HYDE HOUSING ASSOCIATION LIMITED

Annual report and financial statements

31 March 2025

Regulator for Social Housing Registration No. LH0032
Co-operative and Community Benefit Societies Act Registration No. 18195R


Hyde
MUSEUM & TOUR

Contents

The Hyde Group

Hyde Housing

Investment, Development and Partnerships

Pinnacle Group

Contents

Hyde Group performance

Hyde Group governance

Financial statements

The Hyde Group

Providing homes and serving communities that people can be proud of

Highlights 2024/25

Customers

81.4%

overall satisfaction with customer services[1]

(2023/24: 77.6%)

85.6%

customer satisfaction with repairs[1]

(2023/24: 77.6%)

98.9%

homes meeting the Decent Homes Standard

(2023/24: 98.3%)

£0.4m

awarded to customers in financial crisis

(2023/24: £0.3m)

£1.2m

awarded through grants by Hyde Charitable Trust

(2023/24: £1.3m)

£27.5m

in social value impact delivered by suppliers[2]

(2023/24: £9.6m)

Building more homes

117,908

homes owned and/or managed

(2023/24: 44,320)

519

homes started

(2023/24: 823)

602

homes completed

(2023/24: 630)

1. Hyde Housing only: based on customer feedback after they've received a service from us. Hyde Group Tenant Satisfaction Measures, which are perception based, can be found on p15, 44 and 52.
2. Hyde Housing suppliers only.

Highlights 2024/25

Our people[1]

75%

colleague engagement

(2023/24: 78%)

1.1%

median gender pay gap

(2023/24: 1.8%)

3.8%

median ethnicity pay gap

(2023/24: 5.6%)

Financial

£465.6m

Group turnover

(2023/24: £350.9m)

21.8%

housing operating margin[2]

(2023/24: 21.1%)

£157.9m

Group EBITDA

(2023/24: £144.5m)

£3.53bn

housing assets

(2023/24: £3.34bn)

£1.59bn

net debt

(2023/24: £1.47bn)

£775m

available liquidity

(2023/24: £848m)

1. Hyde Housing colleagues only.
2. Operating surplus and margin metrics are defined and reconciled on p92-93. Statutory operating surplus and margin (including operating cost adjustments) was £123m and 26.4% (2023/24: £72.9m and 20.8%).

Introduction from the Group Chair and Group Chief Executive Officer

It's an exciting time at Hyde, as we continue on our ambitious journey to be the best housing, property, and community services provider in the UK, while maintaining our strong financial position during a year of growth.

We've fundamentally changed how we're organised, to better meet customers' needs and priorities, in response to customer feedback. We're now more joined-up, more customer focused and more visible in our communities.

Our new neighbourhoods approach, introduced in January 2024, is enabling colleagues to spend twice as much time face-to-face with our customers. At the same time, we opened our new Customer Service Centre, and expanded our self-service options. We're delivering better levels of service, more consistently, and ensuring customers' homes are safe, decent and affordable to live in. About 95% of repairs are carried out by our in-house teams, with most repairs completed in less than three days.

We've grown too. We completed the acquisition of the Pinnacle Group in October 2024 and finalised the deal to bring Tower Hamlets Community Housing into the group on 1 April 2025.

We now own and/or manage about 120,000 homes, and provide housing management, neighbourhood and workplace services to more than 350,000 homes in all four nations of the UK. We're a trusted partner of schools, colleges, universities, councils, housing associations, the armed forces, emergency services, government bodies, national and multinational clients and investors.

Our end-to-end offering now encompasses the delivery of new homes, from land acquisition, through to construction management and handover, along with landlord services, property and estates management, maintenance and tenancy management, facilities management and operational support.

This growth has been underpinned by our focus on listening to and building our services around our customers and clients. And our charitable and social purpose is unchanged: we don't pay dividends to shareholders and any surplus is reinvested, to deliver better outcomes in the communities we serve.

Meeting the financial challenges

While our operating environment remains challenging, we're in a strong place, financially. Group turnover increased to £465.6m (2023/24: £350.9m) and EBITDA increased to £157.9m (2023/24: £144.5m). This continued financial discipline, and operational efficiencies, enabled us to invest more in our homes and in improving customer outcomes this year, and to continue building affordable homes.

Our strong financial position is reflected by credit ratings. From Fitch we have an A rating (stable outlook) and from S&P Global we have an A- rating (negative outlook).

Empowering customers to improve services

We want customers to be our partners in safeguarding and improving their communities. We're committed to ensuring they feel informed and listened to, and for them to scrutinise and help co-create services. This year, we recruited ten members to Customer Voice, our strategic customer group, who are more representative of our customers in age, geographic spread and tenure.

Introduction from the Group Chair and Group Chief Executive Officer

Encouraging diversity and inclusion to serve customers better

Encouraging different experiences and perspectives to be voiced and shared is at the heart of how we work. It makes us a stronger team, enables clearer decision-making and creates better homes, communities and services for our customers.

We're striving to achieve better ethnic diversity and gender balance at a senior level, by developing a pipeline of future leaders. We're also focusing on the recruitment, progression, and career development of under-represented groups in our workforce, and on tackling our gender and ethnicity pay gaps, which continue to narrow.

Many of our 5,000 plus colleagues are actively engaging with customers in our communities every day. This is helping us to build knowledge, trust and empathy, and to tackle stigma. This includes ensuring listening to seldom-heard customers with vulnerabilities to co-design and deliver services.

Building homes in thriving communities

There continues to be a critical shortage of affordable homes in the UK: the government is looking to the sector help deliver its plan for 1.5 million new homes by the end of the current parliament. Of course – like our peers – we want to do more, but as we've said before, due to the financial pressures we're under, we can't do this alone.

This year, despite delays in starting some significant developments, we maintained the number of homes we handed over year-on-year.

We'll continue to be flexible and innovative when partnering with others, and use our Community and Place Standard to build more homes in neighbourhoods that make the most of our green spaces, are climate-resilient, and that are enjoyable places to live.

Looking to the future

Meeting competing priorities is a fine balance. We're pleased the government has acknowledged the capacity pressures facing the sector. The Spending Review responded positively to key issues we've raised with government, with funding for new home building, fairer access to building safety funding and longer-term certainty on rent setting.

