residents were encouraged to provide feedback on colour schemes, fixtures and fittings and share their thoughts on designs for new pods and showers, including grab rails and shower seats.

The feedback provided by these focus groups will be used to develop our specifications and we intend carry out further resident-led reviews going forward across different regions.

Resident satisfaction

When successfully combining all of the elements from the Strategic Framework's ambitions, strategic drivers and essential enablers, in addition to adopting a co-creating and resident-centric approach to the people living with us, we should achieve our ambition of 95 percent overall resident satisfaction.

Our annual resident satisfaction survey has always been a key source of feedback for us. By inviting all residents to participate in an anonymous questionnaire, it has helped us to understand where we are performing well, areas that require improvement and identify any trends at local, regional and national level. Following the introduction of the Social Housing (Regulation) Act 2023, we have now incorporated 12 questions linked specifically to Tenant Satisfaction Measures (TSMs) which all social housing providers are required to report upon.

The results of the TSMs are separated to analyse satisfaction levels between Low Cost Rented Accommodation (LCRA) and Low Cost Home Ownership (LCHO), but collectively provide us with our overall satisfaction score.

> "This year, we saw our overall satisfaction levels increase by three percent from the previous year, up from 86 percent to 89 percent. With the average satisfaction score at 70.9 percent for housing associations, we could celebrate being significantly above the sector and lower our target to reflect this. However, for us this indicates there is still more to do as ultimately these figures represent more than just numbers on a page; they reflect the happiness of individuals who deserve to live with a landlord who is committed to providing the best experience possible."

Our biggest area of improvement was around complaints handling, which, increased by 11.7 per cent for LCRA and 23.5 per cent for LCHO. A contributing factor to this improvement is that we launched training in 'Dealing with Unhappy Customers' to provide employees with increased skills and knowledge to better support residents. By the nature of the subject matter, this area is always likely to score lower than others.

However, the introduction of the Social Housing (Regulation) Act 2023 which formalises the approach to complaints (and removes the informal stage we previously had in place) appears to have provided a better experience for affected residents.

We will always endeavour to get things right first time but where we don't, we welcome complaints as it provides an opportunity to improve and hopefully provide a positive resolution for residents who may otherwise remain unsatisfied.

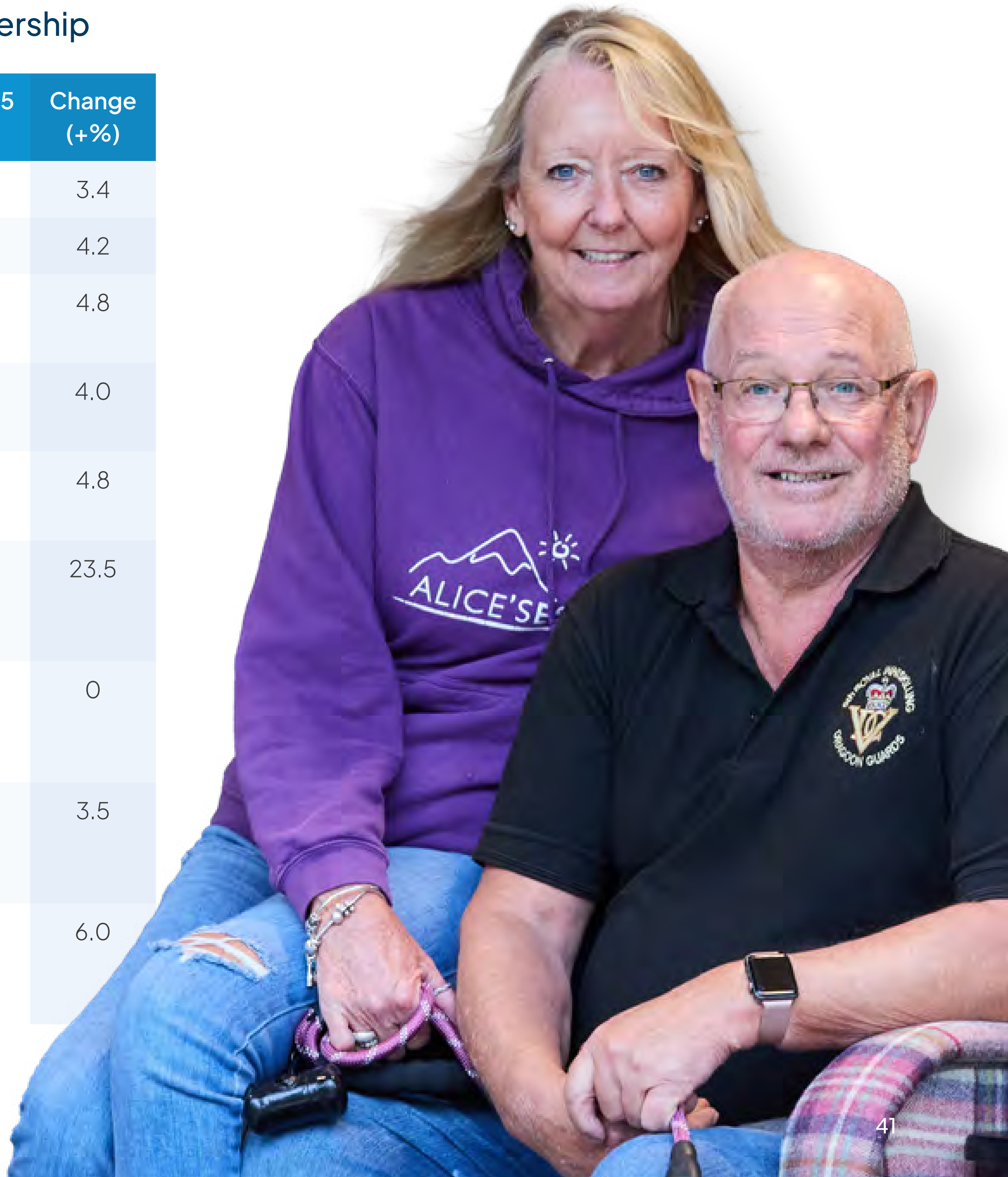
Tenant Satisfaction Measures for Low Cost Rented Accommodation

LCRA — Low Cost Rented Accommodation	2023/24 (%)	2024/25 (%)	Change (+%)
Satisfaction with the overall service from their landlord	86.6	89.8	3.2
Respondents who have received a repair in the last 12 months who report that they are satisfied with the overall repairs service	86.8	90.1	3.3
Respondents who have received a repair in the last 12 months who report that they are satisfied with the time taken to complete their most recent repair	82.9	87.2	4.3
Satisfaction that their home is well maintained	87.0	90.3	3.3
Satisfaction their home is safe	88.7	91.3	2.6
Satisfaction their landlord listens to tenant views and acts upon them	73.0	79.0	6.0
Satisfaction their landlord keeps them informed about things that matter to them	83.0	87.5	4.5
Respondents who report that they agree their landlord treats them fairly and with respect	85.9	90.0	4.1

LCRA — Low Cost Rented Accommodation	2023/24 (%)	2024/25 (%)	Change (+%)
Respondents who report making a complaint in the last 12 months who are satisfied with their landlord's approach to complaints handling	48.6	60.3	11.7
Respondents with communal areas who report that they are satisfied that their landlord keeps communal areas clean and well maintained	90.2	92.3	2.1
Satisfied that their landlord makes a positive contribution to the neighbourhood	70.2	74.6	4.4
Respondents who report they are satisfied with their landlord's approach to handling antisocial behaviour	71.2	75.8	4.6

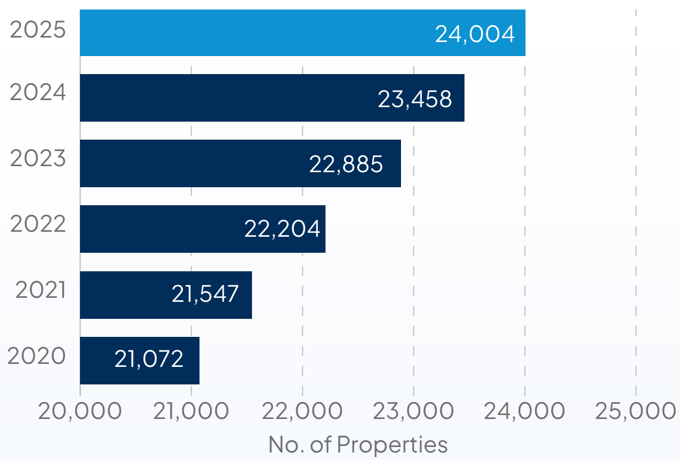
Tenant Satisfaction Measures for Low Cost Home Ownership

LCHO — Low Cost Home Ownership	2023/24 (%)	2024/25 (%)	Change (+%)
Satisfaction with the overall service from their landlord	79.7	83.1	3.4
Satisfaction that their home is safe	83.2	87.4	4.2
Satisfaction their landlord listens to tenant views and acts upon them	68.9	73.7	4.8
Satisfaction their landlord keeps them informed about things that matter to them	76.6	80.6	4.0
Respondents who report that they agree their landlord treats them fairly and with respect	81.0	85.8	4.8
Respondents who report making a complaint in the last 12 months who are satisfied with their landlord's approach to complaints handling	33.7	57.2	23.5
Respondents with communal areas who report that they are satisfied that their landlord keeps communal areas clean and well maintained	87.4	87.4	0
Respondents who report that they are satisfied that their landlord makes a positive contribution to the neighbourhood	62.4	65.9	3.5
Respondents who report that they are satisfied with their landlord's approach to handling anti-social behaviour	68.0	74.0	6.0

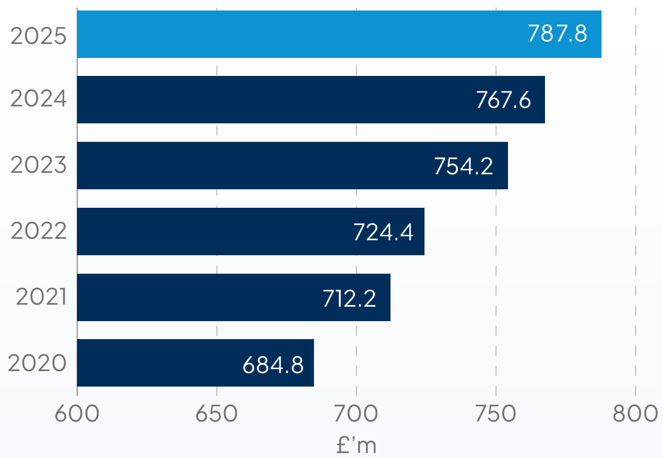


Financial Highlights

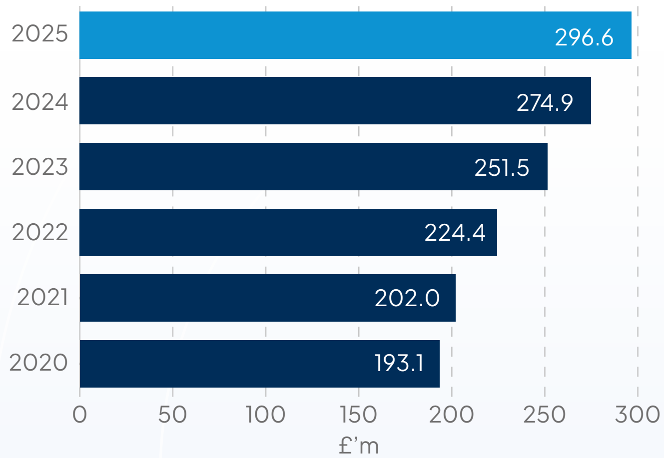
Properties owned and managed



Net assets



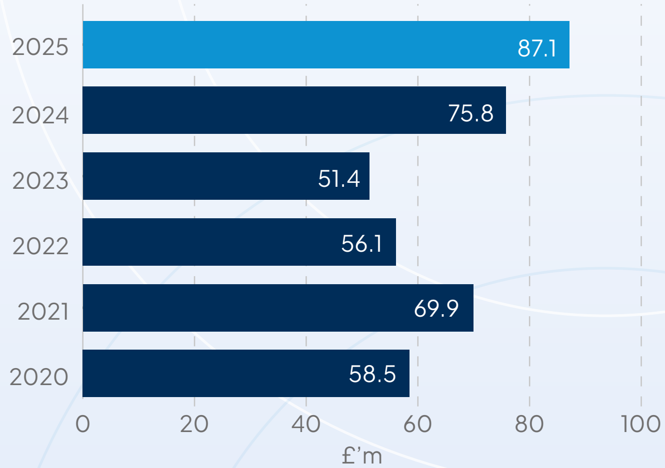
Total revenue



Net debt (excluding derivatives)

Operating surplus

Cash flow from operations



Environmental Social and Governance Reporting

Ensuring our homes are both environmentally and socially sustainable is central to the decisions we make and the way we operate. We recognise the vital role we play in reducing environmental impact while creating comfortable, efficient homes for our residents.

We have set clear and ambitious targets to support this commitment:

- All properties will achieve a minimum Energy Performance Certificate (EPC) rating of C
- We aim to reach an Environmental Impact Rating (EIR) of C or better across all homes by 2030
- We will reduce energy consumption by 15 percent (kWh/m^2) in communal heating systems and by 10 percent in individual domestic systems by 2030

These goals reflect our long-term focus on sustainability and our responsibility to future generations. We continue to collaborate with residents, employees, and key stakeholders to embed environmental awareness across Housing 21 — ensuring it is reflected in local agreements, day-to-day decisions, and our overarching national strategies.

We are proud adopters of the Sustainability Reporting Standard for Social Housing (SRS). The SRS reporting framework has been developed to establish a transparent, consistent and comparable set of Environmental, Social and Governance (ESG) criteria across the housing sector. We will be publishing our third ESG report alongside the financial accounts and the wider document is available on our website.

> “Encompassing all aspects of sustainability, our report details our ESG performance highlighting the positive work we do and showing our commitment towards sustainability and the environment. We are dedicated to going beyond legal requirements, exceeding minimum standards and striving to achieve a position of ‘doing no harm’, while understanding our data so that we can make informed decisions which shape our future.”

Like last year, we will commission an independent assurance of specific criteria from our 2024/2025 ESG report.

Energy and Carbon Reporting

The UK Government's Streamlined Energy and Carbon Reporting (SECR) Policy was implemented in 2019. Housing 21 is outside the SECR qualification criteria in the UK but will follow the same protocols in its carbon reporting.

We have opted to use the operational control boundary definition to define our carbon footprint boundary.

The reporting period for this is 1 April 2024 to 31 March 2025. Included within that boundary are Scope 1 and 2 emissions from gas and electricity, as well as emissions from grey fleet, all in the UK.

The Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard and UK Government's GHG Conversion Factors for Company Reporting have been used as part of our carbon emissions calculation. For this calculation we have only opted to use energy consumed by Housing 21 and have made no estimates for gas and electricity used in residents' homes where they have their own supplies.

In the majority of schemes, residents have a separate metered supply for energy into their homes (the residential area) and there is a communal supply for other areas such as corridors, lounges, laundries and offices. However, in a few there is just the communal supply and energy used by residents in their homes is estimated and recharged on an apportionment basis.

SECR Intensity Ratio for Total Emissions (Scope 1–3) — 0.8 tCO2e per property.

	2024/25	2023/24
Total electricity use	29,697,881 kWh	27,030,224 kWh
Total gas use	41,314,165 kWh	33,276,448 kWh
Total transport fuel	6,532,123 kWh	3,748,062 kWh
Total energy from other fuels	812,800 kWh	744,748 kWh
Total energy use (all sources)	**78,356,969 kWh**	**64,799,482 kWh**
Total carbon emissions (electricity)	8,163 tCO2e	7,429 tCO2e
Total carbon emissions (gas)	8,806 tCO2e	7,093 tCO2e
Total carbon emissions (transport fuel)	2,139 tCO2e	1,227 tCO2e
Total carbon emissions (other sources)	36 tCO2e	34 tCO2e
Total carbon emissions	**19,144 tCO2e**	**15,783 tCO2e**
Carbon intensity ratio	**0.82 tCO2e per property**	**0.78 tCO2e per property**

SECR Intensity Ratio for Total Emissions (Scope 1–3) — 0.8 tCO_2e per property

Our Business Performance

Summary of Operating Surplus

	Turnover £'m		Surplus/(deficit) £'m		Margin %	
	2025	2024	2025	2024	2025	2024
Social housing	**226.9**	**199.7**	**39.7**	**31.6**	**17.5**	**15.8**
Development sales	6.1	10.7	0.9	1.5	14.8	14.0
Other activities and costs	6.5	7.9	(2.0)	(5.7)	(30.8)	(72.2)
Other social housing	**12.6**	**18.6**	**(1.1)**	**(4.2)**	**(8.7)**	**(22.6)**
Care	55.2	53.4	(1.8)	(0.3)	(3.3)	(0.6)
Other	2.0	3.3	0.7	0.7	35.0	21.2
Non-social housing	**57.2**	**56.7**	**(1.1)**	**0.4**	**(1.9)**	**0.7**
Total	**296.7**	**274.9**	**37.5**	**27.8**	**12.6**	**10.1**

Social Housing Lettings

Turnover

£135.4m Rental income

£67.4 Service charges

£24.1m Other income

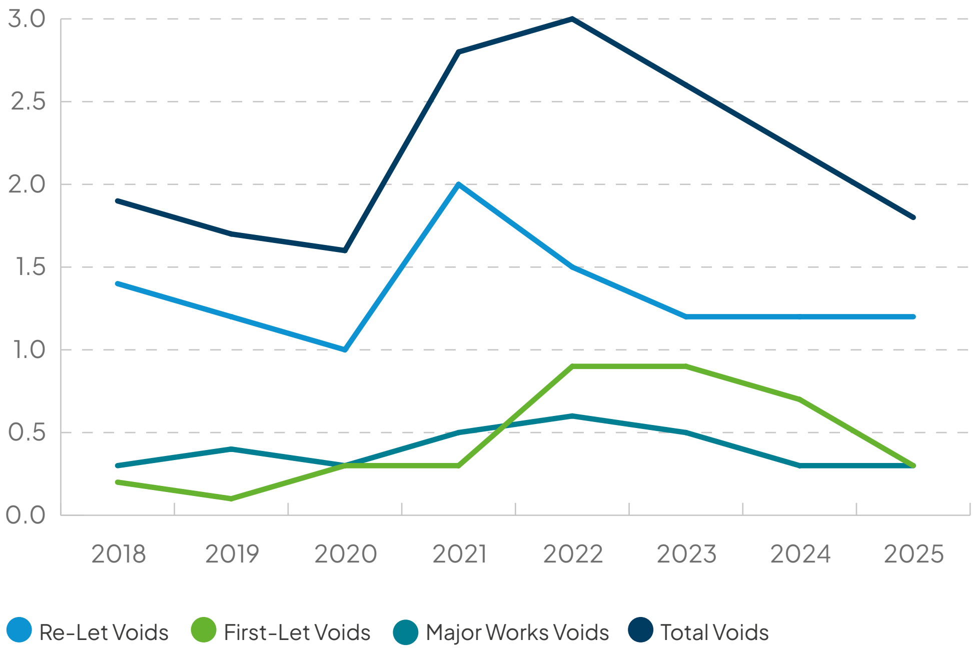
Turnover from social housing lettings increased by £27.2 million to £226.9 million, representing a 12.0 percent year-on-year growth. This strong performance was driven by a combination of factors: the continued expansion of our portfolio through acquisitions and new developments, the permitted rent increase of 7.7 percent in line with September 2023's CPI plus one percent, and higher revenue recognition from our PFI/PPP contracts.

Service charge income rose by £4.9 million (7.8 percent) during the year, primarily reflecting higher utility costs. We apply a variable service charge model across most of our schemes, ensuring residents are only charged for the services they receive. Any surplus or shortfall is reconciled in the following year's charges. As we purchase utilities for around 40 percent of our residents' homes, we continue to actively manage procurement to secure favourable rates and protect residents from rising costs.

Other income is largely derived from our PFI/PPP contracts, with revenue recognised in line with the stage of completion. This naturally varies year-on-year depending on the level of capital and operational expenditure incurred.

Overall voids were held at 2.2 percent, an improvement compared to the prior year. Notably, re-let voids remained low at 1.2 percent, demonstrating continued resilience despite increased rental and service charges. We maintain strong relationships with local authorities and manage our own waiting lists to enable timely lettings and minimise rental loss.

Rent and service charge lost through voids as a percentage of our rent and service charge income.



Our operating surplus for the year has increased by £9.7m to £37.5m, which includes gains on disposals of housing properties of £4.1m and is after a charitable donation made to the new Housing 21 Resident Support Trust Limited of £2.0m.

The key points to note on our cost base are in relation to:

Management costs increased by £6.1 million compared to the prior year, primarily driven by our growth through acquisitions. In addition, we remain committed to attracting and retaining high-quality employees and awarded a five percent pay increase at the start of the financial year. The increase also reflects one-off costs associated with the decommissioning of Ash Grange and Oak Grange.

Maintenance costs increased by £4.5 million year on year. This includes £2.3 million attributable to planned maintenance and £2.2 million relating to day-to-day responsive repairs. Planned maintenance expenditure varies each year depending on the timing of scheme refurbishments. Our property standards ensure that every scheme undergoes a communal makeover at least once every 10 years to maintain high living standards. During the year, we also invested £1.3 million in makeovers to recently acquired schemes, which contributed significantly to the overall increase.

The rise in day-to-day maintenance costs reflects the enlarged property portfolio, inflationary cost pressures, and an overall increase in repair volumes. This is in part due to the natural ageing of our stock and newly acquired schemes reaching the point where repairs are required.

Major repair expenditure continues to relate primarily to our PFI/ PPP schemes and is funded through the associated unitary charge income.

Depreciation has decreased year on year by £4.4m as last year we incurred a catch up on depreciation associated with kitchens and bathrooms, no such charge has been incurred this year.

Other Social Housing Lettings

Other social housing activities include:

- The support charge and social leasehold services, both of which are costs incurred on behalf of residents and passed on as part of their service charge
- The back-office costs to support our development and sales activities
- Sales properties, primarily through first tranche low-cost home ownership

Leasehold

During the year, we completed the transfer on most of our leasehold schemes. As a result, we have seen reductions in both the revenue and costs associated in this area. However, the disposals have generated a gain, contributing positively to our financial results.

Development sales

We continue to operate a modest sales programme and will only develop shared ownership where it is appropriate, rather than as a default position. We will never use shared ownership as a means of cross-subsidy and remain non-reliant on sales for maintaining compliance with our banking covenants.

Overall, during the year, we sold 33 shared ownership properties (2024: 57) at an average equity share of 52 percent (2024: 61 percent) and two outright sale properties (2024: nine). At year end, we held 53 unsold sales properties.

Through the acquisition from Midland Heart, we added 246 sales properties to our portfolio (comprising 134 shared ownership and 112 leasehold properties), of which 12 were void at the point of transfer to Housing 21. Unlike our wider portfolio, where we operate a discretionary buy-back policy, we are obligated to buy back these properties. During the year, we repurchased 14 properties and subsequently resold seven (four shared ownership and three outright sales).

As part of our ongoing review to improve the customer experience, we launched an assisted move proposition in partnership with the New Homes Group on selected shared ownership schemes. This initiative aims to help prospective buyers who may face challenges in selling their existing homes.

Other activities

To improve services and resident satisfaction, Housing 21 allocated funds at the start of the year to address issues raised by residents across its schemes. Initially, most resident feedback required little additional spending. However, further discussions led to purchases of garden furniture and equipment, contributing to Housing 21's 60th anniversary celebrations and enhancing resident wellbeing.

This experience established a practice of setting aside funds to support resident-led improvements and activities. To enable ongoing support, a charitable trust has been formed, called Housing 21 Resident Support Trust Limited, and we have donated £2 million to support the health and wellbeing of Housing 21 residents.

Non-social housing lettings

We remain firmly committed to the provision of housing for older people and have no plans to diversify away from this core purpose. We recognise the significant benefits of being a specialised provider, enabling us to deliver high-quality services tailored to our residents' needs.

Our non-social housing activities primarily relate to delivering social care services within our Extra Care schemes, ensuring an integrated approach to housing and care. In addition, we own and manage a small portfolio of non-social rented properties for older people. However, we are actively progressing the disposal of these properties as part of our strategic focus.

Care services

Our dedicated Care Team is available 24/7, to allow our residents to remain independent with the assurance they can access support if they need it. Our care is commissioned from local authorities, typically on a three to five-year agreement, and rate increases are negotiated each year. We deliver care into around 50 percent of our Extra Care schemes, with the remainder provided by third party care providers. Where we do not provide the care into our schemes, we continue to provide a housing only service and work in partnership with the third-party care provider.

Our turnover has grown in the year, partly due to the rate increases negotiated with local authorities but also through increased hours. We deliver on average, 48,000 hours of social care a week and this has remained largely consistent with last year (49,000 hours delivered per week) following the novation of care contracts when we acquired properties.

The overall loss generated from our care provisions, after allocation of corporate overheads, has increased compared to last year. We have taken steps to reduce the use of more expensive agency employees, and we continue to work with local authorities to ensure we receive a fair charge rate for the quality service we provide. However, our cost base has increased because of the implementation of Birdie, the Extra Care rostering system.

The investment in Birdie is expected to bring efficiencies and reduce the administration time and effort associated with rostering going forward. There was also some increased employment costs associated with the Extra Care senior management team, which has been strengthened in number and experience during the year.

Our aim is to not make a loss on our care provision, but we continue to have a small number of loss-making contracts. As such we have had to make some difficult decisions and in the current financial year, we had to hand back a few care contracts where they continued to make financial losses despite our efforts to turn them around. When we transfer contracts to a new provider, existing employees will transfer across as well, meaning relatively little exit costs are incurred. Where we have to do this, we will continue to work with the local authorities and the new care providers to ensure there is minimal disruption to our residents.