We're looking forward to discussing with government the important role it has to play in ensuring social rent homes are financially sustainable in the long-term, which is something we've been a leading voice in calling for over several years. Social rents are quite rightly much cheaper than private housing costs, and will remain so, but they also need to reflect the investment we need to meet customer expectations.

Our new 2030 Strategic Plan, which was published as this report was being prepared, demonstrates our continuing commitment to serving customers, investing in homes, supporting communities, building homes, growing our income and empowering our people.

We won't lose sight of why we're here: to serve the people living in the homes we manage, and their communities. We'll continue to listen – and learn – and to strive to improve the quality of our homes and services, to deliver better outcomes for customers, communities and clients.

Mike Kirk
Hyde Group Board Chair

Andy Hulme
Hyde Group Chief Executive Officer

About us

We're one of the largest and most diverse housing providers in the country. We're a group led by a not-for-profit housing association, owning and/or managing about 120,000 homes. We provide neighbourhood services to more than 350,000 homes across the UK, and proudly support armed forces families with their housing needs. We also provide services to more than 160 schools, colleges and universities, helping to create environments where people can thrive.

We use our knowledge and expertise to provide high quality homes and services for people from all walks of life. We're proud of the diversity of the communities we serve, and of the colleagues delivering these services. We're there for thousands of people who need support, from helping them to put down roots, to maintaining their independence in retirement, or finding a safe space in the hardest of times. Through our community spaces and partnerships, we're giving people the chance to come together to have fun; to help themselves and their communities; and enabling ourselves and our partners to offer vital support where others no longer are.

We work with our local and combined authority partners, housebuilders and like-minded investors to find new ways to build more affordable homes, because we all need to work together to fix the housing crisis.

We're an integrated group of companies and specialist teams, offering distinct but complimentary capabilities:

Hyde Housing: Our not-for-profit housing association and regulated subsidiaries, focused on ensuring all our homes are safe, affordable and sustainable. It leads on social housing, shared ownership, leasehold services and supported living, and is responsible for regulatory compliance of all regulated providers and long-term asset stewardship.

Hyde Foundation: Our charitable arm, delivering community development programmes, social impact initiatives and partnerships with grassroots organisations, to support thriving, inclusive neighbourhoods.

Investment, Development and Partnerships: Our specialist teams focused on scaling up housing delivery through new funding and partnership models. This includes the end-to-end delivery of new homes, from land acquisition, through to construction management and handover.

Pinnacle Group: A national leader in community-facing managed services, providing housing management, neighbourhood and workplace services. It serves a range of clients, including local authorities, combined authorities, schools and institutional landlords, as well as Hyde-owned homes.

Our vision

A great home for everyone

Our mission

To provide homes and serve communities that people can be proud of

How we’ll achieve our ambitions

We’ll bring together our expertise in managing homes and communities, with investment management and building homes, to create thriving communities and partnerships that benefit everyone – our charitable and social purpose will remain at the heart of what we do

Our customers

Our charitable and social purpose is to provide high quality affordable homes. We provide homes and services to a diverse range of people in mixed, vibrant communities across the UK.

Our residential customers

- **Social rent customers** who rent their homes at below market rates
- **Shared ownership customers** who part-own and part-rent their homes, helping them get on the property ladder
- **Leaseholders** who own a home in one of our buildings or on land we own, and to whom we provide communal services
- **Later living and specialist housing customers** who may have vulnerabilities due to age, disability or other factors, and who may need specialised housing
- **Military families** living in Ministry of Defence provided Service Family Accommodation
- **Private renters** who rent their homes at market rates or an intermediate, discounted rate
- **Students** who live in purpose-built accommodation with communal study spaces, plus recreational and event facilities
- **Key workers** who rent their homes, sometimes at subsidised rates
- **People living in temporary accommodation** waiting for permanent homes.

Our customers

Our clients and partners

We work with a wide range of partners, providing services tailored to meet their needs.

- **Local and combined authorities, housing associations, schools, hospitals and government bodies** to whom we provide property management, maintenance and tenant support services
- **Businesses and commercial clients** to whom we provide facilities management, security and operational support
- **Community organisations** who we support to deliver community services, to engage with communities and to run neighbourhood improvement programmes
- **Housebuilders** who we work with to build mixed-tenure housing
- **Institutional investors and funders** who we partner with to help them invest in housing and to build more homes.

Tenant Satisfaction Measures

All our Tenant Satisfaction Measures (TSMs) improved this year, as we continued to improve our systems, and how we communicate with customers about repairs, complaints and other issues. TSMs are perception measures. This means they are different to the headline satisfaction measures presented elsewhere in this report (including in the value for money metrics), which are based on feedback from customers after they've received a service from us. We use both measures to monitor our performance.

TSMs are set by the Regulator of Social Housing. All housing providers registered with the Regulator of Social Housing must collect and publish this information every year.

This year's results show that both tenants' and shared owners' satisfaction has increased by every measure from last year, as we continued to improve services and engage with customers on a local level, to build their trust. While we have made good progress, we still want to see improvements in satisfaction, particularly among shared owners.

About two thirds of tenants say they're satisfied with our services overall and that we're better at listening to their views and acting on them. Seven out of ten tenants are satisfied we're keeping them informed on what matters to them most.

We've continued to improve how we communicate about repairs, complaints and other issues. Our Customer Service Centre team is solving queries faster, and we've added more functionality to MyAccount, so customers can raise and track enquiries at a time and a place that suits them (p43).

And our neighbourhoods approach, which sees colleagues spending more time in communities than ever before, means customers say we're making more of a positive contribution to where they live (p15).

Antisocial behaviour was one of the last areas to be reviewed within our neighbourhood operating model and it showed the smallest increase in satisfaction. We've introduced new systems this year to log and track cases better, and to improve response times and communication. Customers can also track cases through MyAccount.

Nearly seven out of ten tenants are satisfied with our repairs services, up 8% on last year. Our focus has been on repairs requiring multiple visits, as this was a source of dissatisfaction.

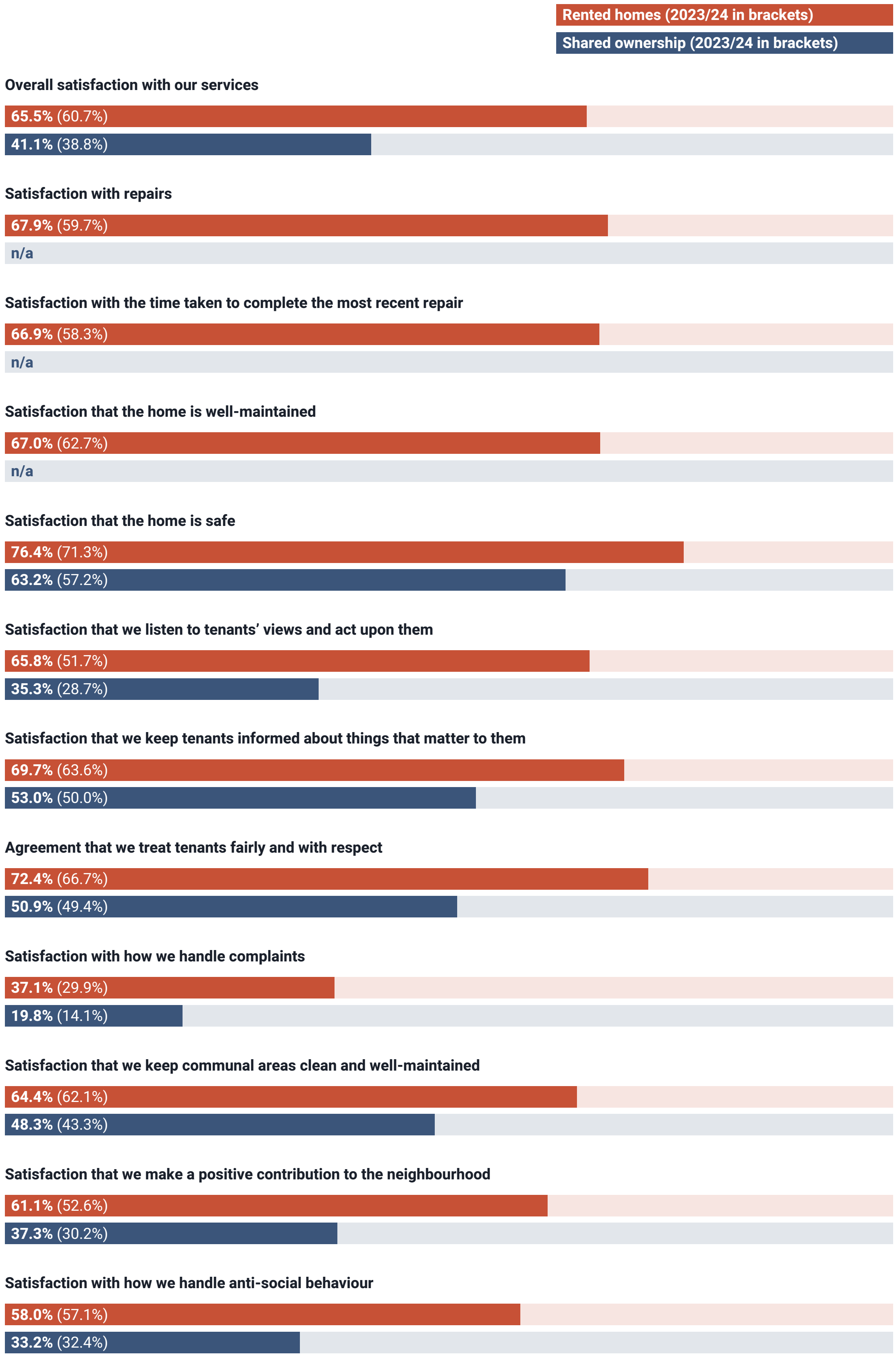
Shared owners satisfaction increases

Shared owners' satisfaction increased in every area. Overall, 41% are satisfied with services, half say we keep them informed and a third say we listen to their views and act on them.

It's important we address the areas of dissatisfaction for shared owners (including complaints handling, communication and building safety) and so this remains a key focus for us. This year, improvements to our service charge processes, including making it easier for customers to raise queries through MyAccount, means we're responding faster and satisfaction has increased (p15). We'll be working with all homeowners (including shared owners) over the coming year, re-introducing our Homeowners Group and encouraging them to join Customer Voice (p64).