Other housing provision

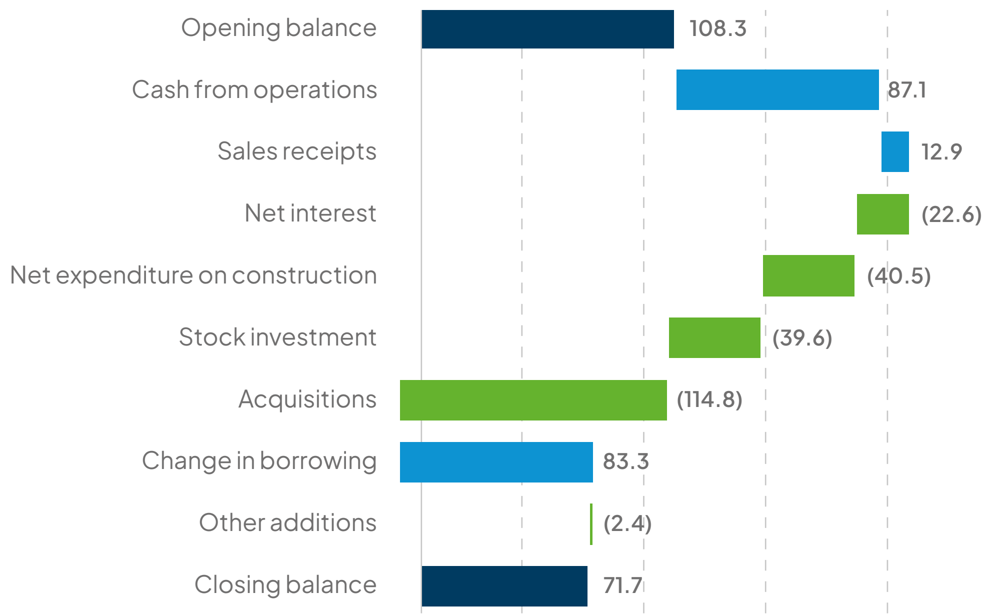
We own a small portfolio of non-social rented properties, spread across several schemes. In some instances, these properties are located within wider schemes that we do not own.

In line with our strategy to dispose of our non-social rent portfolio, we sold 25 properties during the year and will continue to market further properties as they become void. At year end, 63 properties were void and available for sale. In addition, we hold 116 properties that remain tenanted; these will be marketed for sale once they become vacant. The cash proceeds and surplus generated from these sales will be reinvested into developing new social housing and enhancing the quality of our services.

Cash flow

At year end, we held £71.7 million in cash and cash equivalents, including amounts held on deposit. Of this total, £29.8 million is ring-fenced for our PFI projects in accordance with contractual obligations, and £15.8 million is held in trust on behalf of our shared owners and leaseholders. This leaves £26.1 million of unrestricted cash available to support the delivery of our services and progress our growth ambitions.

Overall, our cash balance has decreased by £36.6 million compared to the previous year. The breakdown of how cash has been utilised is set out below.



During the year, we generated £87.1 million in cash from operating activities, an increase of £11.3 million compared to the prior year. This improvement is largely attributable to our strong in-year financial performance and the continued amortisation of our PFI/ PPP finance assets. We also generated £12.9 million in cash proceeds from the sale of development properties.

These funds have been used to service debt and reinvest in our existing homes. Importantly, we continue to fund these activities through internally generated cash and remain non-reliant on external borrowing for day-to-day operations.

In line with our strategic growth ambitions, we made significant investment during the year. This included £81.0 million in the development of new properties, supported by £40.5 million grant funding from Homes England and local authority partners, and £114.8 million on the acquisition of homes from other registered providers, as well as the repurchase of leasehold properties from existing residents.

> To fund this investment, we drew £122.0 million from our revolving credit facilities and repaid £38.7 million in line with agreed debt service schedules."

Treasury

We have a long-dated and diverse funding portfolio across several traditional high street banks, comprising a mix of term loans, revolving credit facilities, syndicated debt supporting our PFI projects, and a £500 million listed bond, of which £450 million has been sold to date.

Our loan book and financing arrangements remain relatively straightforward, ensuring we are not subject to onerous financing terms. We have three derivative swap instruments, all of which are embedded within our PFI contract structures, and we hold no complex loans that require measurement at market value.

Our treasury strategy is designed to maintain ongoing compliance with our financial "golden rules" while ensuring we retain sufficient liquidity headroom. We routinely stress-test our forward forecasts to ensure financial resilience under a range of scenarios. This contributed to the reaffirmation of our V1 rating from the Regulator of Social Housing and in August 2025 Standard and Poors reaffirmed our credit rating of A-, with a stable outlook.

Our long-term funding requirements are forecast through our business plan, which is underpinned by our strategic framework and growth ambitions. We assume that all investment in our existing stock will be funded from operational cash flows, with external borrowing required to support growth, refinance existing facilities, or meet contractual loan repayments.

Most recently, the Board approved a strategy to favour shorter-dated, variable-rate debt while interest rates remain elevated. This approach provides flexibility to draw funds only when required and avoids incurring higher costs of carry.

> "During the year, we secured new revolving credit facilities with Lloyds (£100 million) and HSBC (£50 million) and extended our existing facility with Barclays (£30 million). These facilities have supported both our growth ambitions and our scheduled debt repayments. Over the year, we drew an additional £122 million from these secured facilities and repaid £38.7 million in line with our funding agreements."

As at 31 March 2025, Housing 21 had £138 million of secured, undrawn revolving credit facilities and a £50 million retained bond, which remains secured and could be sold at relatively short notice. This liquidity is further supported by cash balances. Based on our latest estimates, we have over £400 million of assets either already secured or in the process of being added to our security portfolio to support our future funding requirements.

Our golden rule governing the proportion of fixed- to variable-rate debt ensures protection against interest rate volatility. As at year end, 16.3 percent of the Group's debt was on variable rate of interest, well below our golden rule of a maximum of 30 percent.

At year end, based on our forward projections, we hold sufficient liquidity for the next 28 months. We are already working closely with our treasury advisors to plan our next funding round, exploring all available options, including additional revolving credit facilities, longer-term loans, and potential capital market issuance.

Going concern

After making enquires, the Board has a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. The Board continues to obtain assurance of financial viability through annual budgeting, re-forecasting, and long-term business planning exercises. As part of this exercise, we review and stress-test the availability of funding, liquidity and compliance with lenders' covenants alongside other key metrics considered by our external stakeholders such as our regulators and credit rating agencies. Together, this ensures the Board has a continual and rolling process of reviewing and assessing our financial strength and viability.

Based on our cash holdings, including short term investment and the secured facilities we have in place, we have sufficient liquidity to meet our contractual obligations as they fall due, and we therefore remain compliant with our 18–month liquidity golden rule. We also have sufficient security available to obtain further funding if required. All lenders' covenants have been met for the year with a healthy headroom.

The Board- approved Business Plan shows continued compliance with our golden rules, healthy headroom with our banking covenants and maintaining a minimum EBITDA MRI of 120 percent. If we experience cost pressures from rising inflation, the Board has several mitigating strategies which they could put in place to manage the potential financial implications.

For these reasons, the going concern basis has been adopted in these Financial Statements.

Creditor payment policy

We agree payment terms with our suppliers when we enter binding contracts. We continue to seek to abide by these terms when we are satisfied that the supplier has provided the goods or services in accordance with such agreed terms.

Charitable and political gifts

In 2024/25, Housing 21 contributed £2 million towards a newly created charitable trust, Housing 21 Resident Support Trust Limited. This trust will operate and be governed independently from Housing 21.

We also continue to support the work undertaken by employees and residents in their various charitable initiatives.

Value For Money

Our approach to Value for Money (VFM) is firmly rooted in delivering our strategic priorities while ensuring we optimise the use of our resources to create value for our residents and stakeholders.

VFM is about securing the most **economic, efficient, and effective** ways of delivering our services. It considers costs, inputs, outputs, and ultimately the outcomes we achieve for the people and communities we serve.

Our Strategic Framework

Our strategic approach to VFM is underpinned by robust financial management, effective governance, and a strong culture of performance management and continuous improvement. Progress against our Strategic Framework is detailed in the Strategic Report, including specific performance measures and targets.

Through our devolved operating model, residents are encouraged to provide feedback and collaborate with us to continuously improve our services. This engagement ensures we deliver value for the rent and service charges our residents pay. Investing in the quality and responsiveness of our services remains a strategic priority, and we see a return on this investment through strong customer satisfaction scores.

Effective governance

The Group Board acknowledges its responsibility to meet the requirements of the Regulator of Social Housing's Value for Money Standard. The Board adopts a strategic approach to managing the performance of the Group's assets and ensuring optimal use of our resources.

All Board and committee papers are required to explicitly consider the VFM impact of any decisions, ensuring VFM remains embedded in our governance and decision-making processes.

Our performance on the Regulator's VFM metrics

The Regulator of Social Housing has defined seven Value for Money metrics for registered providers to report against and benchmark performance. Our targets for these measures are aligned with our approved budget and Business Plan. The Board considers these metrics when approving our plans and monitoring delivery.

The table below sets out our performance against our internal targets for these VFM metrics:

Value for money metrics	Actual		Target	Budget
	23/24	24/25	24/25	25/26
1. Reinvestment (%)	5.5	8.0	8.9	9.7
2a. New supply social housing (%)	0.6	1.1	1.3	1.8
3. Gearing (%)	38.3	41.1	37.2	41.5
4. EBITDA MRI interest cover (%)	141.4	104.6	121.2	130.0
5. Headline cost per unit (£)	8,031	8,467	9,312	9,495
6a. Operating margin — social housing (%)	15.8	17.5	15.1	15.7
6b. Operating margin — overall (%)	9.9	11.4	11.3	13.4
7. Return on capital employed (%)	1.8	2.1	2.1	2.3

During 2024/25, we delivered strong VFM performance while progressing our strategic objectives.

- Reinvestment increased to 8.0 percent, up from 5.5 percent in 2024, demonstrating our commitment to investing in new homes and maintaining existing stock
- The supply of new social housing rose to 1.1 percent, compared to 0.6 percent in the previous year, reflecting our growing development activity. This does not include our acquisitions, so our overall estate has grown more
- Gearing was 41.1 percent, higher than 38.3 percent in 2024, as we have had to borrow funds to support our growth strategy but is still below our peers and the wider sector
- EBITDA MRI interest cover as defined by the regulator decreased to 104.6 percent, driven by the impairments recognised in the year. Excluding this, our outturn was above our golden rule of 120 percent set by the Board
- Headline cost per unit rose to £8,467 from £8,031 in 2023/24, driven by inflation and continued investment in our properties
- Operating margins improved to 17.5 percent for social housing lettings and 11.4 percent overall, compared to 15.8 percent and 9.9 percent respectively in the prior year

We continued our ambitious acquisitions programme and acquired an additional 1,608 properties from other providers, but these are not counted as additional supply so are excluded from the metrics above.

Looking ahead to 2025/26, we aim for further improvements across these metrics, including higher reinvestment levels and operating margins, ensuring we continue to deliver value for money for our residents and stakeholders.

We benchmark our results using RoSH Value for Money metrics peer group benchmarking tool, and use data taken from the latest Global Accounts at sector and sub sector level. For the purposes of comparison, we use the Housing for Older People (HOP) sub sector, defined as providers with at least 30 percent HOP homes. Our peer group currently includes Anchor Group, Futures Housing Group and Johnnie Johnson (the latter only in the 2023 year following their merger with Sanctuary Housing).

However, this benchmarking presents some challenges. Anchor operates a large care home portfolio, while both Futures Housing Group and Johnnie Johnson own and manage a significant proportion of general needs housing. These different operating models introduce distinct cost and income dynamics, which affect key financial metrics and limit the extent to which direct comparisons can be meaningfully drawn.

Value for money metrics	Actual		HOP	Sector*
	23/24	24/25	23/24	24/25
1. Reinvestment (%)	5.5	8.0	10.8	7.7
2a. New supply social housing (%)	0.6	1.1	1.0	1.7
3. Gearing (%)	38.3	41.1	47.2	46.0
4. EBITDA MRI interest cover (%)	141.4	104.6	133.0	122.0
5. Headline cost per unit (£)	8,031	8,467	7,125	5,800
6a. Operating margin — social housing (%)	15.8	17.5	20.2	20.4
6b. Operating margin — overall (%)	9.9	11.4	15.5	18.5
7. Return on capital employed (%)	1.8	2.1	2.9	2.8

* We benchmark ourselves against the median for RPs with 20,000 — 30,000 properties.

Our internal VFM targets for the 2025/26 financial year are included as grey in the graphs over the next few pages.

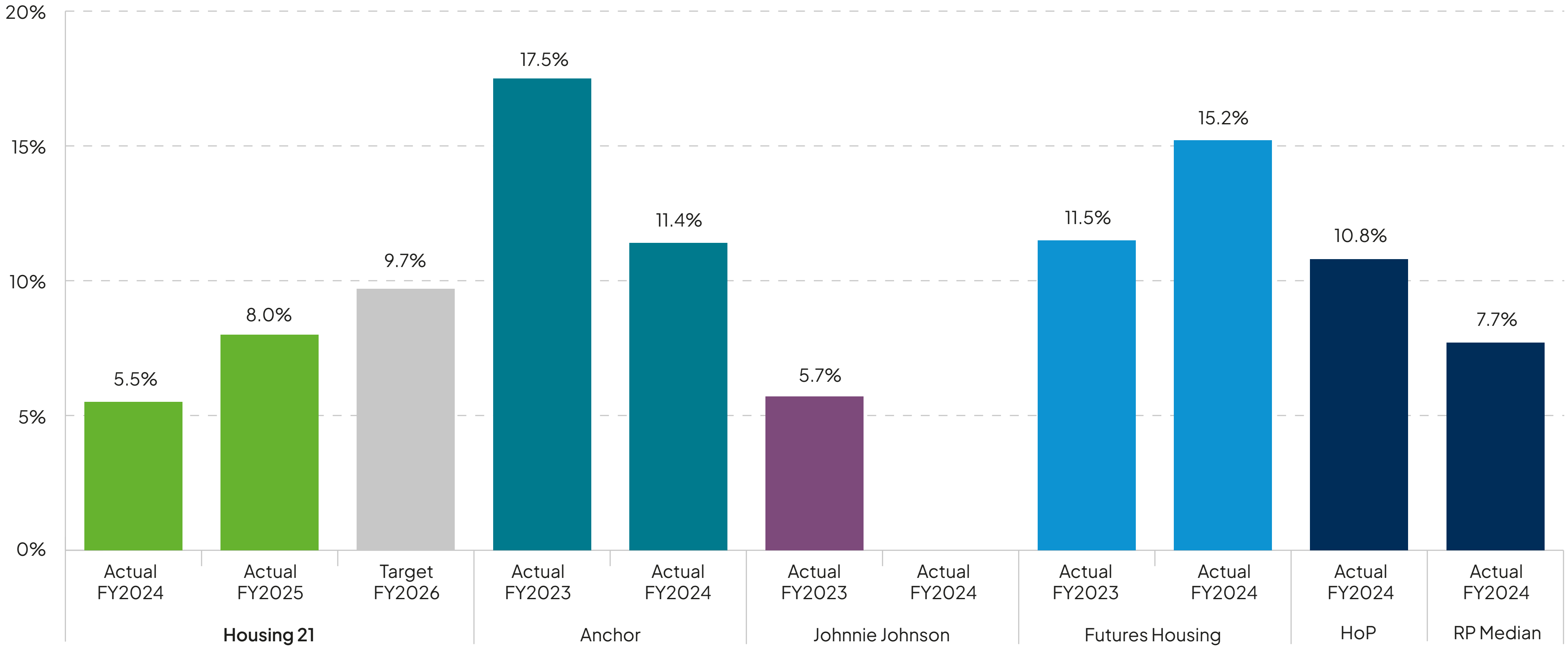
Metric 1: Reinvestment percentage

This year we have completed on 255 new properties across our schemes, and we have started on site across eight schemes (511 properties). We have invested £93.5m in new properties as well as £38.8m in our existing portfolio. Our re-investment is a little behind our target for the year as we have encountered delays in new developments progressing.

Investment in our owned stock continues at a stable level to ensure our homes are desirable places to live and go beyond the requirements of the Decent Homes Standard.

Please note, the above metric does not factor in acquisitions of properties from other registers providers. In year we invested over £114m in acquiring 1,608 properties.

"We invested:
£93.5m in new properties in 2024 as well as **£38.8m** in our existing portfolio."



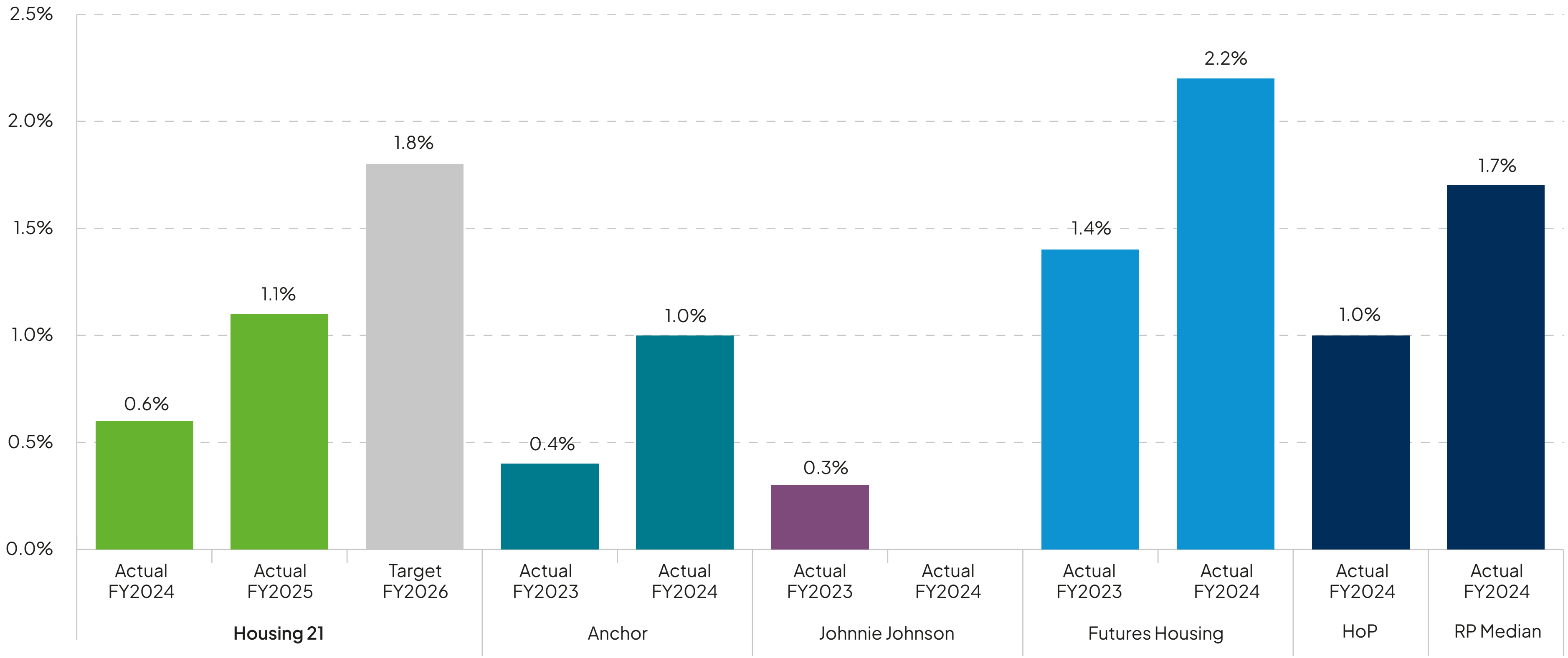
Metric 2A: New supply delivered percentage (social housing)

The number of properties we delivered was broadly in-line with our budget expectations. However, our overall delivery against target has been influenced by the significant growth in our portfolio following the acquisition of 1,608 properties from Midland Heart.

We didn't quite hit our target this year and is in part due to the delays we have encountered in getting schemes on to site. We had targeted to deliver 256 properties; however, two schemes will now be completed early in the new financial year. We are, however, onsite across 19 schemes, which look to deliver 1,028 properties over the next few years.

Metric 2a: New supply delivered percentage (non-social housing)

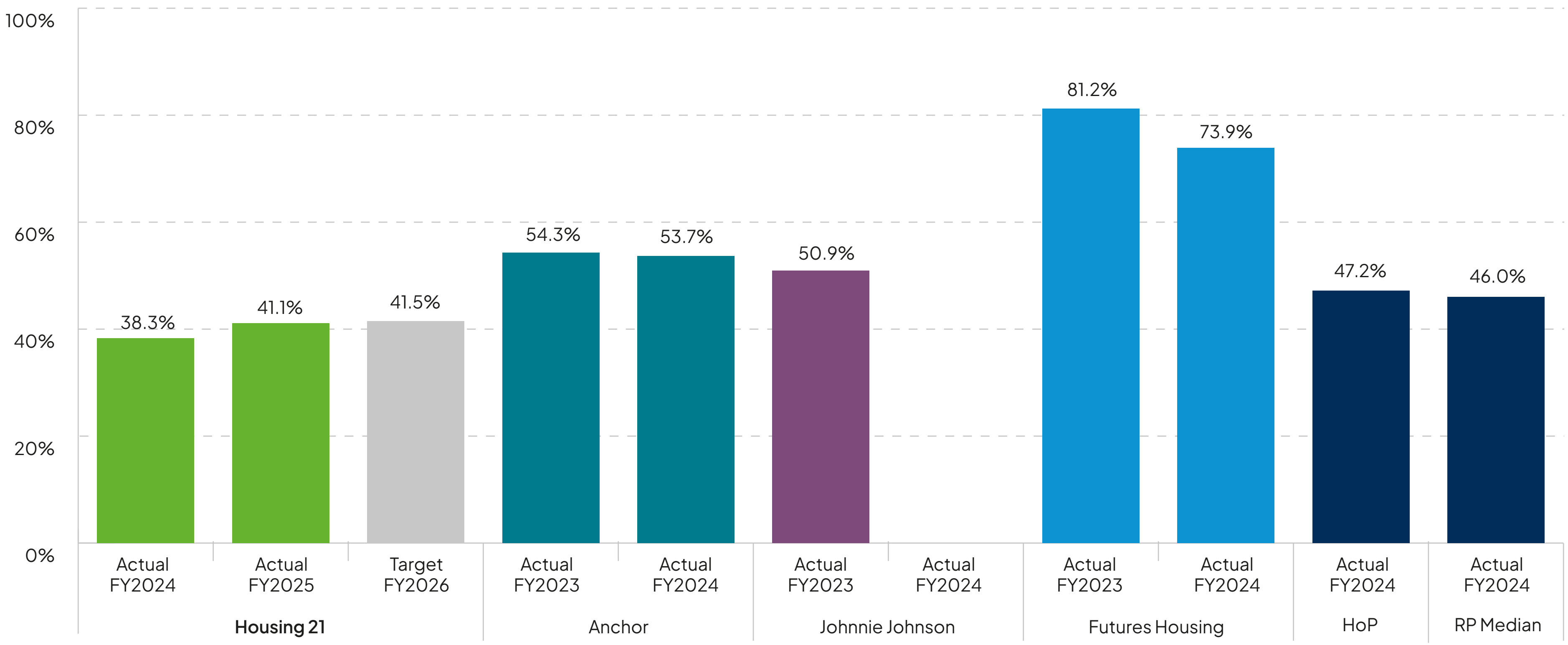
We have not developed any non-social housing in the year; our development focus continues to be on those of modest means.



Metric 3: Gearing percentage

Gearing is slightly higher than last year as we have drawn funds to support our growth strategy, but we remain lower than our peers year on year.

If the money we held in short term deposits at year end were included in this calculation, our gearing would reduce to 40 percent. Our metric is higher than we originally expected as the funding required for the acquisition of properties from Midland Heart were not included in our budget.

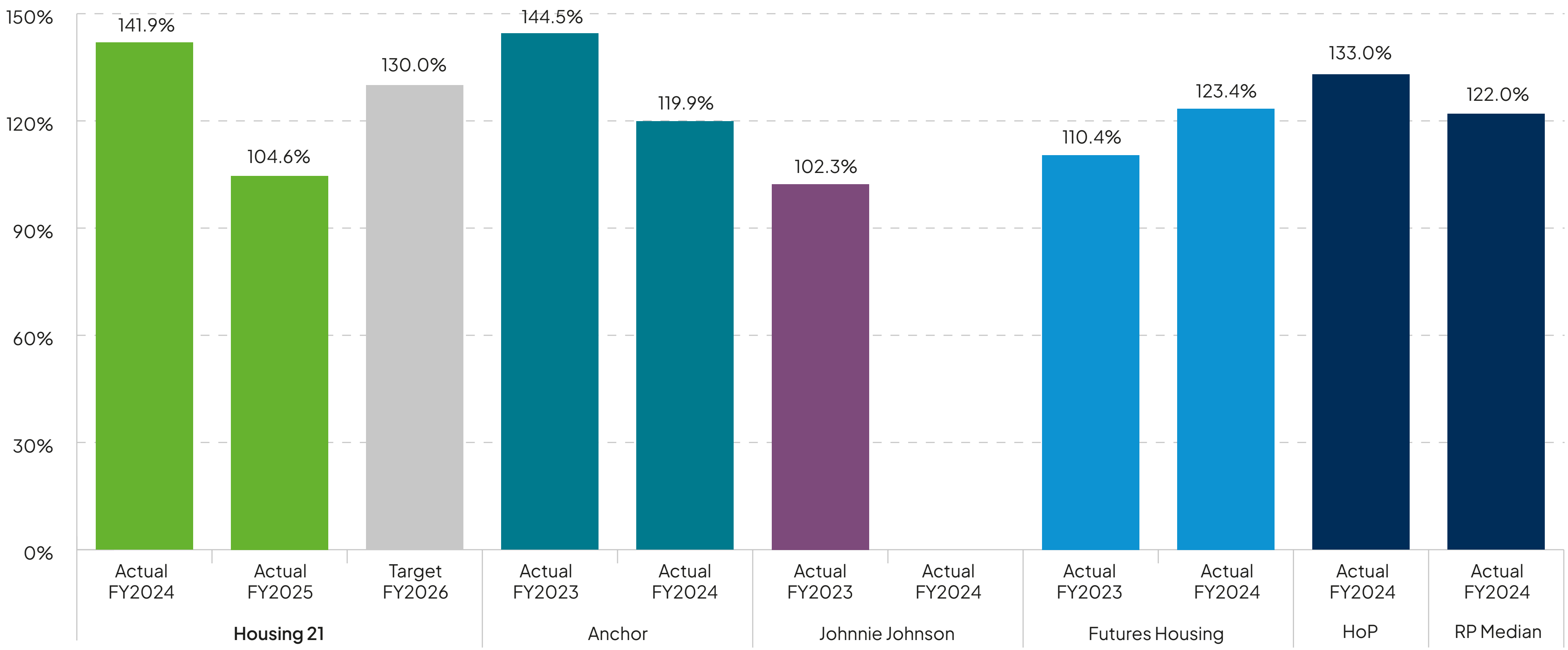


Metric 4: EBITDA MRI Interest Cover percent

We recognise the importance of maintaining a strong EBITDA MRI metric, and the Board has set a minimum threshold of 120 percent as part of our financial golden rules.