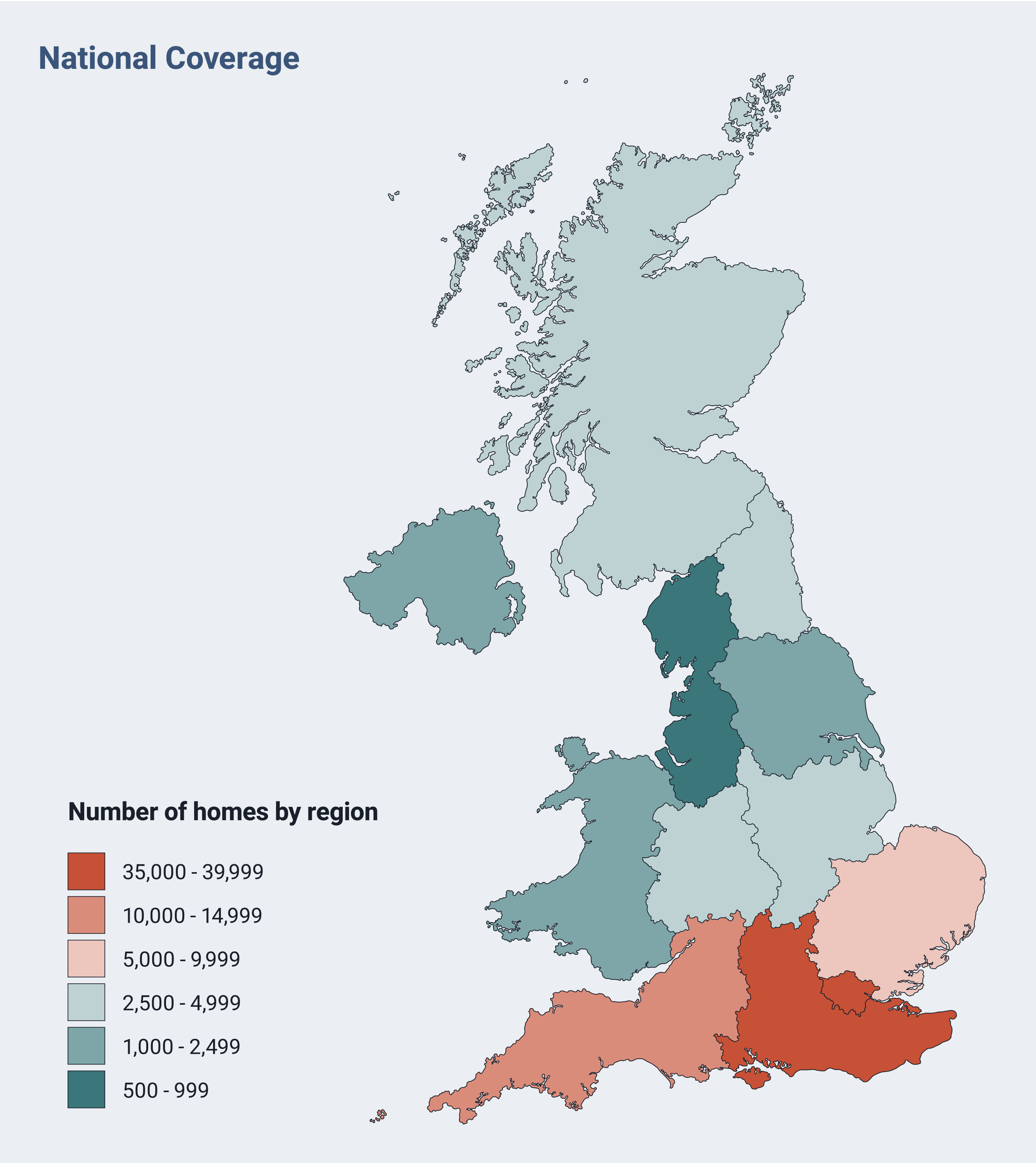
Note: Our 2024/25 figures include feedback from Pinnacle Group customers; 2023/24 figures are for Hyde Housing customers only. We used an independent research company to interview 2,645 tenants and 608 shared owners between July 2024 and February 2025.

Tenant Satisfaction Measures

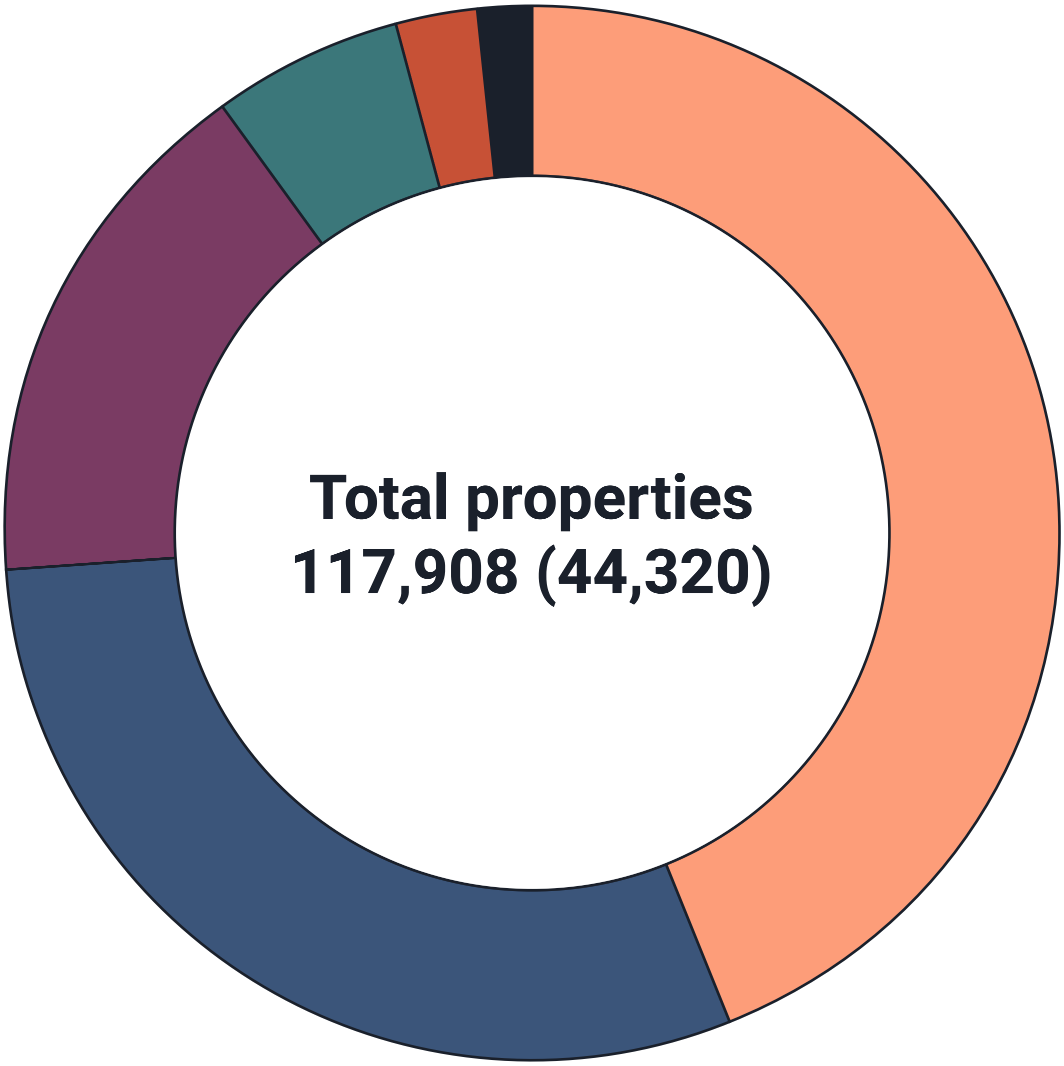


Our homes

Our mission is to provide more people with a roof over their head, so that they can make a home. To do this, we provide homes that span customers' lives via a range of tenures. We had 117,908 (2023/24: 44,320) properties in ownership and/or management on 31 March 2025, covering the whole of the UK.



Our homes



Properties by tenure type 2024/25 (2023/24 in brackets)

Non-social rental units 51,826 (68)

Homes considered outside of the scope of registered providers such as DIO, student accommodation and market rent

General needs and affordable rent 35,300 (28,864)

Primarily for individuals and families unable to rent or buy at market value

Leaseholder and freeholder management 19,232 (7,191)

Properties and homes owned by individuals on our developments and to whom we provide services

Shared ownership 6,636 (4,364)

Customers purchase a share in the equity of their home and pay rent to us on the remainder

Supported housing and older people schemes 2,992 (2,777)

Primarily for those with additional needs, including care homes

Other social housing 1,922 (1,056)

Including intermediate rent, leasehold and management schemes providing temporary accommodation and rent-to-buy tenures

Our 2030 vision and targets

We want to become the best and most diverse housing, property, and community services provider in the UK.

We already offer services to customers, clients and partners in all nations of the UK. Our end-to-end service will see us integrate the management of homes and the creation of thriving communities with investment management and building homes, to create places and partnerships that benefit everyone.

Our charitable and social purpose means serving our customers and communities will continue to be our priority. This means listening to the people living in the homes we manage, and the communities we serve, and using this insight to shape and continuously improve the quality of our homes and services.

We'll continue to build much needed homes, partnering with others to fund them. We will grow our income, and our relationships, as a trusted partner for the public sector and for private sector clients. We'll do this by delivering services ourselves and with others, covering every aspect of providing good housing, from financing and building homes, to their long-term management in sustainable, thriving communities.

We'll use the money we generate to continue to invest in improving the safety and sustainability of our homes, and to invest in our communities. We'll empower our colleagues and seek to deliver positive social, environmental and economic value through everything we do.

Our 2030 vision and targets

Our strategic objectives for 2025-2030

Our strategic objectives will enable us to be a better landlord to the people who need us the most – our customers – and work with our public and private sector partners to deliver more homes and services in thriving communities across the UK.

Serve

We'll deliver consistently high-quality housing, property and community services.

Invest

We'll maintain and invest in homes and community spaces, so they're safe, decent and sustainable for the long term.

Support

We'll support customers and communities so they can thrive, providing services that deliver long-term social impact.

Build

We'll build as many homes as we're able to deliver for Hyde and others, with a focus on social and affordable homes.

Grow

We'll grow our income, and manage our costs carefully, to ensure long-term financial sustainability.

Empower

We'll empower our colleagues, by promoting a customer-led culture of excellence.

Delivering meaningful social impact

23,458

people supported by Hyde Charitable Trust grant funding

(2023/24: 32,503)

£27.5m

in social value impact delivered by suppliers

(2023/24: £9.6m)

£1.2m

awarded through grants by Hyde Charitable Trust

(2023/24: £1.3m)

The support Hyde Charitable Trust (HCT) provides, enables our social investment team, Hyde Foundation, to bring about positive change for customers and neighbourhoods, whether it's preventing homelessness, supporting young people and care leavers, helping people meet their aspirations and connecting communities, by investing in their community centres.

Supporting our community partners

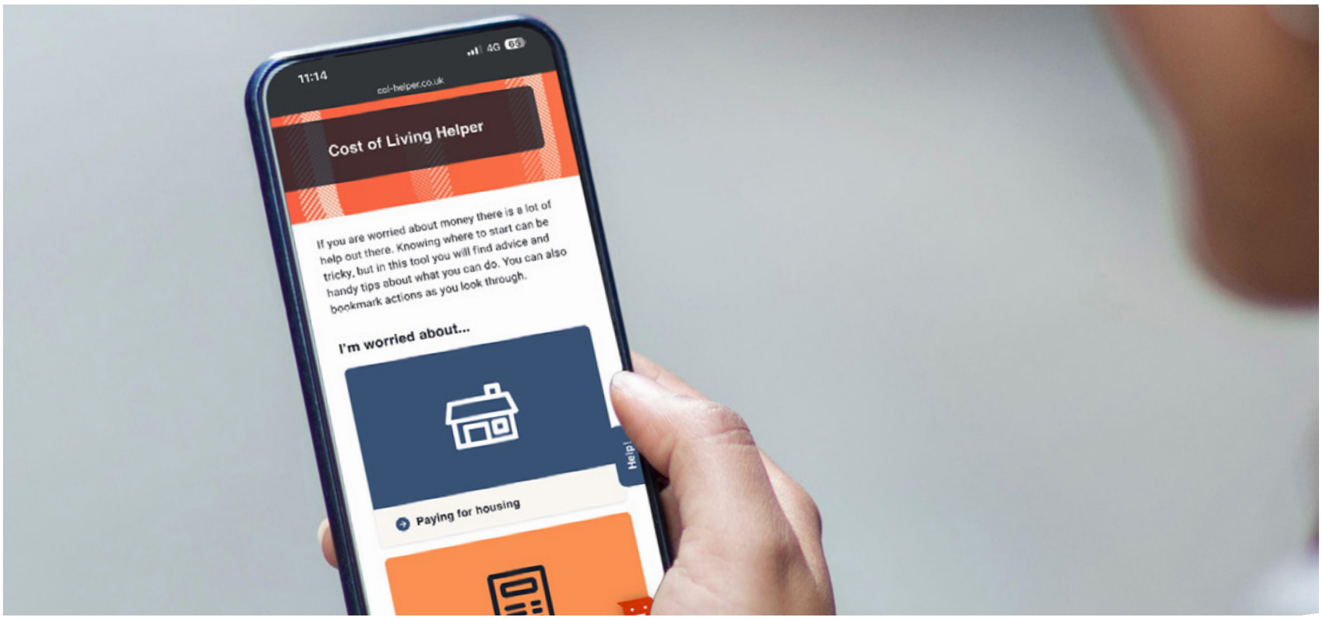
Our community partners provide local services that support and empower our customers to create successful and resilient lives for themselves and their communities. From youth programmes, to jobs and workplace training, advice and support services and community gardens, our partners play a key role, so it's important that we continue to support them.

By building partnerships in our communities, with grassroots organisations, schools, local authorities, the NHS, adult education providers, as well as regional and national organisations, we can develop a deep understanding of our communities, the people living there, their immediate priorities and any gaps in provision they face. It also helps us identify the needs of charitable organisations delivering services to those communities.