In 2025, our EBITDA MRI fell below this golden rule, primarily due to the impairments recognised during the year. If these impairments were excluded from the regulatory metric — as they are non-cash items and do not affect our ability to meet ongoing interest costs — our EBITDA MRI would have been 122 percent, in line with the budget we set last year. Furthermore, if we also adjusted for the £2 million charitable donation made during the year, our outturn would have increased to 128 percent.

Although not a regulated VFM metric, we also monitor our EBITDA MRI generated from social housing lettings, ensuring this does not fall below 110 percent. The outturn for the 2025 financial year was 126 percent.

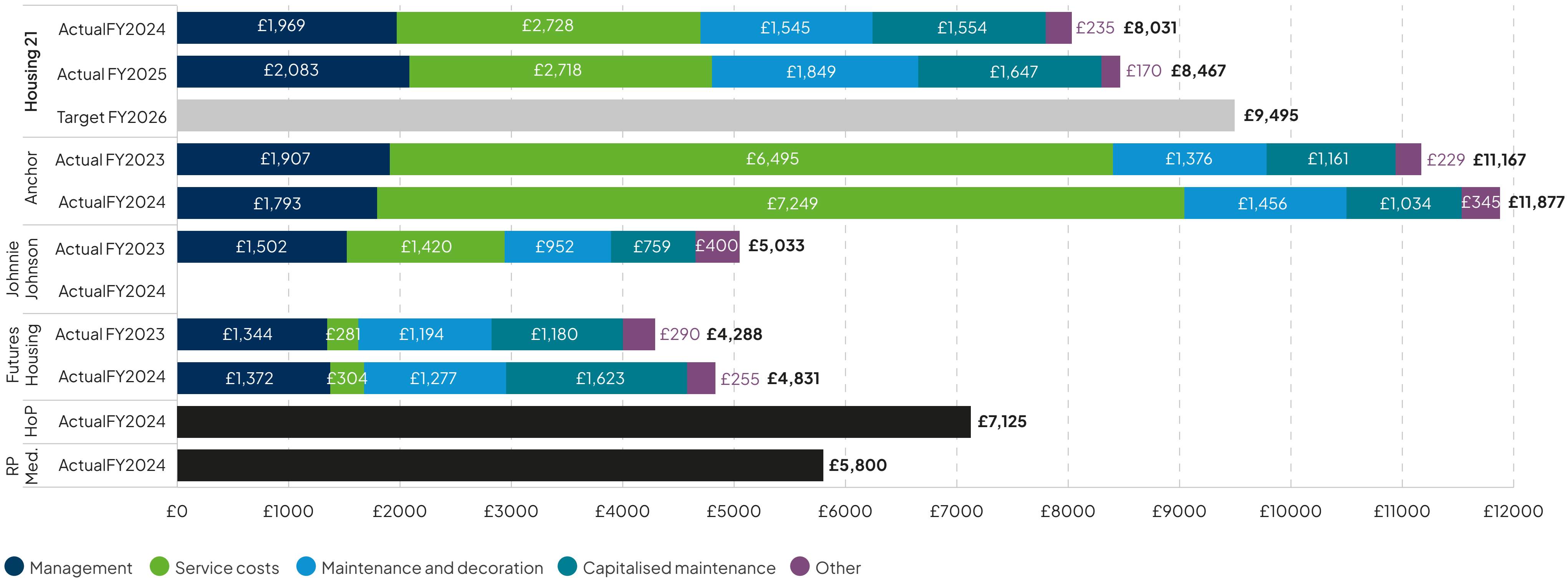


Metric 5: Headline social housing cost per property £

Our headline social housing cost per unit has increased year on year by £436 to £8,467 with the main increase attributable to inflationary increases and our maintenance costs. Service costs have decreased from the prior year, as we have been able to forward purchase utilities at a preferential rate.

As a provider of housing for older people, our cost base is recognised as being higher when compared to the rest of the overall sector due to the nature of the services we provide (noting that service costs are recovered through service charges).

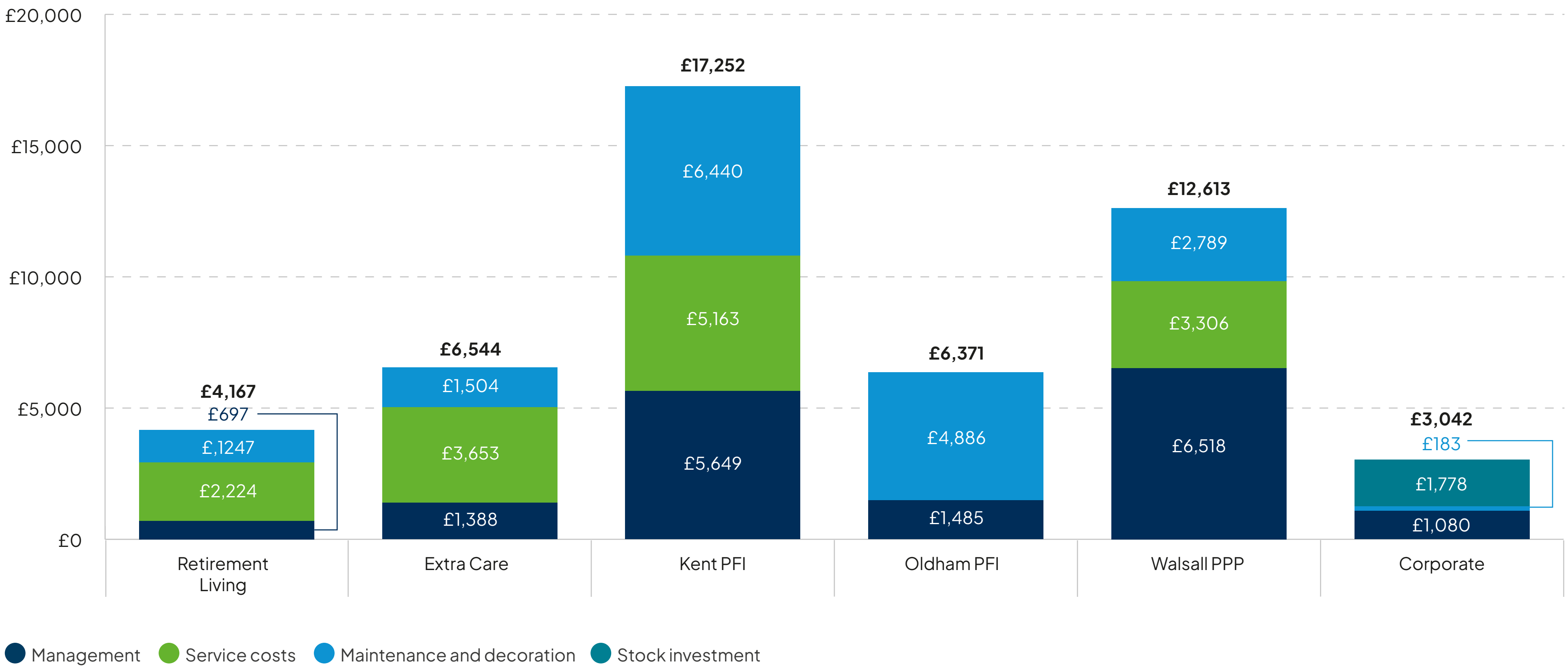
Social housing cost per unit has increased year on year by £436 to £8,467.



Metric 5: Headline social housing cost per property £ (cont.)

In addition, our three PFI and PPP contracts have a contractual impact on our management and maintenance cost per property. The nature of these contracts mean that we incur somewhat higher costs to satisfy the service standards, which are specified by the contract. The cost of delivering these service standards is recovered via the unitary charge income we receive.

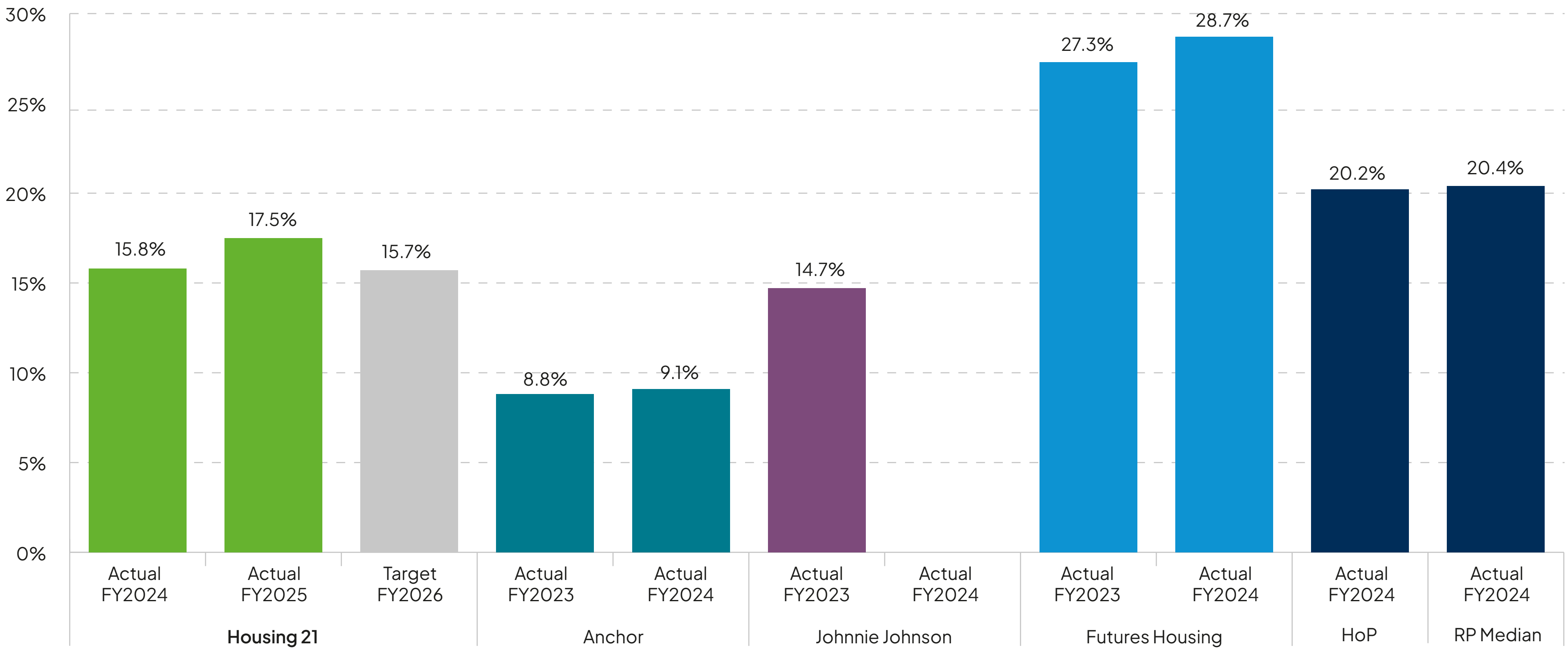
The below splits out our per unit cost between the different business divisions, demonstrating the higher per unit cost for our PFI/ PPP contracts.



Metric 6a: Operating margin percentage (social housing lettings only)

Our social housing lettings operating margin has increased from the year prior despite the notable one-off costs we have recognised in year. Our turnover has grown through the regulatory rent increase and through the growth of our portfolio through new developments and acquisitions and we have managed to cost base.

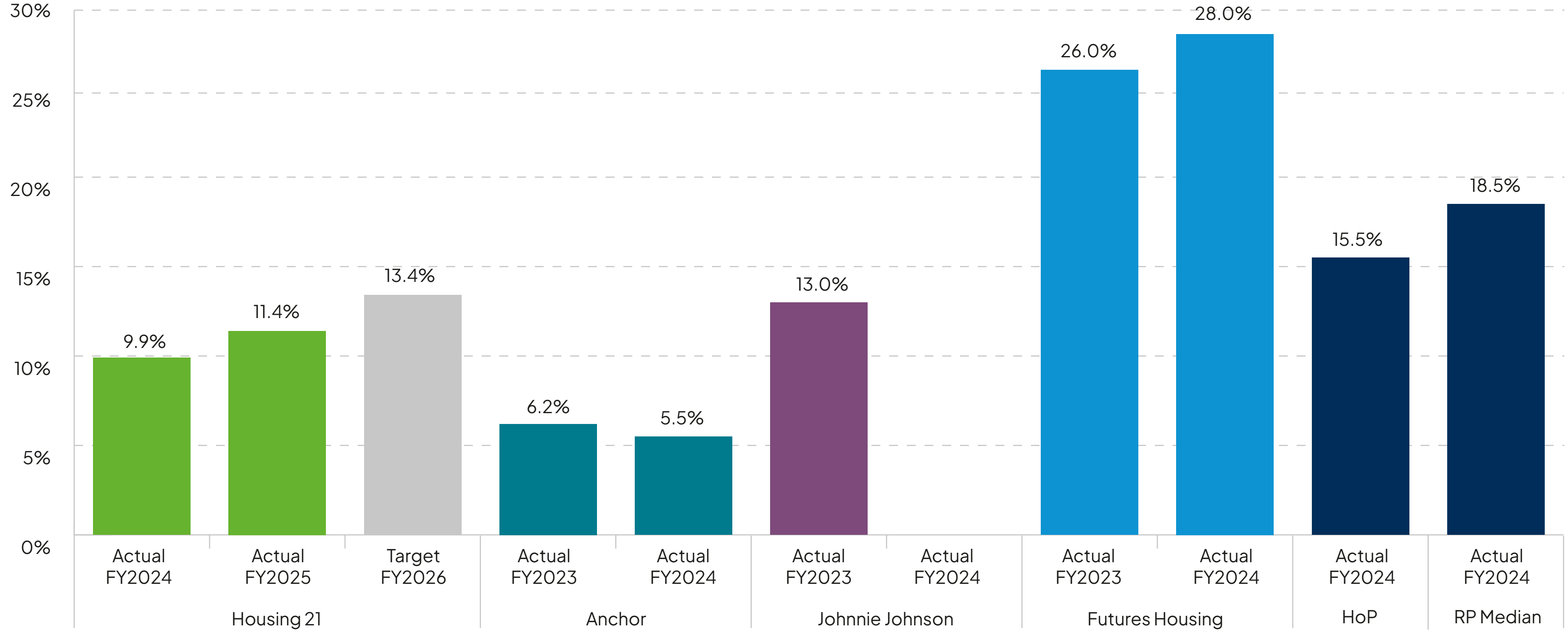
The lower margin, when compared to general needs providers, is because of the gross impact of our recoverable service charges and higher cost base due to the additional costs in delivering the supported services to our residents.



Metric 6b: Operating margin percentage (overall)

Our overall margin is lower than our social housing margin due to the impact of our care services, which operate in a lower-margin sector. Additionally, the implementation of Birdie has increased our cost base this year, resulting in a loss for our care services. However, we anticipate this position will improve as we deliver efficiencies, with the aim of achieving at least a breakeven position on our care contracts.

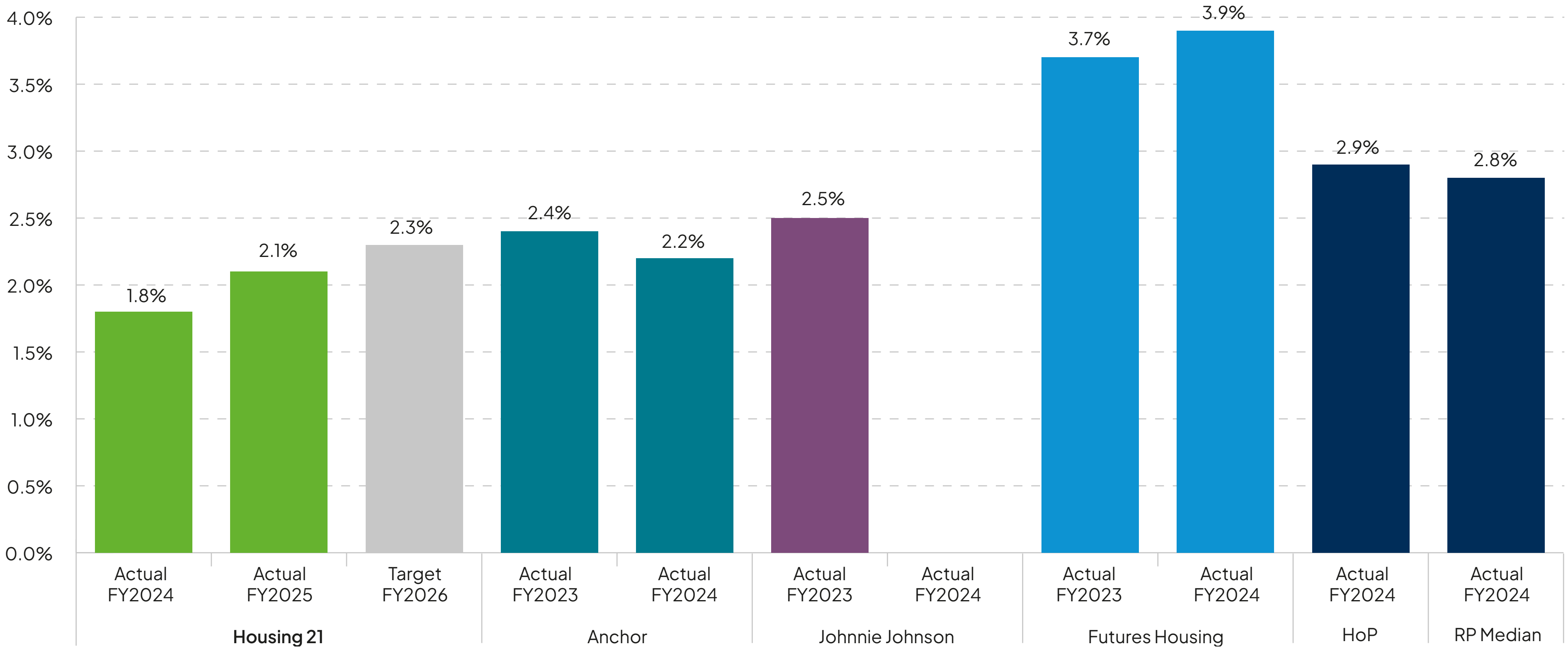
Despite these challenges — and including the £2 million charitable donation — our overall margin has improved year-on-year and outperformed our budget expectations, demonstrating the strong financial performance we have delivered.



Metric 7: Return on capital employed (ROCE) percentage

An increase in operating surplus and increase in net asset has contributed to our improved return on capital employed.

As new schemes start to come online, we expect this ratio to improve. However, as we remain true to our core purpose with the development of a higher number of rented properties, all of which will be at social rents, our metric will continue to be below our peers and wider housing for older persons providers who continue to develop a higher number of market sales and affordable rent properties, which generate higher returns.



Report of the Board

Group structure and active companies as at 31 March 2025:

Housing 21
(Registered provider)
A co-operative and benefit society
24,004 owned and managed properties

- **Housing 21 Guernsey LBG**
  Private limited company by guarantee
  86 owned properties
- **Kent Community Partnership Limited (PFI)**
  A co-operative and communities benefit society (special purpose vehicle)
  340 owned properties
- **Oldham Retirement Housing Partnership Limited (PFI)**
  A co-operative and communities benefit society (special purpose vehicle)
  1,429 managed properties

Housing 21 is a Community Benefit Society with exempt charitable status. As a Registered Provider of Social Housing, it provides care and housing with associated amenities. It is registered with the Financial Conduct Authority (FCA), its housing activities are regulated by the Regulator of Social Housing and its care activities are regulated by the Care Quality Commission (CQC). Its constitution is contained in its Rule Book.

The Group's active subsidiaries are:

Housing 21 Guernsey LBG (Housing 21G) is a private company limited by guarantee and incorporated under and subject to the law of the States of Guernsey. The purpose of this subsidiary is the ownership and management of an Extra Care scheme in Guernsey.

Kent Community Partnerships Limited (KCP) is a Community Benefit Society with exempt charitable status. It is a special purpose vehicle set up under the Private Finance Initiative (PFI) to build and manage Extra Care properties in Kent under a contract of 30 years with Kent County Council.

Oldham Retirement Housing Partnership Limited (ORHP) is a Community Benefit Society with exempt charitable status. It is a special purpose vehicle set up under the PFI to refurbish and manage Retirement Living properties in Oldham under a contract of 30 years with Oldham Metropolitan Borough Council.

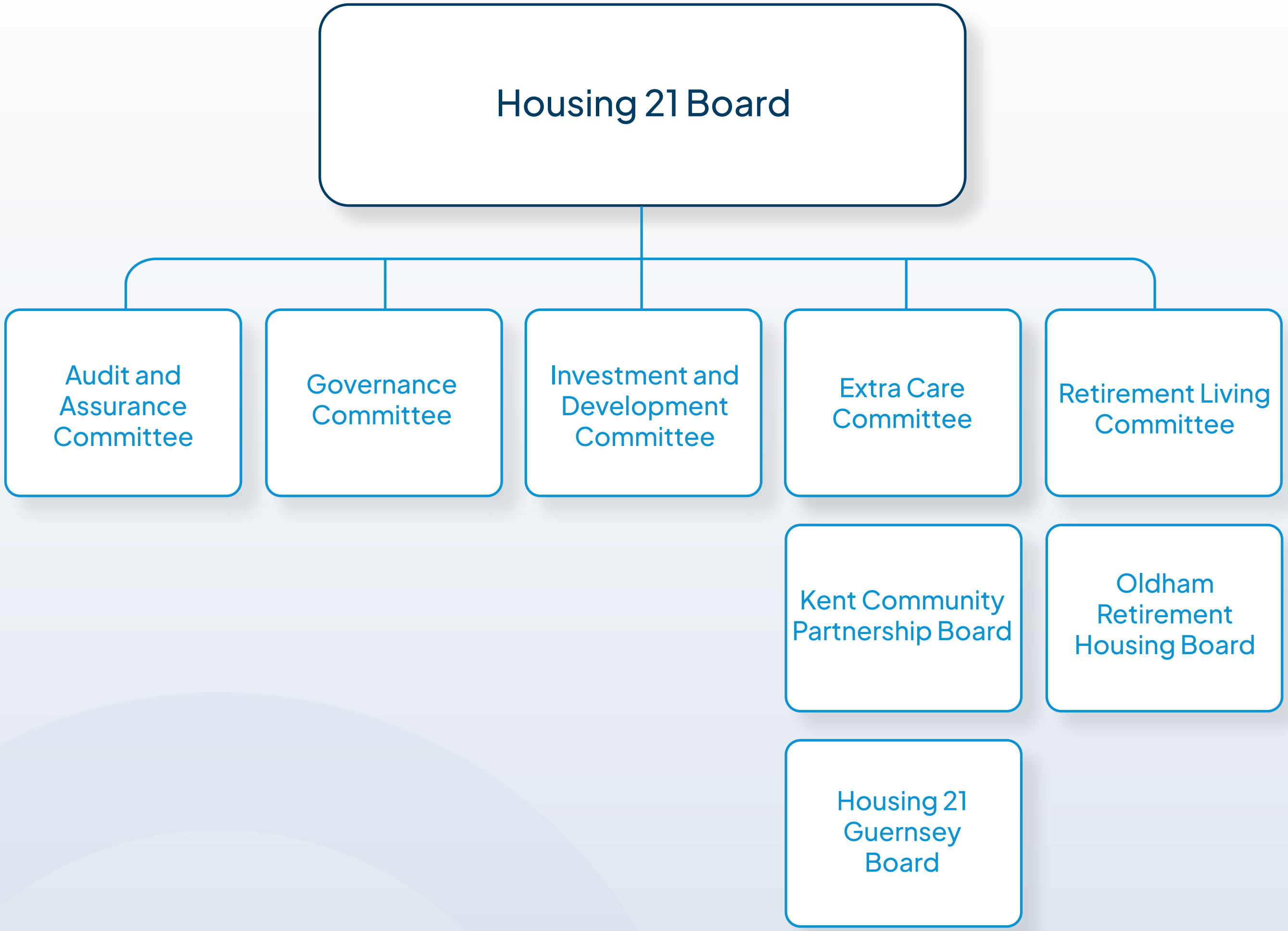
Group Governance Report

The Board of Housing 21 plays a crucial role in ensuring the organisation achieves the highest standards of governance. They act both collectively and individually in the best interests of Housing 21, serving as ambassadors and custodians of the organisation.

The Board formulates strategy directly and through delegation to its committees, considering a wide range of matters that safeguard the organisation while positively impacting current and future residents and employees.

Housing 21's Board has adopted the National Housing Federation (NHF) 2020 Code of Governance. They have established guiding principles for governance, with detailed roles and responsibilities documented within its Governance Handbook.

Board and committee structure:



Housing 21's governance guiding principles :

1. Mission and Values

The Board sets and actively drives Housing 21's social purpose, mission, values and ambitions, and through these, embeds a positive culture with high standards of probity and conduct, protecting the organisation's reputation while being accountable to residents and customers.

2. Strategy and Delivery

The Board sets ambitions, plans and strategies and monitoring mechanisms which enable the organisation to fulfil its social purpose, legal and regulatory responsibilities. It ensures plans are financially viable, with consideration of value for money and environmental and social sustainability.

3. Board Effectiveness

The Board is appropriately structured with clear roles and responsibilities which enable good governance. The Board ensures that it is skilled and diverse, considering the impact of its decisions on the communities within which Housing 21 works.