HCT has steadily increased its annual funding to partners, with £512k awarded this year (2023/24: £510K). A total of 68 community partners were funded in 2024/25 (29 through new grants awarded in the year and 39 through existing grants) to help them to continue to deliver support, to develop and deliver new services, or to enhance existing services. This funding has helped 23,458 people this year, fewer than in 2023/24 (32,503), as we worked with our partners in helping customers more intensively, ensuring they were supported across various aspects of their lives.

It's also important we provide practical support to develop partners' capacity and sustainability; creating networks between them that hadn't previously existed, and creating the potential to unlock new opportunities, particularly around funding.

Delivering meaningful social impact



Helping Hand Fund

HCT's Helping Hand Fund was launched in April 2024. It combined HCT's Domestic Abuse Fund, Hardship Fund and Successful Tenancies Fund into one fund that's accessible to every Hyde customer in crisis.

In 2024/25, £406K (2023/24: £323K) was awarded to 1,112 customers (2023/24: 1,263) in financial crisis. Grants supported customers struggling to pay their energy bills, those having trouble managing their tenancy and people affected by the impact of domestic abuse. The biggest area of support was food vouchers, with 1,411 vouchers totalling £126K distributed (2023/24: 895 vouchers worth £48K). We also helped customers to pay rent and utility bills and buy white goods, furniture and flooring.

Surprise Fund

Hyde Charitable Trust celebrated its 40^{th} birthday in 2025, with the launch of its Surprise Fund for community partners. In total, HCT awarded 43 grants of more than £40,000 for partners to spend on something to celebrate their volunteers, colleagues and the communities they work in.

- The Jason Roberts Foundation, which manages Hyde's Bridgestone Arena in Brent, held a 'Community First' fun day of sport and family activities for more than 500 people
- Brighton Table Tennis Club held an event to celebrate two of their members, Bly Twomey and Will Bayley, who competed at the Paris Paralympics
- UKHarvest, which operates food hubs across West Sussex, held its first-ever team celebration
- The team from My Sisters' House, which provides support and services for women across Bognor Regis and Chichester, visited the 'Her Story: Women of Goodwood' exhibition.

Delivering meaningful social impact

Social Value

Our supply chain partners generated a total of £27.5m in social value in 2024/25, a significant increase on the £9.6m delivered in 2023/24.

Along with jobs, apprenticeships, volunteer hours, mentoring, work placements, financial donations and project sponsorship, this includes £23.5m (2023/24: £8.5m) spent by suppliers with local Micro, Small and Medium Enterprises, and Voluntary, Community or Social Enterprises, helping to boost local economies and support the voluntary sector.

Delivering meaningful social impact

case study

Prospex: Ten years of partnership

Youth charity Prospex provides vital support to 8-19 year olds in north Islington. HCT has worked with Prospex since 2014 and in 2016 Hyde Foundation got involved, when Prospex moved to our 'Underground' community centre on the Ringcross estate.

Since then, HCT has awarded about £100,000 to Prospex to support its services, which include providing hot meals to young people and a range of activities, from music-making to outdoor adventures. Most recently, HCT awarded more than £70,000 to Prospex to support the vital work of its street teams, which engage with, and support, vulnerable young people at risk of being drawn into gangs, knife crime and anti-social behaviour.

Our support has helped Prospex to secure match funding from other housing associations, the Mayor's Office for Policing and Crime, National Lottery, City Bridge Trust and private donors.

Delivering meaningful social impact

case study

The Hyde Community Bus

We teamed up with Community Transport Sussex and leasing company Rivervale to launch the Hyde Community Bus Project at the end of 2024, delivering accessible transport to people living in Midhurst and surrounding areas. HCT awarded a grant to Community Transport Sussex, through its Evolve Fund, to lease an electric, wheelchair accessible minibus. The new bus provides accessible, affordable transport for young families, and isolated disabled and older people, helping them get to the shops, access support services and visit parks and attractions.

Delivering meaningful social impact

case study

Match My Project helps Vish kickstart his career

Vish joined Hyde as a housing assistant through the government's Kickstart programme in 2022, before embarking on a degree in Quantity Surveying at the University of Reading.

Vish was struggling to secure an industrial 12 month placement, and approached us for help. After a review, our Social Value team agreed to use Match My Project to ask if any of our supply chain partners were interested in offering him a placement. Vish was offered an internship with chartered surveyor and construction consultant, Martin Arnold. He started in July 2024.

Vish said: "The experience I've gained has been invaluable. After I finish my year out and return to university to finish my degree, I want to become a chartered quantity surveyor with RICS."

Delivering meaningful social impact

case study

Providing safe spaces for young people in Peterborough

Funding and support from Hyde Charitable Trust and our supply chain partners is supporting Helping Empower Lives in Peterborough (HELP) to provide activities for young people in the area, with the aim of breaking down barriers and prejudice around religion, race and culture. Funding has helped pay for the charity's football coaching sessions and is helping it build a kitchen to run cooking lessons.

HELP also runs youth groups and provides mental health advice and one-to-one wellbeing sessions. It also offers practical support, providing food, clothing, SIM cards, pushchairs, English lessons and employment advice.

Delivering meaningful social impact

case study

Transforming tired allotments at Ringcross

Ringcross allotments in Islington received some much needed improvements last year, thanks to volunteers from one of our partners Avison Young, as part of its social value commitments.

The allotments are managed by the Ringcross Tenants and Residents' Association but were becoming overgrown, which meant people weren't using them as much as they could have. Six volunteers from Avison Young, along with some residents from the estate, cleared the overgrown path and pruned bushes, making it easier and safe for residents to visit the allotments.

The value of our social tenancies

The value Hyde Housing creates goes beyond delivering financial surpluses and building more homes: social housing has an inherent value to society and the economy.