4. Control and Assurance

The Board actively manages risks faced by the organisation, and obtains robust assurance that controls are effective. Opportunities are available for concerns to be raised without fear of reprisal.

Key roles and responsibilities

Board

- Sets and drives Housing 21's social purpose, mission, values, ambitions and related strategies
- Embeds a positive culture with high standards of probity, conduct, effective risk management and internal control
- Considers the impact of its decisions on residents and communities

Audit and Assurance Committee

- Considers effectiveness of internal control and risk management activities
- Reviews and approves the plans of internal and external audit activity, related outcomes, and overall effectiveness
- Reviews fraud risks and incidents

Governance Committee

- Considers broader aspects of the governance framework
- Maintains oversight of Board Member succession, recruitment, induction, appraisal and remuneration
- Reviews Board and committee effectiveness
- Commissions independent assurance reviews of governance

Investment and Development Committee

- Reviews progress with the development, cohousing, asset management and property compliance strategies
- Assesses and approves new scheme developments and acquisition opportunities
- Monitors stock condition, health and safety, and property compliance

Extra Care Committee

- Monitors the strategic/ and operational performance
- Considers resident lens and impact when making decisions
- Reviews lessons learned including safeguarding and complaints
- Reviews internal controls to ensure compliance with Care Quality Commission (CQC) and Consumer Standards

Retirement Living Committee

- Monitors the strategic and operational performance
- Considers resident lens and impact when making decisions
- Reviews lessons learned including safeguarding and complaints
- Reviews internal controls and performance to ensure compliance with Consumer Standards

Subsidiary Committees

- Ensures continued viability and compliance with requirements
- Monitors the strategic and operational performance

Effectiveness of Governance

The Board has taken a leading role in ensuring the effectiveness of its governance arrangements and has confirmed its compliance with its chosen Code of Governance, the NHF 2020 Code. Throughout the year, the Board has maintained a strong focus on how its decisions impact the quality of services for our residents, keeping residents at the heart of everything we do.

Following changes in Board membership, the Board has also prioritised knowledge-sharing and sustaining an effective Board culture during this period of transition.

As part of its routine validation of effectiveness, an independent review carried out during the year confirmed the Board's overall effectiveness. In addition, the Regulator of Social Housing concluded its inspection of Housing 21 in March 2025, confirming that governance arrangements comply with regulatory standards and awarding a governance rating of G1.

Key attributes of Housing 21's governance process

Governing rules	Governance handbook	Governance framework	Scheme of delegation

The Board has agreed that member remuneration provides compensation for the valuable support members provide, and for their time and effort in discharging their duties. The Governance Committee and Board routinely review remuneration levels through reports provided by independent third parties.

Key activities of the Board in the year

Along with considering routine items which include reviewing organisational performance and risk mitigation, approving policies as per the policy framework, and reviewing decisions and recommendations from each committee, the Board has discussed a wide range topics, with examples detailed overleaf:

Strategic direction

Strategic Framework — Review and approval of the framework, supporting strategies, performance targets and measures

Performance and satisfaction oversight — reviewing key performance indicators and progress with achieving targets

Mergers and acquisitions — reviewing expected benefits, outcomes of due diligence, and agreeing future strategies

Quality of services

Consumer standards — reviewing assurance over compliance

Tenant satisfaction — reviewing Tenant Satisfaction Measures and related action plans

Complaints — approving revised policy, reviewing complaints and lessons learned

Quality of properties

Stock investment — review of investment needs and progress with improvement programme delivery

Health and safety — reviewing property compliance measures, progress with remedials, including assurance over data accuracy

Financial viability

Annual budget and Business Plan — approving the budget and plan, considering sensitivities and trade offs

Treasury Strategy — approving the strategy and funding options ensuring covenant compliance

Value for Money — including review and approval of the strategy

Rent and service charges — review and approval of policies

Risk

Risk appetite — agreeing levels of risk appetite supporting effective risk management

Strategic Risk Framework — reviewing and approving the risk policy, strategic risks and risk mitigations

Board Assurance Framework — reviewing levels of controls and assurances on key areas of significance

Innovation

Technological change — approving the IT and Business Systems Strategy and progress with implementation

Cohousing — approving the Cohousing Strategy and progress with individual development opportunities

Sustainability — approving the Sustainability Strategy and related Environmental, Social, Governance reporting

Our Board Members: An active and engaged Board

Board/ committee	Board	AAC	Gov**	IDC	RL	EC
Number of meetings	7	5	3	5	4	4
Elaine Elkington	7 of 7	1*	3 of 3	1*	—	1 of 1
Suki Kalirai	7 of 7	—	4 of 4	2 of 2	4 of 4	—
David Clark	7 of 7	—	2 of 2	5 of 5	2 of 2	2 of 2
Ian Skipp	4 of 4	4 of 5	2 of 2	—	2 of 2	—
Anne Golledge (1)	3 of 4	—	—	—	2 of 2	2 of 2
William Roberts	6 of 7	5 of 5	—	—	—	4 of 4
Richard Dell (1)	4 of 4	1 of 2	—	2 of 2	—	—
Keith Carnegie (2)	3 of 3	—	—	2 of 2	1 of 2	—
Bola Owolabi (2)	2 of 3	—	—	1 of 2	—	1 of 2
Rosemarie Jenkins (2)	3 of 3	1 of 2	—	2 of 2	—	—
Gurpreet Dehal (3)		—	1*	—	—	—
Michael McDonagh (4)	4 of 4	3 of 3	2 of 2	—	—	—
Lara Oyedele (4)	2 of 3	—	—	3 of 3	2 of 2	—
Sandra Stark (5)	4 of 6	—	—	3 of 3	—	3 of 4

Notes:
(1) joined August 2024, (2) joined September 2024, (3) resigned May 2024, (4) resigned September 2024
(5) resigned February 2025, *Attendance by invitation, ** GTTC to September 2024

Key activities of committees:

The Audit and Assurance Committee ('AAC'): overseeing internal control and assurance

During the year, the committee considered routine matters, including approving plans and receiving reports from internal and external audit on the control environment and the implementation of related recommendations.

The committee concluded that the Internal Control Framework is adequate, with some areas identified for improvement. It continues to review and ensure that enhancements to internal controls and risk mitigation measures are implemented to reflect good practice.

In addition, the committee reviewed the following:

- Policy reviews as per Policy Framework
- Strategic risk profile reviews
- Variety of risk deep dives
- Sector risk profile gap analysis
- Reappointment of External Auditors
- Regulatory return submission compliance
- Review of Financial Authority Matrix
- Review of key judgements and Financial Statements
- Fraud Risks and Incidents and lessons learned
- Information Governance Incidents and lessons
- Effectiveness of risk, counter fraud and Internal Audit
- Review of annual Head of Internal Audit Opinion

Governance Committee: maintaining an effective and competent Board

During the year, the remit of the committee changed, shifting its focus from monitoring progress on the Treasury Strategy and technology change to concentrating on governance and remuneration matters. Oversight of treasury activities and technology change is now reported directly to the Board to avoid duplication between the committee and the Board.

The committee reviewed the following:

- Chair recruitment
- Current and future Board Member recruitment
- Reviewing compliance with Code of Governance
- Board Member conflicts, gifts and hospitality
- Reviewing committee effectiveness outcomes
- Board remuneration benchmarking
- Chair's priorities
- Board Member induction plans

During the year, the Board committed to the National Housing Federation's Chairs' Challenge, advancing related initiatives with oversight from the Governance Committee into 2025/2026.

Investment and Development Committee (‘IDC’): maintaining oversight of investments in new and existing properties

During the year, the committee focused on reviewing progress with strategies relating to new developments, acquisitions, cohousing, asset management, and property compliance.

The committee reviewed the following:

- Assessed and approved new schemes/ acquisitions
- Monitored delivery of construction — to time/ budget
- Completed post-development appraisals
- Reviewed and monitored property sales performance
- Reviewed stock condition processes and related data
- Monitored property compliance requirements
- Reviewed fire safety processes and assurance
- Reviewed heating and repairs performance
- Reviewed and approved property safety policies
- Reviewed and assessed future acquisition pipeline
- Reviewed the Shared Ownership Buy Back policy
- Assessed cost benefits of full modernisation programmes

Retirement Living (‘RL’) Committee: maintaining oversight of operational performance

During the year, the committee focused on monitoring the strategic and operational performance and potential of Retirement Living and leasehold services, including reviewing associated risks and their mitigation, in addition to considering detailed reporting, such as performance reports.

The committee also focused on:

- Resident engagement and related strategy
- Outcomes of Tenant Satisfaction Measures
- Review of Allocations Strategy and related policy
- Housing Management System developments
- Equality and diversity activity
- Living Well in Retirement Living
- Progress with sale of leasehold schemes
- Regulatory compliance

Extra Care ('EC') Committee: maintaining oversight of operational performance

During the year, the committee focused on reviewing and monitoring the strategic and operational performance of Extra Care services, along with progress against the strategy and consideration of future potential. This included reviewing risks and their mitigation.

The committee also focused on:

- Resident engagement and related strategy
- Outcomes of Tenant Satisfaction Measures
- Review and approval of Medications Policy
- Progress of technology roll out and early benefits
- Embedding of acquisitions and realised benefits
- Quality outcomes and early warning monitoring
- Employee learning pathways
- Regulatory compliance

Subsidiary Committees: ensuring continued viability and compliance with requirements

During the year, the subsidiary boards of KCP, Housing 21 Guernsey LBG, and Oldham Retirement Housing Board (ORHP) met to review financial and operational performance, ensure ongoing compliance with the contractual requirements of our Public Finance Initiatives, manage risks related to contract deductions, and approve the statutory Financial Statements.

Given the alignment with Extra Care and Retirement Living operations, these meetings take place following routine committee business, with the same committee members in attendance.

Group internal control and assurance

Internal control statement by the Board

Purpose: The statement of internal control provides an opinion to stakeholders on how effectively the organisation governs its business so as to manage the key risks which aid the successful delivery of strategic aims and objectives. The Board, in making the following statement, has drawn upon a variety of sources of assurance which supports the Internal Control Framework. This assurance includes routine management oversight processes and independent assurance through internal audit and other third-party assurance providers.

Board Statement: The Board acknowledges it has overall responsibility for establishing and maintaining the system of internal control and for reviewing its adequacy and effectiveness. The Board retaining ultimate responsibility for the organisation's compliance with all legal, statutory, regulatory and constitutional requirements. This applies in respect of all companies and subsidiaries within the Group. While the Board is responsible for overall strategy and policy of Housing 21, the day-to-day running of the Group is delegated to the Chief Executive and other Executives.

The Board recognises that no system of internal control can provide absolute assurance or eliminate all risk. However, the system of internal control adopted by the Board is designed to manage risk and to provide reasonable, but not absolute assurance that key business objectives and expected outcomes will be achieved. The Board has agreed that the adopted framework of internal control is appropriate for the size, nature and complexity of the Group and is overall adequate.

As a result of the activities of the Board and its committees, the Board can confirm to the best of its knowledge it has complied with its adopted code of governance (2020 NHF Code), and the regulatory requirements as established by the Regulator of Social Housing including the Governance and Viability standard and material compliance with all aspects of relevant law.

Core elements of Housing 21's Internal Control and Assurance Framework

Doing the right thing

Organisational objectives and values: Key set of principles established by the Board to ensure employees 'do the right thing' for our residents and Housing 21

Policy and Procedure Framework: Documentation of mandatory requirements to support compliance with law, regulation, robust internal control and good practice. Supported by mandatory training

Counter Fraud Framework: Clear policy on zero tolerance with a strong speak up culture and action where there is wrongdoing

Effective structures

Scheme of delegation: Collation of decision-making authorities for both Board and management committees, groups and forums

Financial authority matrix: Defining approval limits and authority across the organisation linked to roles and responsibilities

Financial regulations: Documenting key controls and processes which include those for the prevention and detection of fraud

Protecting financial viability

Long-term financial planning and sensitivity analysis: Strategic medium to long-term financial planning including stress testing of financial risks

Treasury and covenant compliance: Setting of shadow covenants and related reporting which ensures compliance with financial covenants and effective treasury management

Budget management: Sets and tracks actual versus forecasted budgets, with reforecasting

Clear oversight of performance

Operational performance: Monitoring of financial metrics and operational efficiency

Key Performance Indicators (KPIs): Regular exception reports linked to organisational objectives and golden rules

Protecting quality and safety

Health and safety: A range of policies and procedures to support effective health and safety arrangements including reporting through to the Health and Safety Forum

Property quality: A range of policies and procedures which support legal compliance of property standards including reporting of compliance through to the Board

Care quality: A range of policies and procedures to support compliance with the regulations as established by the Care Quality Commission

Data accuracy and information

Data quality: A range of controls which support the completeness and accuracy of performance information reported including clear data definitions and completeness and accuracy reviews

Information security: A range of IT technical controls which safeguard against the loss or inappropriate access to systems and data

Information governance: Ensures compliance with data handling requirements and responses to data breaches/incident management

Continued assurance and oversight

Independent assurance: A planned programme of assurance through both the internal audit service and external advisors, with additional ad-hoc reviews commissioned when required

Risk Management Framework: Established boundaries for decision making in line with Board risk appetite. Reporting of strategic and operational risks and opportunities

Legal compliance reviews: Assesses controls which review adherence with legal requirements

Board Assurance Framework: Documents controls and assurances to support compliance with matters of significance including requirements relating to regulatory standards

Risk management: effective management of uncertainty, complexity and opportunity

Board Risk Appetite Statement

In placing residents at the heart of quality, service, and growth, the Board maintains an ambitious outlook for the organisation, its customers, and employees. It has agreed to:

- Provide a contemporary, forward-thinking 21st-century service
- Focus on continuous improvement and innovation to deliver excellent services and value for money
- Achieve high levels of satisfaction and a positive experience for the people it serves

These principles guide decision-making, alongside a commitment to doing the right thing and striving to be better than "just good enough".

Except in areas where the Board has explicitly agreed a wholly risk-averse approach — namely compliance with laws and regulations, good governance, internal control, and financial viability — it has committed to taking a measured approach to risk.

This measured approach balances the need for innovation to achieve the organisation's goals for customers and employees with the imperative to maintain financial viability and protect the organisation's reputation. It is underpinned by robust decision-making, based on sound information, options appraisals, and clear assumptions.

The Board as a whole, including the AAC, considers the risk management framework and related activities to be effective. Risks are reviewed at departmental, committee, and Board levels, ensuring oversight of both operational and strategic risks. During the year the Board reviewed strategic risks under five key headings:

Financial Viability

Housing 21's financial position weakens, impacting access to financing at competitive rates and general objectives for growth and quality of homes and services.

Influence	Mitigations
Increased costs/lower than forecast rental income	Assessments of the impact of internal and external influencers
Economic uncertainty	Close cost control with action plans developed for adverse performance
	Adjustments to spend and budgets with review of ambitions to maintain viability within expected margins

Governance

Failure to govern effectively.

Influence	Mitigations
Unclear objectives and values	Clear Strategic Framework
Lack of appropriate skills and experience	Board structures, clear responsibilities, scheme of delegation
Poor structures and quality information impacting decision making	Skills and experience reviews with Board succession management
	Agreed key performance indicators within a quality framework

Regulation and political landscape

Change in regulatory or political landscape adversely impacts the ambitions of Housing 21.

Influence	Mitigations
Unaware of change Lack of opportunity to influence	Routine awareness of regulatory change Responses to consultations process and lobbying Sector engagement

Resident harm, reputation and service quality

Provision of poor-quality homes and services placing residents at harm.

Influence	Mitigations
Poor quality properties and practices	Stock condition survey process and stock improvement programme Property compliance and health and safety framework Routine property visits Follow up of related rectification actions timely rectification of remedial works
Inconsistency in service delivery	Policy, procedure and training frameworks Reviews of standards and compliance with management oversight Resident satisfaction measures and monitoring of complaints and related improvement plans
Insufficient employee capacity and skills	Induction, training and development pathways Capacity reviews Re-prioritisation of aims and objectives
Ineffective cyber security and information governance arrangements	Technical controls Information governance framework

Capacity and capability

Organisational capacity is at stretch.

Influence	Mitigations
Managing business as usual activities alongside implementing new growth priorities and change programmes	Review of plans, priorities, and timetabling Identification of additional resources and/or reprioritisation of activities and projects

Internal audit: providing effective assurance over key risks and internal control

Housing 21's internal audit function is co-delivered through a combination of third-party providers and an in-house team. In 2024/2025, third-party assurance was provided by Mazars, alongside various subject matter experts engaged for specific areas.

The in-house function holds operational responsibility for risk management, information governance, anti-fraud and whistleblowing, business continuity, and procurement. For these areas, external third parties provide independent assurance over controls and the achievement of good practice standards.

A self-assessment review of the internal audit service was conducted, drawing in part on stakeholder feedback. The AAC concluded that the service, overall, is effective.

Internal audit annual opinion

Based on the audit work undertaken and our review of key aspects of risk management and governance, our opinion is that Housing 21's governance, risk management, and control arrangements are Adequate.

We have identified areas where the control environment could be strengthened, as reflected in internal audit results, which have included several partial assurance outcomes. While our follow-up work has confirmed improvements in areas previously assessed as limited assurance, there remain a number of in-year recommendations that are overdue for implementation.

The Board Assurance Framework continues to define the control framework for areas within scope. Although there has been overall improvement, there are several areas where management oversight, as part of the second line of defence, could be enhanced. Where effective oversight exists, some inconsistency in outcomes has been noted. This inconsistency is attributed to the size and devolved nature of operations and is not considered systemic.

Anti-fraud and corruption: creating an open and honest culture

The Group is committed to acting at all times with honesty and integrity in safeguarding the resources for which it is responsible and expects the same standards from its employees and contractors.

The Group maintains a fraud risk register and a register of reported fraud incidents, both of which are regularly reported to the AAC. The top inherent fraud risks identified include cyber fraud, payment fraud, asset abuse, and financial abuse of residents.

All employees are required to complete mandatory fraud awareness training, which encourages the reporting of concerns either directly to management or through the Group's confidential reporting line. This training is further supported by additional employee sessions aimed at raising awareness of the types of concerns that should be reported and the processes for raising them, both informally with management and formally via the organisation's Whistleblowing Policy.

Information Governance: committed to protecting personal and sensitive information

The organisation places significant importance on the privacy and security of personal and sensitive data. The Group has a well-established Information Governance Steering Group responsible for overseeing the effectiveness of information governance and security controls. The Deputy Chief Executive serves as the organisation's Senior Information Risk Owner.

Subject access requests and data breaches or near misses are effectively managed by the Data Protection Officer and are responded to within statutory timescales. No significant breaches were identified during the year. Breaches and near misses are reported to the AAC.

The Group's core data protection risks relate to employees inadvertently sharing data with third parties. To safeguard data subjects, the organisation has invested in email monitoring tools, encryption software, and targeted awareness campaigns addressing this risk. Additional investments include robust information security defences, intrusion monitoring and reporting, mandatory training, and regular employee phishing exercises.

This Strategic Report and Report of the Board was approved by order of the Board on 7 August 2025 and signed on its behalf by:

Paul Hutton
Secretary

Responsibilities in respect of the Report of the Board and the Financial Statements

Board Members are responsible for preparing the Report of the Board and the Financial Statements in accordance with applicable law and regulations. Co-operative and Community Benefit Society law and social housing legislation require the Board Members to prepare Financial Statements. Financial Statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). In preparing these Financial Statements, the Board Members:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;

State whether applicable UK Accounting Standards and the Statement of Recommended Practice: Accounting by registered social housing providers (2018) have been followed, subject to any material departures disclosed and explained in the Financial Statements;

Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group and Association will continue in business.

Board Members are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Association's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Association and enable them to ensure that the Financial Statements comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Disclosure of information to the Auditors

All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Group's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

Independent Auditor's Report to the Members of Housing 21

Opinion

We have audited the Financial Statements of Housing 21 (the Association) and its subsidiaries (the Group) for the year ended 31 March 2025 which comprise the Group and Association Comprehensive Income Statements, Group and Association Balance Sheets, Group and Association Statements of Changes in Reserves, Group and Association Cash Flow Statements and the notes to the Financial Statements, including a summary of significant accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the Financial Statements:

- give a true and fair view of the state of the Group's and of the Association's affairs as at 31 March 2025 and of the Group's income and expenditure and the Association's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We are independent of the Group and Association in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the Financial Statements, we have concluded that the Board's use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- Reviewing the assumptions used in the budget for the financial year 2025/26
- Reviewing the long term business plan and assessed the reasonableness of the assumptions used within it, along with reviewing the results of the various stress testing scenarios on loan covenants, and the reasonableness of mitigating actions identified by client
- Considered the facilities and loans in place against capital commitments and expected loan repayment dates
- Reviewed the disclosures around going concern within the Financial Statements

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Association's or Group's ability to continue as a going concern for a period of at least 12 months from when the Financial Statements are authorised for issue.

Our responsibilities and the responsibilities of the Board with respect to going concern are described in the relevant sections of this report.

Our Application of Materiality and an Overview of the Scope of the Audit

Our audit work is based upon an assessment of materiality to identify misstatements contained in the Financial Statements considered fundamental to the reader. We consider the materiality of a misstatement to the class of transaction or balance to which it belongs and the overall impact of the balance on the Group and Association Comprehensive Income Statements and the Group and Association Balance Sheets. An item would be considered material to the Financial Statements if, through error or non-disclosure, the Financial Statements would no longer show a true and fair view.

Materiality for the Group Financial Statements as a whole was set at £4,449k, determined with reference to a benchmark of Group turnover (of which it represents 1.5 percent).

Materiality for the parent Association Financial Statements as a whole was set at £4,226k, determined with reference to a benchmark of Association turnover (of which it represents 1.5 percent, although capped at 95 percent of Group materiality).

We consider turnover to be the most appropriate benchmark, and more appropriate than a profit-based benchmark as the Group is a not-for-profit organisation that reinvests all surpluses generated from its activities within the Group and does not make any distributions of profit to external parties.

Performance materiality was set at 65 percent of materiality for the Financial Statements as a whole for both Group and Association, which equates to £2,892k for Group and £2,747k for Association. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the Audit and Assurance Committee any corrected or uncorrected identified misstatements exceeding £222k, in addition to other identified misstatements that warranted reporting on qualitative grounds.

Of the Group's reporting components, we subjected all to full scope audits for group purposes. The work on all components, including the audit of the parent Association, was performed by the Group audit team.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. We summarise below the key audit matters in arriving at our audit opinion above, together with our key audit procedures to address these matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the Financial Statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

Property development and valuation of work in progress: — capitalisation of new build development costs — Group and parent Association risk

The risk — significant risk high value

The Group and parent Association recognised additions to properties under construction of £96,459k (2024: £48,029k), refer to page 95 (accounting policies) and pages 112–113 (financial disclosures).

Development are key activities for the Group and parent Association. Judgements include the allocation of costs to mixed tenure schemes along with capitalisation of overhead costs and impairment. Our overall assessment of misstatement is therefore that new build development cost additions is a significant risk within our audit approach.

Our response

Our procedures included:

- Controls review: Evaluating the procedure and review process for development appraisals, including key assumptions used
- Test of detail: We agreed a sample of capital additions in the year to purchase contracts, invoices or certificates
- Test of detail: We evaluated the assessment of whether there was any evidence of impairment of schemes under development, by comparing latest forecast spend against budget and tested a sample of these back to appraisals and supporting information
- Test of detail: We agreed a sampled of development accruals to supporting evidence and evaluated whether they had been allocated to the correct period
- Test of detail: We reviewed the policy on overhead capitalisation and assessed whether overhead costs capitalised were directly attributable to developments. We agreed a sample of costs back to payslips
- Test of detail: We reviewed the interest capitalised policy and re-calculated a sample of interest costs capitalised using the weighted average cost of capital
- Review against accounting standards: We tested a sample of amounts capitalised in our sample testing against requirements in FRS 102 and guidance in the Statement of Recommended Practice 2018

Our results

We noted no material exceptions through performing these procedures.

Properties held for sale stock — Net realisable value of property held for sale — Group and parent Association risk

The risk — significant risk medium value

The total stock value as at 31 March 2025 was £19,064k (2024: £14,006k). The Group recorded turnover from properties developed for low-cost home ownership of £6,137k (2024: £10,660k) and an impairment charge on stock of £412k (2024: £715k), relating to three (2024: two) schemes in development during the year. Refer to page 98 (accounting policies) and page 116 (financial disclosures).

Properties developed for sale, including low cost home ownership sales and properties developed for outright sale, are measured at the lower of cost and net realisable value. For completed properties at the Balance Sheet date, an assessment is needed of an anticipated selling price. For properties in development at the Balance Sheet date, an assessment is needed of an anticipated selling price and a determination of the expected costs to complete.

Due to the quantum of the carrying values at the year end, the macro-economic conditions and potential impact on the property market, the impairment experienced on a scheme during the year, and the level of judgement involved in estimating both selling price and costs to complete, we considered there to be a significant risk of misstatement.

Our response

Our procedures included the following:

Completed properties held for sale

- Test of detail: To confirm reasonableness of expected proceeds, we recalculated the surplus on sale for a sample of sold properties in the year, by agreeing the proceeds and cost of sales to completion statements, bank statements and fixed asset workings
- Assessment of recoverability: we obtained management's assessment of the net realisable value of properties developed for sale, selecting a sample on which to perform detailed testing

- Assessment of recoverability: We reviewed the properties sold post year end and considered the surplus made, including those properties aged over one year, and checked their profitability

Work in progress properties held for sale

- Assessment of recoverability: We assessed the carrying value of the Group's work-in-progress at the year end to ensure it is stated at its selling price less costs to complete and sell. This included an assessment of the profitability on the current schemes approved by Board
- Test of detail: For a sample of properties under development, we obtained details of the expected costs to complete for that development and agreed the budgeted contracted costs to the latest contractual documentation. We compared the incurred expenditure to the estimated amount to ensure that the costs to complete estimate reflects actual costs
- Assessment of recoverability: For a sample of development schemes, we evaluated the carrying value of the Group's stock and work-in-progress at the year end and recalculated the figure expected within stock. This included testing on a sample basis the expected profitability of the current schemes and reviewed post-year end sales of properties held in stock at 31 March 2025

Our results

We noted no material exceptions through performing these procedures.