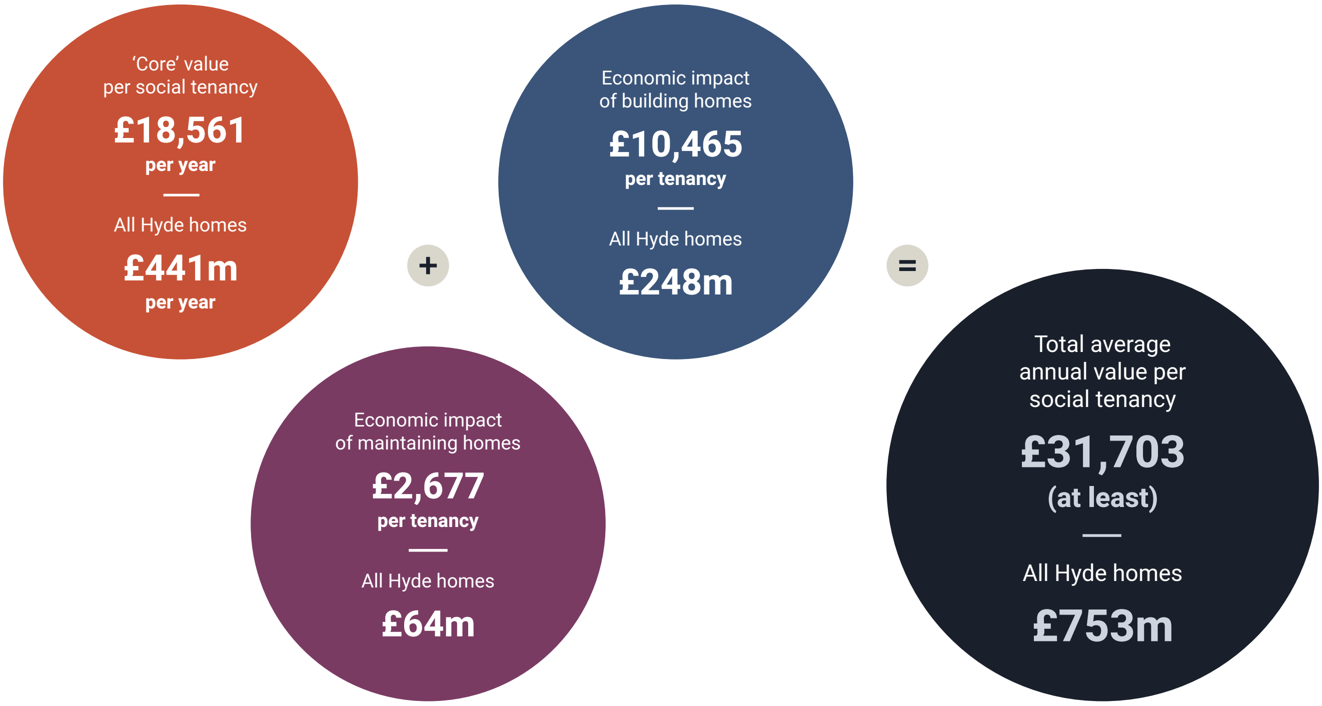
We know social housing creates safe and sustainable communities. It reduces the burden on emergency services, healthcare and local authorities.

We use an evidence-based approach to measure our impact on customers, communities and society, comparing how life looks like with social housing to life without social housing, where tenants are assumed to be living in temporary accommodation, private rental accommodation or with family and friends.

The difference in the associated costs and benefits between these two scenarios gives us an estimate of the value of a social tenancy for Hyde Housing's 23,738 general needs homes[1].

It shows how, by giving people a secure roof over their heads, we can not only enrich their lives but also contribute millions of pounds to the economy, by giving people better life chances and allowing them to realise their potential.

The core social value of Hyde Housing's tenancies was at least £441m, or £18,561 per tenancy (2023/24: at least £460.5m or £19,394). When we add in the economic impact of building and maintaining homes, the total social value of our tenancies in 2024/25 was at least £753m or £31,703 per tenancy (2023/24: at least £640.5m or £26,965 per tenancy).



1. A note about the social value numbers: The Value of a Social Tenancy (VoST) is calculated using Hyde Housing's General Needs homes and doesn't include Pinnacle Group homes. VoST numbers have not been audited or assured and aren't derived directly from the financial statements. The value of a social tenancy is calculated with the support of our adviser, Sonnet Advisory & Impact CIC.

The value of our social tenancies

The value of a social tenancy by key stakeholder

The annual direct benefit of all Hyde Housing's social tenancies (the core social value) of at least £441m, is shared between several sectors: local authorities; police and justice; education; the National Health Service; the Department for Work and Pensions; the economy; the fire service and banks and creditors.

- Economic gain in employment. We house about 40,000 adults of working age in our general needs homes. For every extra customer in employment, value is generated in wages, earnings for the employer and taxes for the Treasury and in local economic activity, as they spend their wages.
- Health-related savings derive from lower use of NHS services
- Local authority savings are significant. Moving 6,409 people out of temporary accommodation saves £46.7m. Other savings include enabling older people to remain in their own homes for longer, and fewer childcare interventions.

Economy	**£199m**	• 6,913 more adults were in work through the stability of social housing situations, generating £183.9m • Social tenancies reduce presenteeism, valued at £2.8m • Social tenancies halve absenteeism to 10 days a year, valued at £12.3m.
NHS	**£100m**	People living in social housing have improved physical and mental wellbeing, resulting in: • Fewer drug and alcohol issues, saving £5.7m and £9.4m, respectively • Fewer falls for older people, saving £1m • Reduced incidence of childhood asthma due to damp living conditions, saving £0.2m • Fewer GP and A&E visits, saving £5.5m and £78.2m, respectively.
Police and Justice	**£58.8m**	People living in social housing are less likely to be involved in, or be victims of crime. This: • Reduces the number of police callouts not resulting in an arrest, saving £5.7m • Results in 7,094 fewer incidents, saving £53.1m.
Local Authority	**£54.8m**	Local authority savings are the result of: • Moving 6,409 residents out of temporary accommodation, saving £46.7m • Helping older people stay independent for longer, delaying a move into residential care, saving £7.1m • Children living in social housing being less likely to be on the Child Protection Register, saving £1m.
DWP	**£11.6m**	People living in social housing are more likely to be employed, reducing Universal Credit claims.
Education	**£13.8m**	Children living in social housing are more likely to attend school and have improved earning potential.
Banks and Creditors	**£1.5m**	People living in social housing are less likely to have problem debt.
Fire Service	**£1.5m**	Secure, safe and high quality social housing (along with housing association support) reduces the risk of domestic fires.