Accounting treatment and disclosure of long term PFI contracts — Group

The group's subsidiary entities, Kent Community Partnership Limited and Oldham Retirement Housing Partnership Limited were set up in order to facilitate a private finance initiative (PFI) with the relevant local authority.

Housing 21 has taken the exemption permitted by FRS 102 to continue to account for these service concession finance arrangements using the same accounting policies as were applied at the date of transition to FRS 102 as they were entered into before the date of transition to FRS 102.

Refer to page 93 (accounting policies) and page 110 (financial disclosures).

The risk — complex accounting treatments

In determining the transactions and balances to be recognised in the Financial Statements a number of considerations of the contractual arrangements of the PFI contracts are necessary. This includes the assessment of risk and reward as to whether a fixed asset or finance debtor is recognised in the Financial Statements.

In addition, the financial models which calculate the assets and liabilities for the contractual arrangements and the level of income and profit to be recognised at the reporting date, involve a number of assumptions and a level of judgement in estimating costs to complete. Variations to these assumptions could significantly affect the calculated results. The effect of these matters is that we determined there to be a significant risk of misstatement.

Our response

Our procedures included the following:

- Assessing the accounting treatment: We reviewed the contractual arrangements and assessed whether the accounting treatment, including whether the recognition of assets and liabilities and recognition of income and profit was appropriate
- Review of assumptions: We reviewed the client's assessment of assumptions and challenged whether the assumptions used in the financial models were reasonable. We also reviewed the bank's certification of the assumptions used within the financial models. This included discussions with management and their expert
- Test of detail: We agreed the transactions and balances to the financial models held by management and agreed the balances and movements in year. We sample tested Unitary Charge income invoices and expenditure invoices and reviewed the contractual and other supporting evidence provided by management, in relation to a material constructive obligation provision for expenditure

- Review of disclosures: We reviewed the disclosures within the Financial Statements of the subsidiaries and the Group Financial Statements

Our results

Our audit work concluded that the PFI accounting treatment is appropriately recognised within the Financial Statements.

We noted no material exceptions through performing these procedures except for an adjustment made in relation to a provision initially recognised but removed as a result of no constructive obligation being met. Overall impact on the Group's reserves as a result of the adjustment is nil.

Other information

The other information comprises the information included in the Report of the Board and Financial Statements, other than the Financial Statements and our auditor's report thereon. The Board is responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the Association has not kept adequate accounting records; or
- the Association's Financial Statements are not in agreement with books of account; or
- we have not received all the information and explanations we require for our audit

Responsibilities of the Board

As explained more fully in the Responsibilities of the Board set out on page 78, the Board is responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Board is responsible for assessing the Group and Association'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 Board either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our 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 an auditor's report that includes our 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.

A further description of our 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 our auditor's report.

Extent to which the Audit was Considered Capable of Detecting Irregularities, Including Fraud

We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the Group and Association, focusing on those that had a direct effect on the Financial Statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Co-operative and Community Benefit Societies Act 2014, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, the National Housing Federation 2020 Code of Governance, tax legislation, health and safety legislation and employment legislation
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board has in place, where necessary, to ensure compliance
- We gained an understanding of the controls that the Board has in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the nature of the Group's activities and the regulated nature of the Group's activities
- We reviewed Financial Statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above
- We enquired of the Board about actual and potential litigation and claims
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the Financial Statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

Other matters which we are required to address

We were first appointed as auditor of Housing 21 by the Board for the period ending 31 March 2022. The period of total uninterrupted engagement for the Group is for four financial years ending 31 March 2025. We have fulfilled our ethical responsibilities under, and we remain independent of the Association in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Use of our report

This report is made solely to the Association's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and Section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

Beever and Struthers
Statutory Auditor

Address: One Express
1 George Leigh Street
Ancoats
Manchester
M4 5DL

Date: 2025

Group Comprehensive Income Statement

	Note	2025			2024		
		Ongoing activities	**One-off items**	**Total**	Ongoing activities	One-off items	Total
		£'000	**£'000**	**£'000**	£'000	£'000	£'000
Turnover	2	**296,631**	**-**	**296,631**	274,948	-	274,948
Operating costs and cost of sales	2	**(263,259)**	**-**	**(263,259)**	(243,226)	(4,572)	(247,798)
Gains on disposal of housing properties	2/4	**4,129**	**-**	**4,129**	610	-	610
Operating surplus	2	**37,501**	**-**	**37,501**	32,332	(4,572)	27,760
Other interest receivable and similar income	7	**7,281**	**-**	**7,281**	10,102	-	10,102
Interest and financing costs	8	**(28,973)**	**-**	**(28,973)**	(26,045)	-	(26,045)
Movement in fair value of financial instruments		**(23)**	**-**	**(23)**	(25)	-	(25)
Surplus before taxation		**15,786**	**-**	**15,786**	16,364	(4,572)	11,792
Tax on surplus	9	**-**	**-**	**-**	-	-	-
Surplus/ (deficit) for the financial year		**15,786**	**-**	**15,786**	16,364	(4,572)	11,792
Other Comprehensive Income							
Actuarial gains/ (losses) in respect of pensions	25	**437**	**-**	**437**	(1,346)	-	(1,346)
Effective movement in fair value of hedged financial instrument		**4,007**	**-**	**4,007**	2,881	-	2,881
Total comprehensive income for the financial year		**20,230**	**-**	**20,230**	17,899	(4,572)	13,327

These Financial Statements were approved and authorised for issue by the Board on 7 August 2025 and are signed on behalf of the Board by:

Elaine Elkington
(Chair)

Ian Skipp
(Chair of Audit and Assurance Committee)

Paul Hutton
(Secretary)

All amounts relate to continuing activities except for activities relating to our non-social rent which are in the process of being disposed when they become void. The gross income associated with the properties being disposed of is £1,320k (2024: £1,435k), with an associated profit before gain on disposal of properties of £28k (2024: £344k). Further details are included in note 2. The one-off item in 2023/24 related to additional depreciation charged on our kitchen and bathroom components.

The notes on pages 92 to 133 form part of the Financial Statements.

Association Comprehensive Income Statement

		2025			2024		
	Note	Ongoing activities	One-off items	Total	Ongoing activities	One-off items	Total
		£'000	£'000	£'000	£'000	£'000	£'000
Turnover	2	290,379	-	290,379	269,351	-	269,351
Operating costs and cost of sales	2	(261,621)	-	(261,621)	(242,106)	(4,535)	(246,641)
Gains on disposal of housing properties	2 / 4	4,129	-	4,129	610	-	610
Operating surplus	2	32,887	-	32,887	27,855	(4,535)	23,320
Other interest receivable and similar income	7	2,347	-	2,347	4,874	-	4,874
Interest and financing costs	8	(23,446)	-	(23,446)	(20,266)	-	(20,266)
Surplus before taxation		11,788	-	11,788	12,463	(4,535)	7,928
Tax on surplus	9	-	-	-	-	-	-
Surplus/ (deficit) for the financial year		11,788	-	11,788	12,463	(4,535)	7,928
Other Comprehensive Income							
Actuarial gains (losses) in respect of pensions	25	437	-	437	(1,346)	-	(1,346)
Total comprehensive income for the financial year		12,225	-	12,225	11,117	(4,535)	6,582

All amounts relate to continuing activities except for activities relating to our non-social rent which are in the process of being disposed when they become void. The gross income associated with the properties being disposed of is £1,320k (2024: £1,435k), with an associated profit before gain on disposal of properties of £28k (2024: £344k). Further details are included in note 2. The one-off item in 2023/24 related to additional depreciation charged on our kitchen and bathroom components.

The notes on pages 92 to 133 form part of the Financial Statements.

These Financial Statements were approved and authorised for issue by the Board on 7 August 2025 and are signed on behalf of the Board by:

Elaine Elkington
(Chair)

Ian Skipp
(Chair of Audit and Assurance Committee)

Paul Hutton
(Secretary)

Group Statement of Changes in Reserves

	2025				2024			
	Income and expenditure reserve	**Cash flow hedge reserve**	**Revaluation reserve**	**Total**	Income and expenditure reserve	Cash flow hedge reserve	Revaluation reserve	Total
	£'000	**£'000**	**£'000**	**£'000**	£'000	£'000	£'000	£'000
Balance at 1 April	**473,526**	**(7,300)**	**301,345**	**767,571**	463,105	(10,181)	301,320	754,244
Surplus for the financial year	**15,786**	**–**	**–**	**15,786**	11,792	–	–	11,792
Actuarial gains/(losses) on defined benefit schemes	**437**	**–**	**–**	**437**	(1,346)	–	–	(1,346)
Movement in the fair value of financial instruments	**–**	**4,007**	**–**	**4,007**	–	2,881	–	2,881
Other comprehensive (cost)/income for the year	**437**	**4,007**	**–**	**4,444**	(1,346)	2,881	–	1,535
Transfer from revaluation reserve to income and expenditure reserve	**371**	**–**	**(371)**	**–**	(25)	–	25	–
Balance at 31 March	**490,120**	**(3,293)**	**300,974**	**787,801**	473,526	(7,300)	301,345	767,571

The notes on pages 92 to 133 form part of the Financial Statements.

Association Statement of Changes in Reserves

	2025				2024			
	Income and expenditure reserve	**Cash flow hedge reserve**	**Revaluation reserve**	**Total**	Income and expenditure reserve	Cash flow hedge reserve	Revaluation reserve	Total
	£'000	**£'000**	**£'000**	**£'000**	£'000	£'000	£'000	£'000
Balance at 1 April	**444,207**	**–**	**283,771**	**727,978**	437,650	–	283,746	721,396
Surplus for the financial year	**11,788**	**–**	**–**	**11,788**	7,928	–	–	7,928
Actuarial gains/(losses) on defined benefit schemes	**437**	**–**	**–**	**437**	(1,346)	–	–	(1,346)
Other comprehensive (cost) for the year	**437**	**–**	**–**	**437**	(1,346)	–	–	(1,346)
Transfer from revaluation reserve to income and expenditure reserve	**371**		**(371)**	**–**	(25)	–	25	–
Balance at 31 March	**456,803**	**–**	**283,400**	**740,203**	444,207	–	283,771	727,978

The notes on pages 92 to 133 form part of the Financial Statements.

Group and Association Balance Sheets

Registered number 16791R	Note	Group		Association	
		2025	2024	**2025**	2024
		£'000	£'000	**£'000**	£'000
Tangible fixed assets					
Housing properties	11	**1,697,964**	1,502,847	**1,621,198**	1,424,897
Other fixed assets	13	**3,076**	1,642	**3,076**	1,642
		1,701,040	1,504,489	**1,624,274**	1,426,539
Current assets					
Housing properties and stock for sale	14	**19,064**	14,006	**19,064**	14,006
Debtors: receivable after one year	15	**97,382**	102,000	**36,239**	38,423
Debtors: receivable within one year	15	**26,389**	29,716	**24,345**	28,859
Short-term investments	21	**20,000**	17,800	**-**	-
Cash and cash equivalents	21	**51,683**	90,519	**41,497**	77,925
		214,518	254,041	**121,145**	159,213
Creditors: amounts falling due within one year	16	**(147,981)**	(161,748)	**(118,418)**	(129,666)
Net current assets		**66,537**	92,293	**2,727**	29,547
Total assets less current liabilities		**1,767,577**	1,596,782	**1,627,001**	1,456,086
Creditors: amounts falling due after more than one year	17	**(974,025)**	(821,576)	**(881,047)**	(720,473)
Provision for defined benefit pension liabilities	25	**(5,751)**	(7,635)	**(5,751)**	(7,635)
Net assets		**787,801**	767,571	**740,203**	727,978
Capital and reserves					
Cash flow hedge reserve		**(3,293)**	(7,300)	**-**	-
Revaluation reserve		**300,974**	301,345	**283,400**	283,771
Income and expenditure reserve		**490,120**	473,526	**456,803**	444,207
		787,801	767,571	**740,203**	727,978

These Financial Statements were approved and authorised for issue by the Board on 7 August 2025 and are signed on behalf of the Board by:

....

Elaine Elkington
(Chair)

....

Ian Skipp
(Chair of Audit and Assurance Committee)

....

Paul Hutton
(Secretary)

The notes on pages 92 to 133 form part of the Financial Statements.

Group and Association Cash Flow Statements

	Note	Group		Association	
		2025	2024	**2025**	2024
		£'000	£'000	**£'000**	£'000
Cash from operations	20	**86,865**	75,807	**81,671**	68,117
Taxation		**–**	–	**–**	–
Net cash generated from operating activities		**86,865**	75,807	**81,671**	68,117
Cash flow from investing activities					
Net proceeds from the sale of housing properties		**12,701**	11,885	**12,701**	11,885
Expenditure on housing properties		**(235,007)**	(99,494)	**(234,492)**	(99,665)
Expenditure on other fixed assets		**(2,391)**	(1,064)	**(2,391)**	(1,064)
Receipt of Capital Grants		**40,544**	23,475	**40,544**	23,475
Interest received		**8,694**	10,506	**2,942**	5,278
Maturity of short-term investments		**(2,200)**	15,500	**–**	13,850
Net cash outflow from investing activities		**(177,659)**	(39,192)	**(180,696)**	(46,241)
Cash flow from financing activities					
Repayment of bank borrowings		**(38,724)**	(13,317)	**(33,747)**	(5,676)
New loans		**122,000**	–	**122,000**	–
Interest paid including refinancing costs		**(31,318)**	(28,974)	**(25,656)**	(21,475)
Net cash inflow/ (outflow) from financing activities		**51,958**	(42,291)	**62,597**	(27,151)
Net (decrease) in cash and cash equivalents		**(38,836)**	(5,676)	**(36,428)**	(5,275)
Cash and cash equivalents at the beginning of the year		**90,519**	96,195	**77,925**	83,200
Cash and cash equivalents at the end of the year		**51,683**	90,519	**41,497**	77,925

The notes on pages 92 to 133 form part of the Financial Statements.

Notes to the Financial Statements

1a. Principal accounting policies

The Financial Statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for Housing 21 includes the:

- Cooperative and Community Benefit Societies Act 2014 and the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969
- Housing and Regeneration Act 2008
- FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland"
- Statement of Recommended Practice (SORP) for Registered Social Housing Providers, "Accounting by registered social housing providers" 2018
- Accounting Direction for Private Registered Providers of Social Housing 2022

The preparation of Financial Statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies.

The Group and Association are Public Benefit Entities (PBEs) for the purpose of the application of certain accounting policies.

1.1. Parent Association disclosure exemptions

In preparing the separate Financial Statements of the parent Association, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the Group and the parent Association would be identical
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent Association, because their remuneration is included in the totals for the Group as a whole

1.2. Basis of preparation including going concern

The Financial Statements are prepared on a going concern basis and under the historic cost basis, as modified for (a) the valuation of derivative financial instruments; and (b) the deemed cost basis of valuation of housing properties upon transition to FRS 102 on 1 April 2014.

After making enquiries, the Board has a reasonable expectation that we have adequate resources to continue in operational existence for a period of at least 12 months from the date of signing these accounts. The Board obtains further assurance of financial viability through the annual budgeting, quarterly re-forecasting and long-term business planning exercises. Within all these exercises, the Board assess, and stress-tests the availability of funding, liquidity and compliance with lenders' covenants over at least a three-year period. These stresses typically include:

- Increase in inflation and interest rates
- Sales prices are reduced or all properties for sale are converted to rent
- Increase in construction costs and reduction in grant rates
- Reduction in operating surpluses though either decrease in rents or increase in voids or bad debts
- Combination of the above in a perfect storm or the most conceivable combination

This ensures the Board has a continual and rolling process of reviewing and assessing our financial strength and viability. For this reason, the going concern basis has been adopted in these Financial Statements.

1.3. Basis of consolidation

The consolidated Financial Statements present the results of Housing 21 — registered provider of social housing and its subsidiary companies ("the Group") as if they formed a single entity. Transactions and balances between Group companies are therefore eliminated in full to show transactions and balances with third parties only.

At the Balance Sheet date, Housing 21's Chair and Chief Executive were directors of Housing 21 Resident Support Limited (the Trust). These Financial Statements do not incorporate the results of the Trust, as Housing 21 has no ownership, control, rights, or financial interest in the Trust Company and no formal or informal arrangements exist that confer influence over it. It neither benefits from nor bears financial risk relating to the Trust Company.

The consolidated Financial Statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the identifiable assets, liabilities and contingent liabilities of the acquired entity are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Comprehensive Income Statement from the date on which control is obtained (usually also the acquisition date). They are de-consolidated from the date control ceases.

1.4. Turnover

Turnover is measured at the fair value of the cash consideration received or receivable. The Group generates the following material income streams:

- Rental income receivable (after deducting lost rent from empty properties available for letting)
- Service charges receivable (see service charges — note 1.6)
- First tranche sales of low-cost home ownership housing properties developed for sale
- Sales of outright sale housing properties
- Invoiced amounts receivable from the delivery of care services; and
- Invoiced amounts receivable from the delivery of housing and care services under PFI and PPP contract arrangements (see long term PFI and PPP contracts — note 1.5)

Rental income is recognised from the point when properties under development reach practical completion and are let.

Income from first tranche sales and sales of properties built for sale is recognised in full at the point of legal completion of the sale.

Income from care is recognised at the point of delivery of the service to the service user.

1.5. Long term PFI and PPP contracts

Income and profit from Private Finance Initiative (PFI) contracts are recognised over the life of the arrangement, reflecting the value of services provided in each period, independent of the timing or amount of cash payments received. Differences between amounts received (unitary charge payments) and income recognised are accounted for as either deferred income or accrued income, as appropriate.

Profits are recognised evenly over the life of the contract, aligned to the ongoing delivery of contracted services. As soon as a contract is determined to be loss making, a provision is made for those losses.

1.6. Service charges

The Group adopts the variable method for calculating and charging service charges to its residents and leaseholders. Expenditure is recorded when a service is provided and charged to the relevant service charge account or to a sinking fund. Income is recorded based on the amount of service charge receivable from residents, including sinking fund contributions from rental tenants for future capital works.

Any excess of service charge receivable over service costs is deferred to the Balance Sheet as deferred income and is used to offset future years' charges. Any shortfall between service charge receivable and service costs is accrued and recognised as a debtor on the Balance Sheet and recovered from residents in future years' charges.

1.7. Taxation

The Group is exempt from Corporation Tax on income and gains to the extent that these are derived from the Group's charitable objectives.

1.8. Valued Added Tax (VAT)

Most services supplied by the Group are exempt from VAT. However, the Group does charge VAT on its management contracts and PFI unitary charge income. This enables the Group to recover part of the VAT it incurs on expenditure under a Partial Exemption Special Method (PESM) calculation agreed with HM Revenue & Customs (HMRC).

Under the same PESM, VAT incurred on the construction of new housing properties can be recovered at a ratio of the number of sale units, shared ownership and outright sales, in comparison to total units on individual schemes.

The Financial Statements include VAT to the extent that it is incurred by the Group and not recoverable from HMRC. All expenditure is shown inclusive of VAT and the recoverable VAT arising from partially exempt activities is netted off in the Comprehensive Income Statement against management costs.

1.9. Interest and financing costs

Finance costs are charged to the Comprehensive Income Statement based on the interest rate applicable on the debt in the year. Loan issue costs (including costs associated with arranging security charges on properties for new loans) are initially capitalised as an offset against the principal and then subsequently amortised to the Comprehensive Income Statement over the life of the new loan facility. Non-utilisation and other loan fees for existing debt are charged to the Comprehensive Income Statement.

Loan premiums received on the issue of new debt finance are deferred to the Balance Sheet and included in long-term creditors and initially recognised as the amount received. This amount is amortised using the effective interest rate method and charged to the Comprehensive Income Statement over the life of the loan.

1.10. Interest receivable on finance lease assets

The Group's finance lease assets represent the capital costs incurred on its PFI and PPP contracts — where the underlying properties and associated services are fundamentally controlled by another party. The debt is recovered via the unitary charge contract income over the remaining life of the contract. Until the debtor is fully recovered, an interest credit is released to the Comprehensive Income Statement which is based upon the value of the financial debt outstanding. This interest is included within interest receivable.

1.11. Pension costs

The Group participates in several defined contribution and closed defined benefit pension schemes. Of the defined benefit schemes, three are Local Government Pension schemes where the Group's liability in relation to its employees is capped and are accounted for as defined contribution schemes (see note 25 for further information). The other two defined benefit schemes are the Social Housing Pension Scheme (SHPS) and the London Borough of Lewisham Pension scheme, which are both closed to further accruals. Interest on the scheme liabilities and expected return on scheme assets are included net in other finance costs/ income. Actuarial gains and losses are reported in Other Comprehensive Income.

Contributions to the Group's defined contribution pension schemes are charged to the Comprehensive Income Statement in the year in which they become payable.

1.12. Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement for care employees which has accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement at the Balance Sheet date.

1.13. Tangible fixed assets: housing properties

Housing properties constructed or acquired (including land) on the open market since the date of transition to FRS 102 are stated at cost less depreciation and impairment (where applicable). The cost of housing land and property represents their purchase price and any directly attributable costs of acquisition which may include an appropriate amount for employee costs and other costs of developing the property.

Directly attributable costs of acquisition include capitalised interest calculated on a proportional basis, using finance costs on borrowing which has been drawn in order to finance the relevant construction or acquisition. Where housing properties are in the course of construction, finance costs are only capitalised where construction is ongoing and has not been interrupted or terminated.

Planned expenditure on refurbishments to properties is capitalised where the works:

Increase the rental stream over the life of the property;

- Reduce the future maintenance costs of the property; and
- Subsequently extend the life of the property

Planned expenditure on a major component is capitalised where the component is expected to provide incremental future benefits to the Group, or the replaced component can be identified and written off (see also Depreciation of housing property — note 1.14).

All other repair and replacement expenditure is charged to the Comprehensive Income Statement.

Mixed developments, excluding the estimated cost of the element of shared ownership properties held for sale (if any) as first tranche, are held within fixed asset housing properties and accounted for at cost less depreciation.

Housing properties in the course of construction, excluding the estimated cost of the element of shared ownership properties expected to be sold in first tranche (see shared ownership properties and staircasing — Note 1.16), are included in fixed asset housing properties and held at cost less any impairment, and are transferred to completed properties when ready for letting. If a housing property within fixed assets is found to be impaired (once an impairment assessment has been made), this will be expensed in the Statement of Comprehensive Income. Conversely where, in certain circumstances, a previously impaired property meets the criteria as per the FRS 102 guidance, of the reason for impairment no longer existing, a reversal may be allowed, crediting the Statement of Comprehensive income and restating the value on the Balance Sheet.

1.14. Depreciation of housing property

Housing land and property is split between land, structure and other major components that are expected to require replacement over time. Land is not depreciated on account of its indefinite useful economic life. The portion of shared ownership property retained or expected to be retained is depreciated over 100 years.

Assets in the course of construction are not depreciated until they are ready for letting to ensure that they are depreciated only in periods in which economic benefits are expected to be materially consumed.

The cost of housing property (net of accumulated depreciation to date and impairment, where applicable) and components are depreciated over the useful economic lives of the assets on the following basis:

Component	Years
Land	Infinite
Structure	100
Roof	50
Windows and doors	30
Kitchens and bathrooms	20–25
Mechanical services	20
Emergency call systems	20
Heating and plumbing	25
Fit out costs	25
Emergency call	20

Housing properties are split between the structure and the major components which require periodic replacement. The costs of replacement or restoration of these components are capitalised and depreciated over the determined average useful economic life. Where a major component is replaced before the end of its economic useful life and is not fully depreciated, an additional charge (accelerated depreciation), equivalent to the remaining net book value of the component, is recognised in the Comprehensive Income Statement.

1.15. Donated land and other assets

Land and other assets donated by local authorities and other Government sources are added to cost at the fair value of the asset at the time of the donation. The donation is treated as a non-monetary grant and recognised in the Balance Sheet as a liability.

Where the donation is from a non-public source the value of the donation is included as income.

1.16. Shared ownership properties and staircasing

All the Group's shared ownership properties are low-cost home ownership properties. Under low-cost home ownership arrangements, the Group disposes of a long lease on low-cost home ownership housing properties for a share ranging between 25 percent and 75 percent equity. The buyer has the right to purchase further proportions up to 75 percent based on the market valuation of the property at the time each purchase transaction is completed.

Low-cost home ownership properties are split proportionately between current and fixed asset housing properties based on the element relating to expected first tranche sales. The first tranche proportion is classed as current asset with related sales proceeds included in turnover. The remaining element, staircasing element, is classed as fixed asset housing properties and included in completed housing property at cost and any provision for impairment. If a housing property within fixed assets is found to be impaired (once an impairment assessment has been made), this will be expensed in the Statement of Comprehensive Income. Conversely where, in certain circumstances, a previously impaired property meets the criteria as per the FRS 102 guidance, of the reason for impairment no longer existing, a reversal may be allowed, crediting the Statement of Comprehensive income and restating the value on the Balance Sheet.

Costs are allocated to the appropriate tenure on a floor area or unit basis depending on the appropriateness for each scheme. When a sale occurs of a property, a proportionate amount is written off to the Comprehensive Income Statement as a cost of sale based on the number of properties and equity percentage sold. Low-cost home ownership properties are depreciated over 100 years. Any impairment in the value of such properties is charged to the Comprehensive Income Statement.

Sales and marketing costs incurred on low-cost home ownership properties under construction at the year end is deferred and included in debtors due within one year until the scheme reaches practical completion and sales commence. At this point the associated sales and marketing expenditure previously deferred is recognised in the Comprehensive Income Statement.

1.17. Tangible fixed assets — other

Other tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Expenditure on cloud-based products, such as software as a service, are not deemed to create a separately identifiable asset is owned. As such any spend on the development and implementation of these products are recognised in the Statement of Comprehensive Income rather than capitalised.

1.18. Depreciation of other tangible fixed assets

Depreciation on other assets is charged to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Component	Years
Leasehold office	Over the remaining period of the lease
Office furniture and equipment	10
Motor vehicles	4
Computer software	5
Computer hardware	3

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date. Surpluses and losses on disposals are determined by comparing the proceeds with the carrying amount. The gain/loss on disposal of housing properties is shown separately on in Statement of Comprehensive Income.

1.19. Government grants

Grants received in relation to those properties that are presented at deemed cost at the date of transition (1 April 2014) have been accounted for using the performance model as required by Housing SORP 2018. In applying this model, the grant has been presented as if it were originally recognised as income within the Comprehensive Income Statement in the year the associated housing properties were completed and is therefore included within brought forward reserves.

Grant received since the transition date in relation to newly acquired or developed housing properties is accounted for using the accrual model set out in FRS 102 and the Housing SORP 2018. Grant is carried as deferred income in the Balance Sheet and released to the Comprehensive Income Statement on a systematic basis over the useful economic lives of the asset for which it was received. In accordance with Housing SORP 2018, the useful economic life of the housing property structure has been selected (100 years).

Where Social Housing Grant (SHG) funded property is sold, the grant becomes recyclable and is transferred to a Recycled Capital Grant Fund until it is reinvested in a replacement property (see Recycled Capital Grant Fund — note 1.20). The accounting treatment depends on when the underlying grant was received:

- Any grant recycled that was received before 1 April 2014 is recognised as an expense in the Statement of Comprehensive Income and included within the gain/loss on the disposal of housing properties
- Any grant received that was received post 1 April 2014 is transferred from Deferred Capital Grants within long-term liabilities

If there is no requirement to recycle or repay the grant on disposal of the assets, any unamortised grant remaining within creditors is released and recognised as income within the Comprehensive Income Statement.

Grants relating to revenue are recognised in the Comprehensive Income Statement over the same period as the expenditure to which they relate once performance-related conditions have been met. Grants due from Government organisations or received in advance are included as current assets or liabilities respectively.

Where properties are acquired from other providers and social housing grants are transferred to Housing 21, no accounting adjustment is made for the grant. The acquired grant is disclosed as a contingent liability in note 19.

1.20. Recycled Capital Grant Fund

On the occurrence of certain relevant events, primarily the sale of properties, Homes England can direct the Group to recycle Capital Grants, or to make repayments of the recoverable amount. The Group adopts a policy of recycling, for which a separate fund is maintained. If unused within a three-year period, it may become repayable to Homes England with interest.

Any unused Recycled Capital Grant held within the Recycled Capital Grant Fund, which it is anticipated will not be used or repaid within one year is disclosed in the Balance Sheet under creditors due after more than one year.

1.21. Impairments of fixed assets

The housing property portfolio for the Group is assessed for indicators of impairment at each Balance Sheet date. Where indicators are identified then a detailed assessment is undertaken to compare the carrying amount of the assets to whichever is higher of the following:

- Net realisable value based on social housing market sale (if known)
- Value in use based on the net present value of future cash flows
- Value in use based on the depreciated replacement cost of a similar asset (which reflects the social purpose of holding the asset)

Impairment assessments are undertaken on 'cash generating units'. The Group defines cash generating units as individual schemes.

Depreciated replacement cost is calculated based on the rebuild cost of a similar asset, adjusted for the same period of depreciation of the asset being assessed.

The Group uses information on current and recently completed developments in order to establish a build cost relevant to the property being tested, based on size, location, and other factors.

Where the carrying value is higher than all three of the assessment outcomes listed above, an impairment charge is recognised for the difference in the Statement of Comprehensive Income and the carrying value of the asset adjusted on the Balance Sheet accordingly.

Conversely where the indicators for impairment no longer exist, a reversal may be allowed for part or all of the previously recognised impairment, crediting the Statement of Comprehensive Income and restating the value on the Balance Sheet.

1.22. Housing properties and stock for sale

Housing properties and stock for sale represents work in progress and completed properties developed for outright sale and shared ownership. For shared ownership properties the value held as stock is the estimated cost to be sold as a first tranche.

The stock is stated at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sales proceeds after allowing for all further costs to completion and selling costs.

1.23. Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Comprehensive Income Statement.

1.24. Recoverable amount of rental and other trade debtors

The Group estimates the recoverable value of rental and other debtors and impairs the debtor by appropriate amounts. When assessing the amount to impair, it also reviews the age profile of the debt, historical collection rates and the class of debt.

The Group has agreed repayment plans for certain residents and service users on their rent arrears and care services. These arrangements represent financing arrangements (in that they are credit terms outside the normal course of business, therefore representing interest free loans) that should be discounted using an equivalent market rate of interest for a similar loan. However, no adjustments have been made in the Financial Statements. This is because discounting would result in the applicable debt being carried on the Balance Sheet at virtually nil, but debts where payment plans are in place would invariably be impaired through a bad debt provision resulting in a materially similar net balance.

1.25. Provisions

A provision is recognised where the Group has a present obligation, be that legal or constructive, it has arisen because of a past event and where the payment is probable and can be estimated reliably. Management determines the level of an obligation by considering the range of possible outcomes and estimating the probable financial effect of settlement using judgement based on past experience and, where applicable, information provided by independent experts.

Conversely, where a provision that has been previously recognised but no longer meets the recognition criteria, all or part of the provision may be derecognised, with a credit charged to the Statement of Comprehensive Income.

1.26. Loans, investments and short-term investments

All loans, investments and short-term deposits held by the Group are classified as 'basic' financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost). FRS 102 requires that basic financial instruments are subsequently measured at amortised cost, however, the Group has calculated that the difference between the historical cost and amortised cost basis is not material and so these financial instruments are stated on the Balance Sheet at historical cost.

Loans and investments that are payable or receivable on demand or within one year are not discounted.

1.27. Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet consist of cash at bank, in hand, deposits and short-term investments which can be accessed instantly. Cash that is held on deposit for more than three months is disclosed as a short-term investment in the Balance Sheet.

1.28. Derivative instruments and hedge accounting

The Group holds some floating rate loans which expose the Group to interest rate risk. To mitigate against this risk the Group uses interest rate swap instruments which fix the amount payable over a certain period of time. These instruments are measured at fair value at each reporting date. They are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The Group has designated each of the swaps against drawn floating rate debt.

To the extent to which the hedge is effective in mitigating interest rate risk, the movements in fair value (other than adjustments for own or counter party credit risk) are not recognised in the Comprehensive Income Statement but adjusted directly on the Balance Sheet via Other Comprehensive Income, and presented in a separate Cash Flow Hedge Reserve, which represents all effective cumulative movements in fair value. Any movements in fair value relating to ineffectiveness (and adjustments for our own or counter party credit risk) are recognised in the Comprehensive Income Statement.

1.29. Leases

Where assets are financed by leasing agreements that, to all intents and purposes, give rights of ownership (finance leases), the assets are treated as if they have been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable (excluding the interest). Depreciation on the relevant assets is charged to the Comprehensive Income Statement over the shorter of estimated useful economic life and the term of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the Comprehensive Income Statement over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable on the Balance Sheet.

All other leases are treated as operating leases. Their annual rentals are charged to the Comprehensive Income Statement on a straight-line basis over the term of the lease.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered before the date of transition to the standard (1 April 2014) to continue to be charged over the period to the first break clause rather than the term of lease. For leases entered into on or after 1 April 2014, reverse premiums and similar incentives received to enter into operating lease agreements are released to the Comprehensive Income Statement over the term of the lease.

1.30. Leasehold sinking funds

Unexpended amounts collected from leaseholders for major repairs on leasehold schemes and any interest received are included in creditors.

1.31. Contingent liabilities

A contingent liability is disclosed for a possible obligation, for:

- When it is not yet confirmed that a present obligation exists that could lead to an outflow of resources
- Where a present obligation that does not meet the definitions of a provision as it is not probable that an outflow of resources will be required
- When a sufficiently reliable estimate of the amount cannot be made

Contingent liabilities exist on grants which are dependent on the disposal or cessation for the social letting of related properties.

1.32. Reserves

On transition to FRS 102 the Group took the option of freezing its valuation of housing properties and using that amount as deemed cost. To determine the deemed cost at 1 April 2014, the Group utilised its valuation as at 31 March 2014 which was undertaken by Deloitte Real Estate to value housing properties on an EUV-SH basis. Housing properties will subsequently be measured at cost less depreciation. The deemed cost approach has resulted in a Revaluation Reserve remaining on the Balance Sheet. On disposal of a property or scheme, a transfer is made from the Revaluation Reserve to the Income and Expenditure Reserve of an amount equal to the difference between the historical cost and the deemed cost.

The Cash Flow Hedge Reserve is created from the movements in the fair value of hedging derivatives that are assessed as effective (see Derivative instruments and hedge accounting — note 1.28).

1b. Judgements in applying accounting policies and key sources of estimation

In preparing these Financial Statements, the key judgements and estimations have been made in respect of the following:

Judgements

Housing properties

All housing properties are classified as property, plant and equipment, including our shared ownership and non-social rent properties as opposed to investment properties. This is because these assets are held for their social benefit, and we do not hold these assets for capital appreciation which is a key criterion in FRS 102. Furthermore, the rents we charge on our non-social rented portfolio are uplifted in April each year by the same inflationary measure as our social rent portfolio and are not re-assessed against market rents upon re-let.

Impairment assessments

An impairment assessment is undertaken when an indicator of impairment is identified in the year. When undertaking impairment assessments on housing properties, it is judged that an active market does not exist for the sale of housing properties between registered social providers. Therefore, value in use on the a) net present value of future cash flows or b) depreciated replacement cost is used.

The net present value of future cash flows is based on the current rentals and cost base of the scheme. These are uplifted by the same inflationary assumptions used in new development appraisals. The cash flows are discounted using the Group's current weighted average cost of capital of its debt. The period over which the cash flows are projected and discounted is based on the estimated remaining useful economic life determined on a case-by-case basis. The depreciated replacement cost is ascertained by the latest average build cost determined by the Group's development team for a similar property.

We have not identified any general indicators of impairment. Following the outcome of structure tests on two schemes revealing the likelihood of concrete erosion and need for demolition and redevelopment an impairment loss has been recognised for £4,746k and is disclosed in note 3. As the land is being retained for the redevelopment of the site and there is no indicator of impairment in relation to the planned new scheme at this stage.

Development sales

The sales of first tranche shared ownership, outright sale and sale of other properties (including staircasing) are reported in the Comprehensive Income Statement as part of Operating Surplus in accordance with the SORP. However, the associated cash flows are judged to meet the FRS 102 criteria of cash flow from Investing Activities, as opposed to Cash from Operations, because of their association and relationship with the wider development-related capital cash flows. Therefore, they are reported in the Cash Flow Statement as Investing Activities. The surpluses on sale are shown as an adjustment when reconciling the Operating Surplus to Cash from Operations (note 20).

Furthermore, these properties should be accounted for at the lower of the cost or their net realisable value. If the associated net realisable value falls below the cost, this could be an indicator for impairment. We have identified three schemes were the net realisable value is lower than the allocated cost to complete and have recognised an impairment of £412k (2024: £715k).

Concessionary loans

As part of the PFI contracts the parent Association has provided loan funding to the special purpose vehicles holding the PFI contracts. These are judged to meet the FRS 102 criteria of concessionary loans to public benefit entities and have therefore been accounted as the amount receivable to the Association.

Acquisitions

Housing 21 acquired properties from another registered provider in the financial year. As Housing 21 will provide all central administration, provide operational infrastructure such as IT equipment and equip the schemes with other significant resources required for the schemes to continue to operate, management have determined that this transaction is a purchase of assets rather than a business combination.

System implementation

For the development and implementation of cloud-based products, such as software as a service, expenditure is recognised in the Statement of Comprehensive Income when incurred. This differs from traditional software products where a separately identified asset is created and associated expenditure is capitalised.

Estimates

Component accounting

Group housing property components have been identified (as shown in note 1.14) with reference to the National Housing Federation and Savills' 2011 publication on national property component matrix for sheltered flats. The useful economic lives of components are aligned to our replacement cycle in our stock condition survey.

Depreciation is charged on each component based on the estimated useful economic life. Where the useful economic life is amended, the net book value is written off over remaining useful life.

When a component is replaced, the remaining net book value is charged to the Statement of Comprehensive Income in the year of disposal and treated as accelerated depreciation. Where part of component is replaced, the value of the asset to be written off is estimated based on the replacement cost for a like-for-like component.

Allocation of construction costs and grant funding

For mixed tenure housing developments, an estimate is made to allocate the appropriate element of cost between the following categories:

- Fixed asset housing properties: rented accommodation
- Fixed asset housing properties: shared ownership accommodation
- Current asset housing properties held for sale: shared ownership and outright sale accommodation

Construction costs are for the scheme as a whole and are not split between the different tenures. The apportionment is based on the property sizes for each tenure type and the expected first tranche sales equity, both with reference to the final completed tenure mix or the latest development appraisal (if under construction).

Any associated Homes England (HE) Grant is assigned to individual properties in the HE's Investment Management System (IMS), therefore this is split based on actual allocations. Any grants from non-HE sources are all allocated to the rented properties unless specifically for the development of a different tenure. No grant is assumed to be associated with first tranche sales.

Pension schemes

The defined benefit accounting liability for the SHPS pension scheme has been provided by the scheme administrator, The Pensions Trust ('TPT'). The accounting liability has been formulated based on a series of assumptions which are set out in note 25 in the Financial Statements. TPT provide a standard set of assumptions which it deems are appropriate, however, these are adjustable by individual providers to meet their own circumstances. The standard assumptions have been adopted by the Group as they are judged to be appropriate and reasonable. Details of the estimates used are included in the pensions note. Sensitivity analysis for these key estimates is included in note 25 to the Financial Statements.

We were notified in 2021 by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there was uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, and this process is ongoing with it being unlikely to be resolved before the Summer of 2025 at the earliest. It was estimated that this could potentially increase the value of the full Scheme liabilities by £155m, of which our contribution could be up to £2m. We note that this estimate has been calculated as at 30 September 2022 on the Scheme's Technical Provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these Financial Statements in respect of this.

Hedge accounting

Hedge accounting effectiveness is determined by use of the 'critical terms method'. It is deemed effective where the terms of the underlying loan match the swap instrument exactly. Where it is not possible, all hedging instruments are judged to be in accordance with the risk management strategies of the Group regarding interest rate cash flow risk, and therefore, the 'hypothetical derivative method' is used to assess effectiveness.

The hypothetical value is assessed against the actual fair value of the instrument. Where the fair value is favourable to the hypothetical value, the hedge is deemed to be effective. Where the fair value is adverse to the hypothetical value, the cumulative difference between the two is taken to be ineffective, and this portion taken through the Comprehensive Income Statement.

Fair value estimates of derivatives are based on relevant market information and information about the financial instruments which are subjective in nature. The fair value of these financial instruments is determined using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate forward curves. The forward and discount curves are derived from various raw yield curves. Movements in these forward curves will impact the fair value and to show the sensitivity to these movements; analysis is shown in note 18 to the Financial Statements.

Income recognition

The level of income (and surpluses) recognised on the PFI and PPP contracts is based on the estimated stage of completion, which is based on the total expenditure incurred to date compared to the total amount of expenditure expected to be incurred over the life of the contract, and the probability of any losses being incurred on the contract. Income recognition is also impacted by changes to inflation forecasts, with higher inflation resulting in more income being deferred to compensate for higher costs. We have used latest forecasts provided by our treasury advisors and we refresh these every six months.

2. Turnover, Cost of Sales, Operating Costs and Operating Surplus

Group	2025				2024			
	Turnover	Operating costs and cost of sales	Other income	Operating surplus	Turnover	Operating costs and cost of sales	Other Income	Operating surplus
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Social housing lettings (Note 3)	226,854	(187,140)	–	39,714	199,681	(168,093)	-	31,588
Other social housing activities								
Support charge	5,176	(5,291)	–	(115)	4,651	(4,768)	-	(117)
Leasehold services	1,094	(706)	–	388	2,084	(2,510)	-	(426)
First tranche low-cost home ownership and outright sales	6,137	(5,195)	–	942	10,660	(9,151)	-	1,509
Development services	215	(1,757)	–	(1,542)	269	(1,716)	-	(1,447)
Gain on disposal of housing properties (see note 4)	–	–	3,486	3,486	-	-	579	579
Other	(22)	(4,234)	–	(4,256)	902	(5,219)	-	(4,317)
	12,600	(17,183)	3,486	(1,097)	18,566	(23,364)	579	(4,219)
Total social housing activities	239,454	(204,323)	3,486	38,617	218,247	(191,457)	579	27,369
Non-social housing activities								
Care services	55,203	(56,986)	–	(1,783)	53,400	(53,736)	-	(336)
Non-social rent	1,320	(1,372)	–	(52)	1,435	(585)	-	850
Gain on disposal of housing properties (see note 4)	–	–	643	643	-	-	31	31
Leasehold services	654	(578)	–	76	1,866	(2,020)	-	(154)
	57,177	(58,936)	643	(1,116)	56,701	(56,341)	31	391
Total	296,631	(263,259)	4,129	37,501	274,948	(247,798)	610	27,760

First tranche low-cost home ownership and outright sales include £412k (2024: £715k) related to impairment of shared ownership properties held for sale as explained in the Judgements note 1b. Non-social rent included a reversal of impairment totalling £899k in the 2023/24 financial year. There was no comparable adjustment in 2024/25.

Other includes a £2,000k donation to Housing 21 Resident Support Trust Limited (2024: £nil) and £2,234k (2024: £nil) celebrating our 60th anniversary and investment in enhancing residents' quality of life.

In 2023/24, Other included the release of the remaining provision associated with the rent remediation project (turnover) and a charitable payment to our residents (cost).

2. Turnover, Cost of Sales, Operating Costs and Operating Surplus (cont)

Association	2025				2024			
	Turnover	**Operating costs and cost of sales**	**Other income**	**Operating surplus**	Turnover	Operating costs and cost of sales	Other Income	Operating surplus
	£'000	**£'000**	**£'000**	**£'000**	£'000	£'000	£'000	£'000
Social housing lettings (Note 3)	**220,656**	**(185,521)**	**-**	**35,135**	194,092	(166,942)	-	27,150
Other social housing activities								
Support charge	**5,169**	**(5,284)**	**-**	**(115)**	4,643	(4,762)	-	(119)
Leasehold services	**1,047**	**(694)**	**-**	**353**	2,084	(2,510)	-	(426)
First tranche low-cost home ownership and outright sales	**6,137**	**(5,195)**	**-**	**942**	10,660	(9,151)	-	1,509
Development services	**215**	**(1,757)**	**-**	**(1,542)**	269	(1,716)	-	(1,447)
Gain on disposal of housing properties (see note 4)	**-**	**-**	**3,486**	**3,486**	-	-	579	579
Other	**(22)**	**(4,234)**	**-**	**(4,256)**	902	(5,219)	-	(4,317)
	12,546	**(17,164)**	**3,486**	**(1,132)**	18,558	(23,358)	579	(4,221)
Total social housing activities	**233,202**	**(202,685)**	**3,486**	**34,003**	212,650	(190,300)	579	22,929
Non-social housing activities								
Care services	**55,203**	**(56,986)**	**-**	**(1,783)**	53,400	(53,736)	-	(336)
Non-social rent	**1,320**	**(1,372)**	**-**	**(52)**	1,435	(585)	-	850
Gain on disposal of housing properties (see note 4)	**-**	**-**	**643**	**643**	-	-	31	31
Leasehold services	**654**	**(578)**	**-**	**76**	1,866	(2,020)	-	(154)
Other	**-**	**-**	**-**	**-**	-	-	-	-
	57,177	**(58,936)**	**643**	**(1,116)**	56,701	(56,341)	31	391
Total	**290,379**	**(261,621)**	**4,129**	**32,887**	269,351	(246,641)	610	23,320

First tranche low-cost home ownership and outright sales include £412k (2024: £715k) related to impairment of shared ownership properties held for sale as explained in the Judgements note 1b. Non-social rent included a reversal of impairment totalling £899k in 2023/24). There was no comparable adjustment in 2024/25.

Other includes a £2,000k donation to Housing 21 Resident Support Trust Limited (2024: £nil) and £2,234k (2024: £nil) celebrating our 60th anniversary and investment in enhancing residents' quality of life.

In 2023/24, Other included the release of the remaining provision associated with the rent remediation project (turnover) and a charitable payment to our residents (cost).

3. Turnover, Operating Costs and Operating Surplus From Social Housing Lettings

	Group				Association			
	Retirement Living	**Extra Care**	**2025 Total**	2024 Total	**Retirement Living**	**Extra Care**	**2025 Total**	2024 Total
	£'000	**£'000**	**£'000**	£'000	**£'000**	**£'000**	**£'000**	£'000
Turnover on social housing lettings								
Rents net of identifiable service charges	**72,685**	**62,691**	**135,376**	118,679	**72,685**	**62,250**	**134,935**	118,266
Service and utility charges	**29,225**	**38,140**	**67,365**	62,493	**29,225**	**37,882**	**67,107**	62,232
Amortisation of government grants	**83**	**916**	**999**	908	**83**	**916**	**999**	908
Other income	**9,270**	**13,844**	**23,114**	17,601	**8,642**	**8,973**	**17,615**	12,686
	111,263	**115,591**	**226,854**	199,681	**110,635**	**110,021**	**220,656**	194,092
Expenditure on social housing lettings								
Management	**(23,264)**	**(25,807)**	**(49,071)**	(42,959)	**(23,536)**	**(28,376)**	**(51,912)**	(44,899)
Service and utility costs	**(24,107)**	**(34,636)**	**(58,743)**	(54,779)	**(24,107)**	**(34,385)**	**(58,492)**	(54,515)
Routine maintenance	**(11,109)**	**(9,369)**	**(20,478)**	(18,272)	**(11,109)**	**(8,290)**	**(19,399)**	(17,250)
Planned maintenance	**(9,084)**	**(6,195)**	**(15,279)**	(12,934)	**(9,084)**	**(5,047)**	**(14,131)**	(11,413)
Major repairs	**(5,141)**	**(2,680)**	**(7,821)**	(2,523)	**(4,342)**	**(2,674)**	**(7,016)**	(3,443)
Bad debts	**(257)**	**(569)**	**(826)**	(1,144)	**(256)**	**(569)**	**(825)**	(1,144)
Depreciation of housing properties	**(12,433)**	**(16,315)**	**(28,748)**	(33,183)	**(12,433)**	**(15,139)**	**(27,572)**	(31,979)
Impairments of housing properties	**-**	**(4,746)**	**(4,746)**	(27)	**-**	**(4,746)**	**(4,746)**	(27)
Lease costs	**(266)**	**(135)**	**(401)**	(586)	**(266)**	**(135)**	**(401)**	(586)
Other depreciation	**(524)**	**(503)**	**(1,027)**	(1,686)	**(524)**	**(503)**	**(1,027)**	(1,686)
	(86,185)	**(100,955)**	**(187,140)**	(168,093)	**(85,657)**	**(99,864)**	**(185,521)**	(166,942)
Operating surplus on social housing lettings	**25,078**	**14,636**	**39,714**	31,588	**24,978**	**10,157**	**35,135**	27,150
Void losses	**(2,021)**	**(2,888)**	**(4,909)**	(4,731)	**(2,021)**	**(2,883)**	**(4,904)**	(4,723)

Included in depreciation for 2023/24 was a charge of £4,572k for the Group and £4,535k for the Association, relating to an understatement of depreciation on kitchens and bathrooms dating back to April 2016. No such charge has been incurred in 2024/25.

4. Gain on Disposal of Housing Properties

Group and Association	2025			2024
	Staircasing £'000	Other £'000	Total £'000	£'000
Disposal proceeds	1,179	5,868	7,047	1,383
Cost of sale	(563)	(2,188)	(2,751)	(762)
Surplus excl. Recycled Grant	616	3,680	4,296	621
Recycled Grant	(167)	–	(167)	(11)
Surplus	449	3,680	4,129	610

The gain on disposal of housing properties, excluding first tranche and outright sale, is split between £449k (2024: £395k) generated from staircasing sales and £3,680k (2024: £226k) from the sale of a non-social housing, leaseholder properties and other one-off disposals.

5. Executive Team and Directors' Remuneration

The Executive Team received the following emoluments during the financial year:

	2025	2024
	£'000	£'000
Emoluments	977	1,129
Pension contributions	76	113
Total	1,053	1,242

During the year, the aggregate compensation for loss of office of key management personnel was £nil (2024: £28k).

Further details of our Executive Team are outlined on page three. The highest paid director in the year was the Chief Executive. His emoluments were as follows:

	2025	2024
	£'000	£'000
Emoluments	280	267
Pension contributions	34	33
Total	314	300

The Chief Executive is an ordinary member of the SHPS (Defined Contribution) pension scheme as set out in note 25. Employer's contribution in respect of the Chief Executive's pension in the year was £34k (2024: £33k), of which £23k (2024: £23k) was taken as cash. The above remuneration excludes any employer's social security costs.

The Directors of Housing 21 are defined as Members of the Board and the Executive Team.

The Board consists of 10 Non-Executive Members (2024: 12). In addition, there are no (2024: two) Independent Audit Members at year end, however one has been appointed in June 2025.

5. Directors' and Executive Team Remuneration (cont)

The Non-Executive Board Members received emoluments totalling £166k (2024: £159k). The emoluments were:

		2025	2024
		£'000	£'000
Elaine Elkington	(Chair from 3 May 2024)	27	14
Suki Kalirai	(Deputy Chair)	15	14
David Clark		15	14
William Roberts		15	14
Ian Skipp	(Appointed 1 August 2024)	11	4
Richard Dell	(Appointed 1 August 2024)	10	-
Elizabeth (Anne) Golledge	(appointed 1 August 2024)	10	-
Bola Owolabi	(appointed 20 September 2024)	8	-
Keith Carnegie	(appointed 20 September 2024)	8	-
Rosemary Jenkins	(appointed 30 September 2024)	8	-
Ian Devereux	(Resident Extra Care Committee co-optee)	4	4
Michael Rose	(Resident Retirement Living Committee co-optee)	-	1
Stephen Hughes	(resigned 29 September 2023)	-	12
John Ayton	(deceased 5 January 2024)	-	11
Gurpreet Dehal	(resigned 3 May 2024)	3	5
Catherine Dugmore	(resigned 13 May 2024)	2	14
Christina Law	(resigned 20 September 2024)	2	4
Michael McDonagh	(resigned 19 September 2024)	7	20
Lara Oyedele	(resigned 29 September 2024)	7	14
Sandra Stark	(resigned 28 February 2025)	14	14
		166	159

Ian Skipp previously held the position as an independent audit member. On 1 August 2024 he was appointed as a Board Member and took on the role as Chair of the Audit Committee.

Richard Dell and Elizabeth (Anne) Golledge are also residents of Housing 21. Their tenancies are on the same terms and conditions as other residents, and they cannot use their positions as Board Members to gain any advantage in their relationship with the Association as residents. Ian Devereux and Michael Rose are resident co-opted members of the Extra Care and Retirement Living Committee. They do not attend Board meetings and do not have voting rights but provide valuable input into the committee's decision-making process.

6. Employee Information

The average number of people employed (including the Executive Team) expressed as full-time equivalents (calculated on a standard working week of 35 hours) during the year was as follows:

	Group		Association	
	2025 No.	2024 No.	**2025 No.**	2024 No.
Management, scheme managers and administration	**1,408**	1,403	**1,406**	1,401
Care and ancillary	**1,793**	1,862	**1,792**	1,861
	3,201	3,265	**3,198**	3,262

Employee costs (including the Board and the Executive Team) consist of:

	Group		Association	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Wages and salaries	**97,835**	90,682	**97,713**	90,560
Redundancy and other costs	**178**	(95)	**178**	(95)
Social security costs	**8,545**	7,894	**8,536**	7,885
Pension costs	**4,632**	4,236	**4,629**	4,236
	111,190	102,717	**111,056**	102,586

Detailed below is the number of employees whose remuneration payable (including employer pension contributions) in relation to the period was more than £60,000:

Group and Association		
	2025 No.	2024 No.
300,000–309,999	**1**	-
290,000–299,999	**-**	1
200,000–209,999	**1**	-
190,000–199,999	**-**	1
170,000–179,999	**3**	-
160,000–169,999	**-**	3
130,000–139,999	**3**	-
120,000–129,999	**5**	3
110,000–119,999	**7**	4
100,000–109,999	**7**	10
90,000–99,999	**7**	4
80,000–89,999	**12**	11
70,000–79,999	**46**	29
60,000–69,999	**88**	75
	180	141

7. Interest Receivable and Similar Income

	Group		Association	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Interest received on cash deposits	**1,890**	4,356	**644**	3,171
Finance asset interest	**5,391**	5,746	**227**	306
Interest receivable from group undertakings	**-**	-	**1,308**	1,329
Gift aid	**-**	-	**168**	68
	7,281	10,102	**2,347**	4,874

Finance asset interest of £5,391k (2024: £5,746k) for the Group and £227k (2024: £306k) for the Association is generated from the finance asset associated with the Walsall PPP contract (Group and Association) and Oldham Retirement Housing Partnership PFI project (Group only). Until the finance asset receivable is fully settled, interest receivable is generated on the outstanding balance. This is recovered via the Unitary Charge payable by the local authority.

8. Interest and Financing Costs

	Group		Association	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Bank loans and overdrafts	**(13,916)**	(11,670)	**(8,506)**	(6,007)
All other loans	**(14,820)**	(14,821)	**(14,820)**	(14,821)
Other financing fees and charges	**(1,541)**	(793)	**(1,424)**	(677)
Amortisation of loan premium	**1,160**	1,132	**1,160**	1,132
Net interest on pension liabilities	**(330)**	(335)	**(330)**	(335)
	(29,447)	(26,487)	**(23,920)**	(20,708)
Interest capitalised on construction of housing properties	**474**	442	**474**	442
	(28,973)	(26,045)	**(23,446)**	(20,266)

9. Taxation

Housing 21, Kent Community Partnership Limited and Oldham Retirement Housing Partnership Limited have charitable status and therefore are exempt from Corporation Tax on their income and gains to the extent that these are derived from their charitable objectives.

Housing 21 Guernsey Limited by Guarantee — the Administrator of Income Tax in Guernsey has agreed that the company's surpluses are exempt from Guernsey tax due to the company's charitable activities. The company is managed in such a way that it is treated as being a UK tax resident and will be subject to UK tax. However, as a wholly owned subsidiary of a charitable parent, Housing 21 Guernsey can make gift aid payments that enable it to reduce its corporation tax liability to £nil.

10. Operating Surplus Before Tax

	Group		Association	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
This is arrived at after (charging)/ crediting				
Depreciation of housing properties	**(28,866)**	(33,284)	**(27,689)**	(32,080)
(Impairment)/ reversal of impairment of housing properties	**(4,800)**	872	**(4,800)**	872
(Impairment) of low-cost home ownership and outright sale properties	**(412)**	(715)	**(412)**	(715)
Depreciation on other fixed assets	**(1,087)**	(1,872)	**(1,087)**	(1,872)
Amortisation of grants	**999**	908	**999**	908
Payments under operating leases				
Land and buildings	**(416)**	(651)	**(416)**	(651)
Other	**(98)**	(154)	**(97)**	(152)
Auditors' remuneration (excluding VAT)				
In their capacity as Financial Statement auditors	**(162)**	(132)	**(128)**	(100)
Covenants compliance audit	**-**	(2)	**-**	(2)
Leasehold audit	**(13)**	(44)	**(13)**	(44)

The impairment of housing properties in 2025 consisted of £4,746k disclosed within note 3 associated with our social rented portfolio and £54k disclosed in note 2 associated with our non-social rented portfolio.

11. Housing Properties

Group	Retirement Living		Extra Care		Assets Under Construction		Total
	Rented	Shared Ownership	Rented	Shared Ownership	Rented	Shared Ownership	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
1 April 2024	883,538	1,408	817,304	60,671	62,802	10,254	**1,835,977**
Acquisitions and construction costs	109	-	94,471	7,903	84,431	12,028	**198,942**
Works to existing properties	25,214	-	13,595	-	-	-	**38,809**
Transfers from/ (to) current assets	99	-	893	35	-	(7,666)	**(6,639)**
Reclassifications	1,960	(58)	(2,753)	882	4,257	(4,288)	**-**
Completed property transfers	48,187	1,279	8,411	1,374	(56,598)	(2,653)	**-**
Disposals	(8,148)	-	(2,579)	(552)	(36)	-	**(11,315)**
31 March 2025	**950,959**	**2,629**	**929,342**	**70,313**	**94,856**	**7,675**	**2,055,774**
Accumulated depreciation and impairments							
1 April 2024	(193,956)	(38)	(135,689)	(3,217)	(230)	-	**(333,130)**
Charge in the year	(12,584)	(14)	(15,614)	(654)	-	-	**(28,866)**
Impairment	(54)	-	(4,746)	-	-	-	**(4,800)**
Reclassifications	27	-	-	-	(27)	-	**-**
Eliminated on disposals	6,430	-	2,556	-	-	-	**8,986**
31 March 2025	**(200,137)**	**(52)**	**(153,493)**	**(3,871)**	**(257)**	**-**	**(357,810)**
Net book value							
31 March 2025	**750,822**	**2,577**	**775,849**	**66,442**	**94,599**	**7,675**	**1,697,964**
31 March 2024	689,582	1,370	681,615	57,454	62,572	10,254	1,502,847
Land tenure							
Freehold	693,010	2,577	529,284	60,131	94,599	7,675	**1,387,276**
Long leasehold	57,812	-	246,565	6,311	-	-	**310,688**
31 March 2025	**750,822**	**2,577**	**775,849**	**66,442**	**94,599**	**7,675**	**1,697,964**

Housing properties include our non-social rent portfolio, which has a net book value of £11,078k. (2024: £12,195k).

The carrying amount of tangible fixed assets with restricted title is £73,500k (2024: £73,500k), pledged as security for liabilities is £1,088,718k (2024: £976,200k).

11. Housing Properties (cont)

Association	Retirement Living		Extra Care		Assets Under Construction		Total
	Rented	Shared Ownership	Rented	Shared Ownership	Rented	Shared Ownership	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
1 April 2024	883,538	1,408	721,780	60,671	62,802	10,254	**1,740,453**
Acquisitions and construction costs	109	-	94,471	7,903	84,431	12,028	**198,942**
Works to existing properties	25,214	-	13,601	-	-	-	**38,815**
Transfers from/ (to) current assets	99	-	894	35	-	(7,666)	**(6,638)**
Reclassifications	1,960	(58)	(2,753)	882	4,257	(4,288)	**-**
Completed property transfers	48,187	1,279	8,411	1,374	(56,598)	(2,653)	**-**
Disposals	(8,148)	-	(2,579)	(552)	(36)	-	**(11,315)**
31 March 2025	**950,959**	**2,629**	**833,825**	**70,313**	**94,856**	**7,675**	**1,960,257**
Accumulated depreciation and impairments							
1 April 2024	(193,956)	(38)	(118,115)	(3,217)	(230)	-	**(315,556)**
Charge in the year	(12,584)	(14)	(14,437)	(654)	-	-	**(27,689)**
Impairment	(54)	-	(4,746)	-	-	-	**(4,800)**
Reclassifications	27	-	-	-	(27)	-	**-**
Eliminated on disposals	6,430	-	2,556	-	-	-	**8,986**
31 March 2025	**(200,137)**	**(52)**	**(134,742)**	**(3,871)**	**(257)**	**-**	**(339,059)**
Net book value							
31 March 2025	**750,822**	**2,577**	**699,083**	**66,442**	**94,599**	**7,675**	**1,621,198**
31 March 2024	689,582	1,370	603,665	57,454	62,572	10,254	1,424,897
Land tenure							
Freehold	693,010	2,577	452,518	60,131	94,599	7,675	**1,310,510**
Long leasehold	57,812	-	246,565	6,311	-	-	**310,688**
31 March 2025	**750,822**	**2,577**	**699,083**	**66,442**	**94,599**	**7,675**	**1,621,198**

Housing properties include our non-social rent portfolio, which has a net book value of £11,078k. (2024: £12,195k).

The carrying amount of tangible fixed assets with restricted title is £73,500k (2024: £73,500k), pledged as security for liabilities is £1,088,718k (2024: £976,200k).

11. Housing Properties (cont)

Works to existing properties

Expenditure on existing properties, other than on routine and planned maintenance, was as follows:

	Group		Association	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
New components capitalised	**31,850**	31,575	**31,856**	31,490
Capitalised enhancements	**6,959**	2,346	**6,959**	2,346
	38,809	33,921	**38,815**	33,836
Major repairs expensed (see note 3)	**7,821**	2,523	**7,016**	3,443
	46,630	36,444	**45,831**	37,279

The total amount of interest capitalised in the year was £474k (2024: £442k) and interest was capitalised at a rate of 3.7 percent (2024: 3.3 percent). The cumulative value of capitalised interest included in the net book value in note 11 and properties held for sale in note 14 is not separately recorded.

Historic cost (including assets under the course of construction)

If housing property had been accounted for under historic cost accounting rules, the properties would have been measured as follows:

	Group		Association	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Historic cost	**1,912,989**	1,692,705	**1,834,437**	1,614,147
Accumulated depreciation	**(357,802)**	(333,133)	**(339,060)**	(315,557)
	1,555,187	1,359,572	**1,495,377**	1,298,590

12. Housing Accommodation

	Group		Association	
	2025	2024	**2025**	2024
	No.	No.	**No.**	No.
Retirement Living				
Rented	**11,964**	11,795	**11,964**	11,795
General needs/ family	**26**	29	**26**	29
Non-social rented	**116**	208	**116**	208
Shared ownership	**48**	38	**48**	38
Leasehold: social	**17**	732	**17**	732
Leasehold: non social	**23**	466	**23**	466
Employee accommodation	**36**	56	**36**	56
Managed for others	**1,429**	1,458	**1,429**	1,458
	13,659	14,782	**13,659**	14,782
Extra Care				
Rented	**8,504**	7,075	**8,114**	6,685
General needs/ family	**1**	1	**1**	1
Shared ownership	**1,547**	1,415	**1,547**	1,415
Leasehold	**248**	140	**213**	105
Employee accommodation	**1**	1	**-**	-
Managed for others	**44**	44	**470**	470
	10,345	8,676	**10,345**	8,676
Total	**24,004**	23,458	**24,004**	23,458
Properties in development				
For rent	**933**	681	**933**	681
For shared ownership	**80**	88	**80**	88
Total	**1,013**	769	**1,013**	769
Properties to be acquired				
For rent	-	42	-	42
Total	**-**	**42**	**-**	**42**

General needs/ family properties are designated for older persons housing but these properties do not have access to a warden call system and are not supported by a scheme manager.

12. Housing Accommodation (cont)

	Group							Association						
	1 April 2024	New develop-ments	Acquisitions	Remodel	Awaiting disposal/ disposed	Transfers between tenures	31 March 2025	1 April 2024	New develop-ments	Acquisitions	Remodel	Awaiting disposal/ disposed	Transfers between tenures	31 March 2025
Retirement Living														
Rented	11,795	160	–	3	(1)	7	11,964	11,795	160	–	3	(1)	7	11,964
Rented: general needs/ family	29	–	–	–	(3)	–	26	29	–	–	–	(3)	–	26
Rented: non-social rents	208	–	–	–	(92)	–	116	208	–	–	–	(92)	–	116
Shared ownership	38	12	–	–	–	(2)	48	38	12	–	–	–	(2)	48
Leasehold: social	732	–	–	–	(715)	–	17	732	–	–	–	(715)	–	17
Leasehold: non-social	466	–	–	–	(443)	–	23	466	–	–	–	(443)	–	23
Employee accommodation	56	–	–	–	(15)	(5)	36	56	–	–	–	(15)	(5)	36
Managed for others	1,458	–	–	–	(29)	–	1,429	1,458	–	–	–	(29)	–	1,429
	14,782	172	–	3	(1,298)	–	13,659	14,782	172	–	3	(1,298)	–	13,659
Extra Care														
Rented	7,075	71	1,362	–	(22)	18	8,504	6,685	71	1,362	–	(22)	18	8,114
Rented: general needs/ family	1	–	–		–	–	1	1	–	–		–	–	1
Shared ownership	1,415	12	134	–	–	(14)	1,547	1,415	12	134	–	–	(14)	1,547
Leasehold	140	–	112	–	–	(4)	248	105	–	112	–	–	(4)	213
Employee accommodation	1	–	–	–	–	–	1	-	–	–	–	–	–	0
Managed for others	44	–	–	–	–	–	44	470	–	–	–	–	–	470
	8,676	83	1,608	–	(22)	–	10,345	8,676	83	1,608	–	(22)	–	10,345
Total	23,458	255	1,608	3	(1,320)	–	24,004	23,458	255	1,608	3	(1,320)	–	24,004

As of the year end, the non-social rented portfolio consists of 116 tenanted properties, and we have a further 63 void properties pending sale (2024: 69 properties). The tenanted properties continue to generate rental income, while the void properties are actively being marketed for sale.

13. Other Fixed Assets

Group and Association	Leasehold offices and improvements	IT and other equipment	Total
	£'000	£'000	£'000
Cost			
At 1 April 2024	568	8,092	**8,660**
Additions	108	2,411	**2,519**
Disposals	(4)	(937)	**(941)**
At 31 March 2025	**672**	**9,566**	**10,238**
Accumulated depreciation			
At 1 April 2024	(324)	(6,694)	**(7,018)**
Charge for the year	(57)	(1,030)	**(1,087)**
Disposals	-	943	**943**
At 31 March 2025	**(381)**	**(6,781)**	**(7,162)**
Net book value			
At 31 March 2025	**291**	**2,785**	**3,076**
At 31 March 2024	244	1,398	1,642

14. Housing Properties and Stock For Sale

Group and Association	2025	2024
	£'000	£'000
Low-cost home ownership and outright sale properties available for sale	**9,006**	7,380
Low-cost home ownership and outright sale properties under construction	**10,058**	6,626
	19,064	14,006

Included within low-cost home ownership and outright sale properties under construction is an impairment charge of £412k (2024: £715k).

15. Debtors

	Group		Association	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Greater than one year				
Finance asset receivable	**87,827**	92,894	**4,576**	4,923
Prepayments, accrued income and other debtors	**9,555**	9,106	**-**	-
Amounts owed by group undertakings	**-**	-	**2,129**	2,129
Amounts owed by group undertakings — concessionary loans	**-**	-	**29,534**	31,371
	97,382	102,000	**36,239**	38,423
Within one year				
Rent and service charge arrears	**6,539**	6,353	**6,537**	6,350
Less provision for bad debts	**(4,366)**	(3,703)	**(4,365)**	(3,701)
	2,173	2,650	**2,172**	2,649
Trade debtors	**7,174**	7,238	**5,424**	4,960
Amounts owed by group undertakings	**-**	-	**2,055**	2,392
Amounts owed by group undertakings — concessionary loans	**-**	-	**1,837**	1,050
Prepayments, accrued income and other debtors	**14,127**	16,383	**9,942**	14,488
Interest rate swap	**-**	125	**-**	-
Social Housing Grant receivable	**2,915**	3,320	**2,915**	3,320
	26,389	29,716	**24,345**	28,859
Total	**123,771**	131,716	**60,584**	67,281

Housing 21 provides concessionary loan funding to the following subsidiaries:

	Rate of interest	1 April 2024	Repayment	31 March 2025
		£'000	£'000	**£'000**
Kent Community Partnership Limited ('KCP')	**11%**	6,976	-	**6,976**
Oldham Retirement Housing Partnership Limited ('ORHP')	**2%**	25,445	(1,050)	**24,395**
		32,421	(1,050)	**31,371**

Concessionary loan receipts are due as follows:

	KCP		ORHP	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	**£'000**
In one year or less, or on demand	**-**	-	**1,837**	**1,050**
In more than one year and less than two years	**-**	-	**1,648**	**1,837**
In more than two years and less than five years	**-**	-	**5,319**	**5,171**
More than five years	**6,976**	6,976	**15,591**	**17,387**
Total	**6,976**	6,976	**24,395**	**25,445**

16. Creditors: Amounts Falling Due Within One Year

	Group		Association	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Loans and borrowings (Note 17)	**(6,248)**	(38,724)	**(2,691)**	(33,747)
Loans premium	**(1,186)**	(1,157)	**(1,186)**	(1,157)
	(7,434)	(39,881)	**(3,877)**	(34,904)
Trade creditors	**(11,902)**	(6,896)	**(11,902)**	(6,711)
Amount owed to Group undertakings	**-**	-	**(1,076)**	(1,197)
Other creditors	**(29,766)**	(14,819)	**(27,182)**	(14,066)
Interest rate swaps	**(410)**	(9)	**-**	-
Deferred Capital Grants (Note 19)	**(1,240)**	(970)	**(1,240)**	(970)
Leasehold sinking fund balances	**(88)**	(4,469)	**(88)**	(4,469)
Accruals and deferred income	**(97,141)**	(94,704)	**(73,053)**	(67,349)
	(147,981)	(161,748)	**(118,418)**	(129,666)

Leasehold sinking fund balances disclosed falling due within one year represent the balances due to be transferred/ transferred upon the sale of our leasehold portfolio.

17. Creditors: Amounts Falling Due After More Than One Year

	Group		Association	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Loans and borrowings	**(743,808)**	(628,057)	**(654,172)**	(534,864)
Loans premium	**(33,401)**	(34,590)	**(33,401)**	(34,590)
	(777,209)	(662,647)	**(687,573)**	(569,454)
Less: funding costs to be amortised	**4,360**	3,785	**3,546**	2,896
Interest rate swaps	**(3,543)**	(8,181)	**-**	-
Deferred Capital Grants (Note 19)	**(181,127)**	(142,201)	**(181,127)**	(142,201)
Recycled Capital Grants Fund	**(579)**	(299)	**(579)**	(299)
Leasehold sinking fund balances	**(15,670)**	(11,754)	**(15,314)**	(11,415)
Deferred income	**(257)**	(279)	**-**	-
	(974,025)	(821,576)	**(881,047)**	(720,473)

Loans are secured by charges on the assets of the Association including specific charges on certain housing properties. Repayment of loans within the PFI special purpose vehicles are secured through charges on the income of the underlying PFI contract over their lifetime. Kent Community Partnership Limited loans are also secured by charges on the assets of the company.

The weighted average interest rate is shown in the table below:

	Group		Association	
	2025	2024	**2025**	2024
Weighted average interest rate	**3.96%**	3.65%	**3.71%**	3.30%

At 31 March 2025, the Group and Association had undrawn loan facilities of £188,000k (2024: £130,000k) consisting of a fully secured unsold bond of £50,000k (2024: £50,000k) and revolving credit facilities of £138,000k (2024: £80,000k).

17. Creditors: Amounts Falling Due After More Than One Year (cont)

The loans repayments are due as follows:

Group			2025	2024
	Bank loans	Other loans	Total	Total
	£'000	£'000	£'000	£'000
In one year or less, or on demand (see Note 16)	(6,242)	(6)	**(6,248)**	(38,724)
In more than one year and less than two years	(4,916)	(7)	**(4,923)**	(6,248)
In more than two years and less than five years	(143,251)	(27)	**(143,278)**	(17,756)
More than five years	(145,504)	(450,103)	**(595,607)**	(604,053)
Total	**(299,913)**	**(450,143)**	**(750,056)**	(666,781)

Association			2025	2024
	Bank loans	Other loans	Total	Total
	£'000	£'000	£'000	£'000
In one year or less, or on demand (see Note 16)	(2,685)	(6)	**(2,691)**	(33,747)
In more than one year and less than two years	(2,708)	(7)	**(2,715)**	(2,692)
In more than two years and less than five years	(130,286)	(27)	**(130,313)**	(8,225)
More than five years	(71,041)	(450,103)	**(521,144)**	(523,947)
Total	**(206,720)**	**(450,143)**	**(656,863)**	(568,611)

The Recycled Capital Grant Fund ('RCGF') balance consists of:

Group and Association	2025	2024
	£'000	£'000
At 1 April	**(299)**	(159)
Grants recycled	**(261)**	(130)
Transferred to Deferred Capital Grants	**-**	-
Interest accrued	**(19)**	(10)
At 31 March	**(579)**	(299)
Amounts three years old or older where repayment may be required	**-**	-

No RCGF has been allocated to schemes in development in the financial year, 19 staircasing sales in the year have increased the balance by £261k (2024: £130k).

18. Financial Instruments

	Group		Association	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Financial assets				
Financial assets measured at historical cost				
- Rental and service charge debtors	**2,173**	2,650	**2,172**	2,649
- Trade debtors	**7,174**	7,238	**5,424**	4,960
- Other debtors	**14,649**	17,681	**10,824**	15,980
- Cash and cash equivalents	**51,683**	90,519	**41,497**	77,925
- Short term investments	**20,000**	17,800	**-**	-
- Amounts owed from group undertakings	**-**	-	**2,129**	2,129
- Amounts owed from group undertakings: concessionary loans	**-**	-	**29,534**	32,421
Total financial assets	**95,679**	135,888	**91,580**	136,064
Financial liabilities				
Financial liabilities measured at amortised cost				
- Loans payable within one year	**(6,248)**	(38,724)	**(2,691)**	(33,747)
- Loans payable after one year	**(743,808)**	(628,057)	**(654,172)**	(534,864)
Financial liabilities measured at historic cost				
- Trade creditors	**(11,902)**	(6,896)	**(11,902)**	(6,711)
- Other creditors	**(55,565)**	(44,708)	**(53,130)**	(43,148)
- Amounts owed to group undertakings	**-**	-	**(1,076)**	(1,197)
- Loan premium due within one year	**(1,186)**	(1,157)	**(1,186)**	(1,157)
- Loan premium due after one year	**(33,401)**	(34,590)	**(33,401)**	(34,590)
Derivative financial instruments designated as hedges of variable interest rate risk				
— Interest rate swaps due within one year	**(410)**	(9)	**-**	-
— Interest rate swaps due after one year	**(3,543)**	(8,181)	**-**	-
Total financial liabilities	**(856,063)**	(762,322)	**(757,558)**	(655,414)

Hedges

To hedge the potential volatility in future interest cash flows arising from movements in SONIA, the Group has the following floating to fixed interest rate swaps.

The Group's hedging instruments qualify for hedge accounting as they are in accordance with the objectives of managing interest rate cash flow risk. As a result, while the derivatives are recognised on the Balance Sheet, movements are taken straight to reserves through Other Comprehensive Income to the extent they are effective. The element that is not effective is taken through the Statement of Comprehensive Income. The method of assessing hedge effectiveness is disclosed within the accounting policies.

Entity	Notional value	Underlying loan	Fair value of swap	Interest rate swap	Maturity of swap
	£'000	£'000	£'000		
Oldham Retirement Housing Partnership Limited	(41,982)	(37,621)	(972)	Receive SONIA pay a fixed 4.8%	October 2034
Kent Community Partnership Limited	(22,965)	(22,965)	(1,246)	Receive SONIA pay a fixed 5.3%	September 2037
Kent Community Partnership Limited	(32,607)	(32,607)	(1,735)	Receive SONIA pay a fixed 5.0%	March 2039
Total	**(97,554)**	**(93,193)**	**(3,953)**		

The underlying interest rate for the loans in the table is SONIA.

18. Financial Instruments (cont)

The fair value of the swaps is subjective and is reliant on making certain assumptions about the future interest rates. The below provides an indication of the impact to the fair value from movement in interest rates. However, it is worth noting that due to the hedging relationship, most of the fair value movement would be recognised directly in the cash-flow hedge reserve, with only a small proportion, the ineffective element, being recognised in the Statement of Comprehensive Income.

Entity	Fair value of swap	+ 50 basis points	- 50 basis points
	£'000	£'000	£'000
Oldham Retirement Housing Partnership Limited	(972)	102	(1,981)
Kent Community Partnership Limited	(1,246)	(556)	(1,968)
Kent Community Partnership Limited	(1,735)	(52)	(3,531)
Total	**(3,953)**	**(506)**	**(7,480)**

19. Deferred Capital Grants

Group and Association	Retirement Living	Extra Care	Assets under construction	Total
	£'000	£'000	£'000	£'000
Grants				
1 April 2024	(9,295)	(93,984)	(43,976)	**(147,255)**
Grants received	-	(500)	(39,789)	**(40,289)**
Transfer (to)/ from RCGF	-	261	-	**261**
Reclassification	(28)	-	28	**-**
Completions	(15,626)	(5,768)	21,394	**-**
31 March 2025	**(24,949)**	**(99,991)**	**(62,343)**	**(187,283)**
Accumulated amortisation				
1 April 2024	62	4,022	-	**4,084**
Charge for the year	83	916	-	**999**
Disposal of property	-	(167)	-	**(167)**
31 March 2025	**145**	**4,771**	**-**	**4,916**
Net book value				
31 March 2025	**(24,804)**	**(95,220)**	**(62,343)**	**(182,367)**
31 March 2024	(9,233)	(89,962)	(43,976)	(143,171)

The Group receives grants from Homes England, Greater London Authority and local authorities, which are used to fund the development of housing properties.

As outlined in the accounting policies, upon transition to FRS 102 and the adoption of deemed cost accounting for housing properties, grants received in relation to properties developed before 1 April 2014, £455,720k was transferred to the income and expenditure reserve.

The Group may have future obligations to recycle such grant if the associated properties are disposed of. At 31 March 2025, the total value of grant in the Recycled Capital Grant Fund is £579k (2024: £299k). See note 17 for more information.

20. Reconciliation of Operating Surplus to Cash from Operations

	Group		Association	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Operating surplus	**37,501**	27,760	**32,887**	23,320
Depreciation of housing properties	**28,866**	33,284	**27,689**	32,080
Depreciation of other fixed assets	**1,087**	1,831	**1,087**	1,831
Impairment of housing properties	**5,213**	(157)	**5,213**	(157)
Capital costs transferred to revenue	**-**	268	**-**	268
Abortive costs	**35**	239	**35**	239
Grant amortisation	**(999)**	(908)	**(999)**	(908)
Property sales included in operating surplus	**(5,573)**	(2,866)	**(5,573)**	(2,866)
SHPS deficit contributions paid	**(1,785)**	(1,692)	**(1,785)**	(1,692)
Decrease in debtors	**6,744**	9,860	**6,184**	9,108
Increase in creditors	**15,776**	8,188	**16,933**	6,894
Cash from operations	**86,865**	75,807	**81,671**	68,117

21. Analysis of the Changes in Net Debt

Group	At 1 April 2024	Cash flows	Non-cash movement	At 31 March 2025
	£'000	£'000	£'000	**£'000**
Cash	90,519	(38,836)	–	**51,683**
Short-term investments	17,800	2,200	–	**20,000**
Bank loans and bonds (excl. capitalised debt issue costs)	(666,781)	(83,275)	–	**(750,056)**
Net debt (excluding derivatives)	**(558,462)**	**(119,911)**	**-**	**(678,373)**
Interest rate swaps	(8,191)		4,238	**(3,953)**
Net debt	**(566,653)**	**(119,911)**	**4,238**	**(682,326)**

Association	At 1 April 2024	Cash flows	Non-cash movement	At 31 March 2025
	£'000	£'000	£'000	**£'000**
Cash	77,925	(36,428)	–	**41,497**
Short-term investments	-	-	–	**-**
Bank loans and bonds (excl. capitalised debt issue costs)	(568,611)	(88,252)	–	**(656,863)**
Net debt (excluding derivatives)	**(490,686)**	**(124,680)**	**-**	**(615,366)**
Interest rate swaps	-	-	-	**-**
Net debt	**(490,686)**	**(124,680)**	**-**	**(615,366)**

21. Analysis of the Changes in Net Debt (cont)

Further analysis of the movement of bank loans and bonds (excluding capitalised debt issue costs) for the year are shown below:

	At 1 April 2024	Contractual repayments	New drawdowns	At 31 March 2025
	£'000	£'000	£'000	**£'000**
Housing 21	(568,611)	33,748	(122,000)	**(656,863)**
Kent Community Partnership Limited	(56,979)	1,407	-	**(55,572)**
Oldham Retirement Housing Partnership Limited	(41,191)	3,570	-	**(37,621)**
Group	**(666,781)**	**38,725**	**(122,000)**	**(750,056)**

22. Share Capital

	2025	2024
	£	£
Start of year	**13**	14
New members	**6**	-
Death/ resignation	**(6)**	(1)
Allotted, issued and fully paid	**13**	13

Each member of the Association holds a non-equity share of £1 in the Association.

The shares carry no right to dividends. The shares are cancelled on the resignation of members from the Association. The reduction in shares in 2024 is due to one share being cancelled in the year. The shares carry the right to vote at meetings of the Association on the basis of one share one vote. No rights to participate in the net assets of the Association in the event of a winding up are conferred by the shares.

23. Capital Commitments

Group and Association		
	2025	2024
	£'000	£'000
Capital expenditure contracted but not provided for	**132,484**	105,126
Capital expenditure approved but not contracted for	**2,785**	25,091
Acquisitions contracted or approved but not provided for	**-**	4,350
Total	**135,269**	134,567

Capital expenditure contracted but not provided for represents the amount committed to development sites for which the Group has a contractual obligation.

Capital expenditure approved but not contracted represents potential commitments to develop schemes which have been approved by Housing 21's Development Steering Group and Investment and Development Committee. Where a scheme is at lockdown investment stage, the tender spend is included or where at initial feasibility stage, the budget to progress the scheme to lockdown is included. A formal investment appraisal is conducted on each development scheme before the Group enters a contractual obligation.

Acquisitions contracted or approved but not provided for are properties where the Board has approved the acquisition from another registered provider and contracts have been exchanged. The capital commitments at 31 March 2025 will be funded by:

Group and Association		
	2025	2024
	£'000	£'000
Grants	**21,429**	34,264
Existing cash, short-term investment and debt facilities agreed but not yet drawn.	**113,840**	100,303
Total	**135,269**	134,567

24. Commitments Under Operating Leases

Amounts payable as lessee	Group and Association	
	2025	2024
	£'000	£'000
On land and buildings		
Not later than one year	286	239
Later than one year and not later than five years	936	940
Later than five years	806	1,016
	2,028	2,195
On other assets		
Not later than one year	37	63
Later than one year and not later than five years	–	-
Later than five years	–	-
	37	63

25. Pensions

The provision for defined benefit pension liabilities consists of:

	2025			2024		
	SHPS £'000	Lewisham £'000	Total £'000	SHPS £'000	Lewisham £'000	Total £'000
At 1 April	(7,589)	(46)	(7,635)	(7,563)	(75)	(7,638)
Actuarial (losses)/ gains recognised within OCI	393	44	437	(1,380)	34	(1,346)
Interest and other charges	(370)	(3)	(373)	(330)	(3)	(333)
Pension deficit contributions paid	1,821	7	1,828	1,727	6	1,733
Current service costs	–	(8)	(8)	(43)	(8)	(51)
At 31 March	(5,745)	(6)	(5,751)	(7,589)	(46)	(7,635)

Housing 21 participates in several defined benefit and defined contribution schemes. At the Balance Sheet date, 4,521 (2024: 3,283) employees contributed to a defined contribution scheme with most employees being a member of the National Employment Savings Trust (NEST). At the Balance Sheet date 53 (2024: 57) employees were members of a defined benefit scheme. All schemes' assets are held in separate funds administered by the Trustees of each scheme.

All defined benefit schemes are closed to existing and new employees. Housing 21 participates in three defined benefit schemes where the Association's liability in relation to its employees is capped. Therefore, these schemes are accounted for as a defined contribution schemes in accordance with Section 28 of FRS 102.

25. Pensions (cont)

Social Housing Pension Scheme: Defined Benefit (administered by The Pensions Trust)

The company participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last completed triennial valuation of the scheme for funding purposes was carried out as at 30 September 2023. This valuation revealed a deficit of £693m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

The Scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year ends from the following 31 March to 28 February inclusive. The latest accounting valuation was carried out with an effective date of 30 September 2024. The liability figures from this valuation were rolled forward for accounting year ends from the following 31 March 2025 to 28 February 2026 inclusive.

The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus. The Board decided to close the scheme to new employees at 30 June 2002 and to existing employees at 31 December 2002. From those dates employees have been offered the opportunity to join the group stakeholder pension plan, which is now closed to new members, the SHPS Defined Contribution plan or the NEST defined contribution scheme.

The Board also decided to close the scheme to active members from 1 April 2015. This means that Housing 21 is no longer accruing benefits in this scheme but retain responsibility for deferred and pensioner benefits earned up to 31 March 2015.

Accordingly, Housing 21 is still responsible for meeting deficit payments and expenses for its proportion of SHPS liabilities relating to past membership up to this date (see below). Housing 21 accounts for less than one percent of the SHPS total membership.

Present values of defined benefit obligation, fair value assets and defined benefit liability

	31 March 2025	31 March 2024
	£'000	£'000
Fair value of plan assets	**32,574**	33,279
Present value of defined benefit obligation	**(38,319)**	(40,868)
Deficit in plan	**(5,745)**	(7,589)

25. Pensions (cont)

Reconciliation of opening and closing balances of the defined benefit obligation

	31 March 2025	31 March 2024
	£'000	£'000
Defined benefit obligation at start of period	40,868	41,315
Expenses	44	43
Interest expense	1,945	1,977
Actuarial losses/ (gains) due to scheme experience	1,398	(147)
Actuarial (gains) due to changes in demographic assumptions	-	(518)
Actuarial losses/ (gains) due to changes in financial assumptions	(4,082)	197
Benefits paid and expenses	(1,854)	(1,999)
Defined benefit obligation at end of period	**38,319**	40,868

Reconciliation of opening and closing balances of the fair values of plan assets

	31 March 2025	31 March 2024
	£'000	£'000
Fair value of plan assets at start of period	33,279	33,752
Interest income	1,619	1,647
Experience on plan assets (excluding amounts included in interest income): (loss)	(2,291)	(1,848)
Contributions by the employer	1,821	1,727
Benefits paid and expenses	(1,854)	(1,999)
Fair value of plan assets at end of period	**32,574**	33,279

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was a loss of £672k (2024: loss of £201k).

Defined benefit costs recognised in the Comprehensive Income Statement

	31 March 2025	31 March 2024
	£'000	£'000
Expenses	44	43
Net interest expense	326	330
Defined benefit costs recognised in the Comprehensive Income Statement	**370**	373

Defined benefit costs recognised in Other Comprehensive Income

	31 March 2025	31 March 2024
	£'000	£'000
Experience on plan assets (excluding amounts included in net interest cost): (loss)	(2,291)	(1,848)
Experience gains and losses arising on the plan liabilities: (loss)/ gain	(1,398)	147
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation: gain	-	518
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation: gain/ (loss)	4,082	(197)
Total amount recognised in Other Comprehensive Income — gain/ (loss)	**393**	(1,380)

25. Pensions (cont)

Assets

	31 March 2025	31 March 2024
	£'000	£'000
Global equity	**3,649**	3,316
Absolute return	**-**	1,299
Distressed opportunities	**-**	1,173
Credit relative value	**-**	1,090
Alternative risk premia	**-**	1,056
Liquid alternatives	**6,040**	-
Emerging markets debt	**-**	431
Risk sharing	**-**	1,948
Insurance-linked securities	**100**	172
Property	**1,632**	1,336
Infrastructure	**6**	3,362
Private equity	**29**	27
Real assets	**3,900**	-
Private debt	**-**	1,309
Opportunistic illiquid credit	**-**	1,301
Private Credit	**3,987**	-
Credit	**1,246**	-
Investment Grade Credit	**1,003**	-
High yield	**-**	5
Cash	**442**	657
Long lease property	**9**	215
Secured income	**544**	994
Liability driven investment	**9,865**	13,544
Currency hedging	**52**	(13)
Net current assets	**70**	57
Total assets	**32,574**	33,279

None of the fair values of the assets shown above include any direct investments in the Housing 21's own financial instruments or any property occupied by, or other assets used by Housing 21.

Key assumptions

	31 March 2025 % per annum	31 March 2024 % per annum
Discount rate	**5.77**	4.87
Inflation (RPI)	**3.11**	3.19
Inflation (CPI)	**2.78**	2.76
Salary growth	**3.78**	3.76
Allowance for commutation of pension for cash at retirement	**75 percent of maximum allowance**	75 percent of maximum allowance

The mortality assumptions adopted imply the following life expectancies at age 65 years:

	31 March 2025 (Years)	31 March 2024 (Years)
Male retiring in 2024	**20.5**	20.5
Female retiring in 2024	**23.0**	23.0
Male retiring in 2044	**21.7**	21.8
Female retiring in 2044	**24.5**	24.4

25. Pensions (cont)

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure the scheme liability is set out below:

Changes in assumptions at year end	Approx. % increase to employer liability	Approx. monetary increase to employer liability £'000
0.1% decrease in Real Discount Rate	1.12	428
One year increase in member life expectancy	2.71	1,037
0.1% increase in Salary Increase Rate	0.01	4
0.1% increase in the Pension Increase/ Revaluation Rate (CPI)	0.96	366

Social Housing Pension Scheme: Defined Contribution (administered by The Pensions Trust)

Following the closure of the SHPS Defined Benefit structure to new members, employees can join the SHPS Defined Contribution scheme. The pension cost of this scheme for the Association in the year was £4,036k (2024: £2,165k) with 987 employee members at the year end (2024: 779). This includes £363k (2024: £311k) outstanding contributions at the Balance Sheet date.

Group Stakeholder Plan with Axa Sun Life

Following the closure of the Social Housing Pension Scheme ('SHPS') defined benefit scheme to new members, employees were offered the opportunity to join the Group Stakeholder Plan. This is closed to new members. The pension cost of this scheme for the Association was £296k (2024: £163k) with 37 employee members at the year end (2024: 44). This includes £27k (2024: £23k) outstanding contributions at the Balance Sheet date.

National Employment Savings Trust

To meet the new requirements of auto-enrolment in October 2013 all employees not part of one of the existing schemes were enrolled into the NEST. This is a defined contribution scheme. The pension cost of this scheme for the Association was £3,002k (2024: £1,741k) with 3,497 employee members at the year end (2024: 2,460). This includes £258k (2024: £244k) outstanding contributions at the Balance Sheet date.

Local authority pension schemes

Due to the TUPE transfer of employees, the Association participates in the following multi-employer defined benefit pension schemes:

Oldham Metropolitan Borough Council Pension Scheme

Oldham Metropolitan Borough Council's Pension Scheme is a defined benefit scheme. However, Housing 21's liability in relation to its employees is capped at 20 percent. The scheme is therefore accounted for as a defined contribution scheme in accordance with Section 28 of FRS 102 as the charge in the Comprehensive Income Statement represents the employer contribution payable.

During the financial year Housing 21 paid contributions at 20.6 percent (2024: 20.6 percent) totalling £19k (2024: £18k). This includes £0k (2024: £0k) outstanding contributions at the Balance Sheet date. There were three employee members at the year end (2024: three). Employee contributions were between 5.8 percent and 6.5 percent (2024: 5.8 percent to 6.5 percent).

The 0.6 percent difference between Housing 21's capped employer contributions (20 percent) and actual employer contributions (20.6 percent) is reclaimed from Oldham Metropolitan Borough Council.

25. Pensions (cont)

Walsall Metropolitan Borough Council Pension Scheme

Walsall Metropolitan Borough Council's Pension Scheme is a defined benefit scheme. However, Housing 21's liability in relation to its employees is capped at 14.7 percent. The scheme is therefore accounted for as a defined contribution scheme in accordance with Section 28 of FRS 102 as the charge in the Comprehensive Income Statement represents the employer contribution payable.

During the financial year Housing 21 paid contributions at 11.6 percent (2024: 11.6 percent) totalling £136k (2024: £135k). There were 46 employee members at the year end (2024: 50). This includes £13k (2024: £19k) outstanding contributions at the Balance Sheet date.

The 3.1 percent difference between Housing 21's capped employer contributions (14.7 percent) and actual employer contributions (11.6 percent) is payable to Walsall Metropolitan Borough Council. Employee contributions were between 5.5 percent and 6.5 percent (2024: 5.5 percent — 6.5 percent).

Suffolk County Council Pension Scheme

The Association is an admitted body to the Suffolk County Council Pension Scheme which is administered by Suffolk County Council. Suffolk County Council's pension scheme is a defined benefit scheme. However, Housing 21's liability in relation to its employees is capped at 20.8 percent. The scheme is therefore accounted for as a defined contribution scheme in accordance with Section 28 of FRS 102 as the charge in the Comprehensive Income Statement represents the employer contribution payable.

During the financial year Housing 21 paid contributions at 20.8 percent (2024: 20.8 percent) totalling £9k (2024: £9k). This includes £1k (2024: £1k) outstanding contributions at the Balance Sheet date. There were three (2024: three) employee members at the year end. Employee contributions were 5.5 percent (2024: 5.5 percent).

London Borough of Lewisham Pension Scheme

The Association is an admitted body to Lewisham Pension Schemes (the Fund) which is administered by the London Borough of Lewisham under the regulations governing the Local Government Pension Scheme, a defined benefit scheme.

The most recent formal funding valuation of the Fund was carried out as at 31 March 2022, with such valuations undertaken every three years. An accounting valuation, which is required annually, is also prepared. The impact of the next formal valuation will become known during the coming year.

To calculate Housing 21's asset share at the 31 March 2025, the actuary has rolled forward Housing 21's assets calculated at the latest funding valuation allowing for investment returns, employer and employee contributions paid in, and estimated benefits paid out by fund. Likewise for Housing 21's liability share, the actuary has rolled forward the value of Housing 21's obligations calculated at the latest funding valuation allowing for the financial assumptions required under the Accounting Standard. Included in this is estimated benefit accrual for current employees and estimated benefits paid out to Housing 21's former employees.

Reconciliation of defined benefit contributions

	31 March 2025	31 March 2024
	£'000	£'000
Opening defined benefit obligation	**413**	409
Current service costs	**8**	8
Interest cost on defined benefit obligation	**20**	19
Contributions by members	**2**	2
Actuarial gains	**(51)**	(9)
Benefits paid	**(17)**	(16)
Closing defined benefit obligation	**375**	413

25. Pensions (cont)

Reconciliation of fair value of assets employed

	31 March 2025	31 March 2024
	£'000	£'000
Opening fair value of assets employed	367	334
Interest income on plan assets	17	16
Contributions by members	2	2
Contributions by employers	7	6
Actuarial (losses)/ gains	(7)	25
Benefits paid	(17)	(16)
Closing fair value of assets employed	369	367

	31 March 2025	31 March 2024
	£'000	£'000
Fair value of plan assets	369	367
Present value of plan liabilities	(375)	(413)
Net pension scheme liability	(6)	(46)

Analysis of actuarial loss recognised in Other Comprehensive Income

	31 March 2025	31 March 2024
	£'000	£'000
Changes in financial assumptions	47	15
Changes in demographic assumptions	1	3
Other experience	3	(9)
Return on assets excluding amounts included in net interest	(7)	25
	44	34

Composition of plan assets

	31 March 2025	31 March 2024
Equities	66%	72%
Bonds	21%	16%
Property	9%	9%
Cash	4%	3%

Principal actuarial assumptions used at the Balance Sheet date

	31 March 2025	31 March 2024
Pension increase rate	2.8%	2.8%
Salary increase rate	3.8%	3.8%
Discount rate	5.8%	4.8%

Mortality

Life expectancy is based on the Fund's Vita Curves with improvements in line with the CMI 2023 model, standard smoothing, initial adjustment of 0.25 percent and a long-term rate of improvement of 1.5 percent p.a. for males and females.

	31 March 2025		31 March 2024	
	Males	Females	Males	Females
Current pensioners	19.2 years	22.1 years	19.3 years	22.1 years
Future pensioners*	19.1 years	25.2 years	19.2 years	25.3 years

* Figures assume members aged 45 as at the last formal valuation date.

The pension cost of this scheme to the Association for the year was £7k (2024: £6k). This includes £0k (2024: £1k) outstanding contributions at the Balance Sheet date. There was one employee member at the end of the year (2024: one). The average contribution rate of the Association for the year ended 31 March 2025 was 22 percent (2024: 22 percent) and for employees 5.8 percent (2024: 5.8 percent).

26. Investments and Subsidiary Undertakings

The following comprise the subsidiary undertakings for incorporation into the consolidated accounts for the Group in accordance with the Co-operative and Community Benefit Societies Act and Financial Reporting Standards.

Active trading subsidiary companies

Name and principal activity	Country of registration	Status	Basis of control
Housing 21 Guernsey LBG Development and management of Extra Care properties in Guernsey	Guernsey	Private company limited by guarantee	Housing 21 is a member and controls the composition of the Board
Kent Community Partnership Limited Building and managing Extra Care properties in Kent	England and Wales	Co-operative and Community Benefit Society	Housing 21 is a member and controls the composition of the Board
Oldham Retirement Housing Partnership Limited Management of Retirement Living properties in Oldham	England and Wales	Co-operative and Community Benefit Society	Housing 21 is a member and controls the composition of the Board

Dormant subsidiary companies

Name	Country of registration	Status	Basis of control
Housing 21 Development Services Limited	England and Wales	Private limited company	Ownership of one £1 share being 100% of the issued share capital
Housing 21 Property Services Limited	England and Wales	Private limited company	Ownership of two £1 shares being 100% of the issued share capital

Transactions with non-regulated entities

Housing 21 provides services to its subsidiaries under a management agreement. The services are recharged based on the actual or estimated use of Housing 21's resources. These services are apportioned as follows:

	2025				2024
	Turnover	**Operating costs**	**Interest payable**	**Total**	Total
	£'000	**£'000**	**£'000**	**£'000**	£'000
Kent Community Partnership Limited	**3,142**	**(760)**	**(768)**	**1,614**	1,511
Housing 21 Guernsey LBG	**-**	**(189)**	**-**	**(189)**	(177)
Oldham Retirement Housing Partnership Limited	**-**	**(7,435)**	**(540)**	**(7,975)**	(6,754)
Total	**3,142**	**(8,384)**	**(1,308)**	**(6,550)**	(5,420)

- **Kent Community Partnership Limited**: rent associated with the properties owned by Kent Community Partnership Limited are set, managed and collected by Housing 21 and are recorded in Housing 21's income accordingly. As part of the contract, Housing 21 pays Kent Community Partnership Limited an agreed level of rent each year. Any difference between rent collected by Housing 21 and paid over to Kent Community Partnership Limited creates a gain or loss in Housing 21. In addition, housing management services have been sub-contracted to Housing 21 and Kent Community Partnership Limited has outstanding concessionary loans of £6,976k (2024: £6,976k), on which interest is charged at 11 percent (2024: 11 percent).
- **Housing 21 Guernsey LBG**: back-office management functions have been sub-contracted to Housing 21 under a management contract.

26. Investments and Subsidiary Undertakings (cont)

- **Oldham Retirement Housing Partnership Limited**: Maintenance, lifecycle works, and housing management are sub-contracted to Housing 21 under an operating contract. In addition, Oldham Retirement Housing Partnership Limited has outstanding concessionary loans of £24,395k (2024: £25,445k), in which interest is charged at two percent (2024: two percent).

27. Guarantees

The Association is a party to a guarantee of £551k (2024: £551k) in favour of Warwickshire County Council within their banking facility and £50k (2024: £50k) with London Borough of Merton.

28. Related party transactions

During the 2024/2025 financial year, two Resident Board Members were appointed. Their tenancies are held on the same terms and conditions as those of other residents, and they are unable to use their position as Board Members to gain any advantage in their relationship with the Association as residents. The rent and service charges paid by Resident Board Members during the year were as follows.

	2024/2025 Rent and Service charges (£)	Balance prepaid at 31 March 2025 (£)	2023/2024 Rent and Service charges (£)	Balance prepaid at 31 March 2024 (£)
John Ayton*	-	-	8,482	404
Richard Dell	7,768	460	-	-
Elizabeth (Anne) Golledge	9,555	587	-	-

*Deceased and therefore left the Board 5 January 2024

There were also two Resident Committee Members who are not Board Members and therefore do not have voting rights on key matters but nonetheless provide valuable contributions. Resident Committee Members also hold tenancies on the same terms and conditions as other residents and, like Board Members, are unable to use their positions to secure any advantage in their dealings with the Association.

In March 2025, Housing 21 made a £2 million donation to a newly established independent charitable trust called Housing 21 Resident Support Trust Limited (the Trust), which is a company limited by guarantee without share capital. At the Balance Sheet date, Housing 21's Chair and Chief Executive were directors of Housing 21 Resident Support Trust Limited (the Trust).

The Trust has been created to promote the wellbeing and benefit of Housing 21 residents, with a particular focus on relieving hardship and distress. It operates as an independent entity governed by a trust deed. While Housing 21 itself does not directly benefit from the activities of the Trust, its residents will do. At the Balance Sheet date the value of the funds is £2 million.

There are no other related party transactions have been entered into during the year, other than those disclosed in note 26, which might reasonably affect any decision made by the users of these Consolidated Financial Statements.

29. Contingent Assets and Liabilities

Certain lease agreements include an obligation for Housing 21 to buy back leasehold properties. The buy back price is either the market value or a discounted value, depending on the terms stipulated in the lease. Once these properties are bought back, they are held as stock until they are resold.

In addition, Housing 21 may offer to buy back properties from residents even where there is no contractual obligation to do so. This discretionary buyback is offered to residents having trouble selling their properties and is subject to individual investment appraisals at the time of each transaction. The purchase price in these cases would be up to 80 percent of the original sales price. Once repurchased, the property will either be held as stock until resale or converted to a social rent property.

As the timing and value of these transactions are uncertain and cannot be reliably measured, we have not provided for these amounts in the Financial Statements.

During the year, the Group and Association have spent £1,478k on buying back 17 properties from leaseholders/ shared owners (2024: £2,390k on 26 buybacks). These have subsequently been rented out.

30. Post-Balance Sheet Events

There are no other post Balance Sheet events.

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Regulated by the Regulator of Social Housing Reg. No. L0055
Community Benefit Society FCA Reg. No. 16791R / Chief Executive: Bruce Moore