Hyde Housing

Providing great homes in thriving communities

Hyde Housing's plans for 2025/26

Hyde Housing is the not-for-profit housing association arm of the Hyde Group, comprised of four not-for-profit registered providers and other related subsidiaries. For nearly 60 years we've provided affordable homes for people from all walks of life, living in diverse communities. We deliver landlord and community services, invest in improving housing and build new homes.

Each year we prepare a plan of key activities to deliver in the coming 12 months, based on customer feedback on our services, our performance, our operating environment (including new regulations, legislation, economic impacts) and our approach to managing risks. We group our key activities under each of our strategic objectives.

Hyde Housing's plans for 2025/26

Serving our communities and being the best landlord we can be

- We'll review and improve our neighbourhood, tenancy and antisocial behaviour services, to increase customer satisfaction and the positive impact on communities
- We'll continue to improve service charge processes, to improve accuracy, customer satisfaction, value for money and cost recovery
- We'll grow our Customer Service Centre, improving responsiveness and customers' experience
- We'll ensure all our communications are clear, tailored and effective
- We'll complete the roll-out of our customer relationship management system, Salesforce, to improve case management and response times across all our services, including complaints.

Hyde Housing's plans for 2025/26

Investing our homes and community spaces

- We'll continue to focus on managing repairs demand and costs, considering changes in legislation – such as Awaab's Law – to improve the customer experience
- We'll complete the implementation of our repairs management system, Totalmobile Connect (TMC), to improve efficiency, service delivery and work planning
- We'll replace our asset management database with TMC's asset lifecycle management system, giving more reliable data and better insight
- We'll continue our risk based approach to delivery of building safety projects to keep customers safe in their homes
- We'll award our new estates management contracts, improving services and value for money.

Hyde Housing's plans for 2025/26

Supporting communities in their time of need

- We'll develop a new five year Hyde Foundation strategy, to target support and help customers to be more resilient and financially stable, and improve wellbeing
- We'll continue to improve community centres, making them more accessible, so they can provide better and more inclusive support to communities.

Hyde Housing's plans for 2025/26

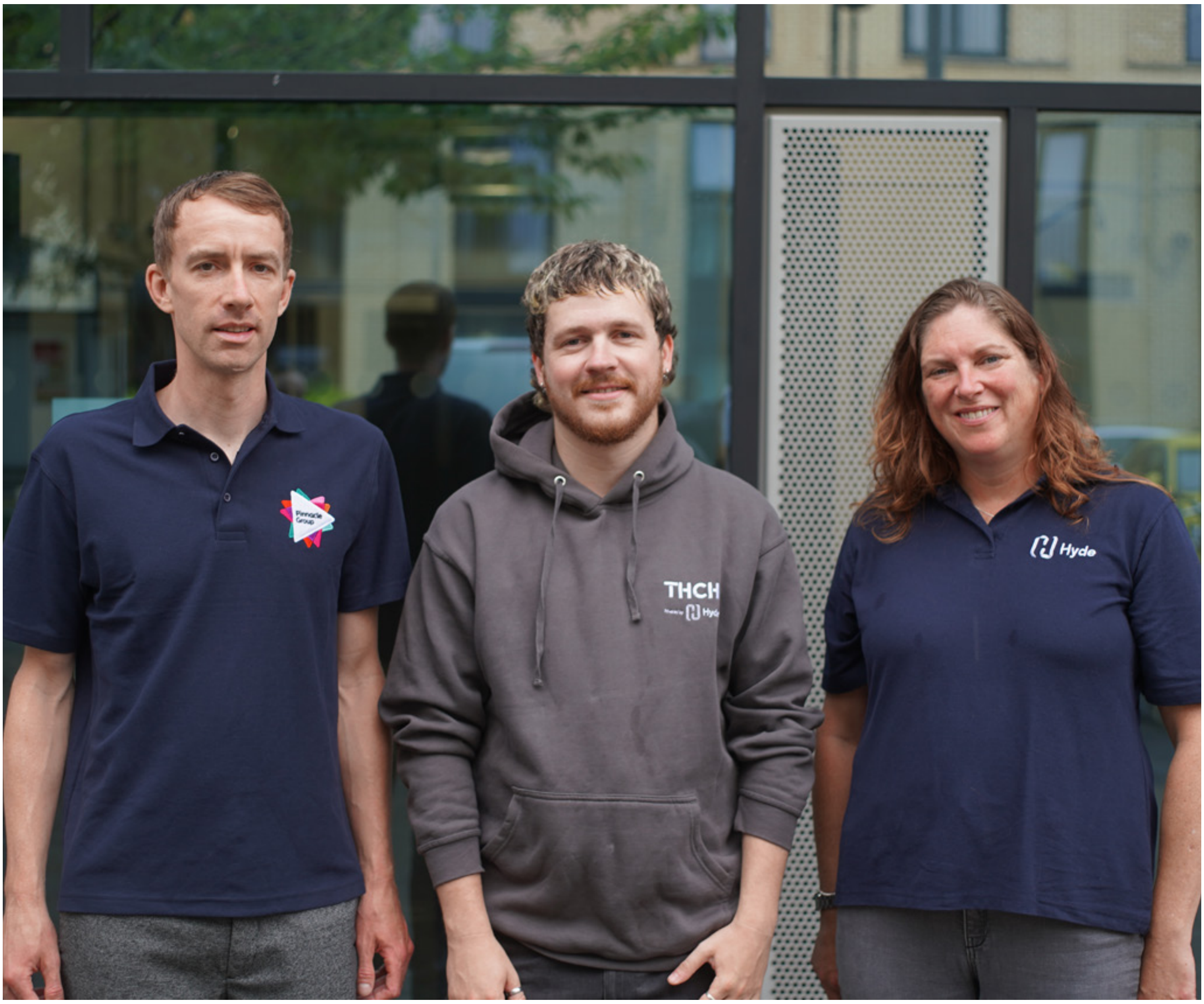
Building new and thriving communities

- We'll agree a new Development Strategy, so we can deliver more affordable homes
- We'll review our Portfolio and Empty Homes Sales Strategy, to ensure we're managing our assets to deliver the best value and generate income to fund homes and services
- We'll deliver key regeneration projects to transform communities and deliver hundreds of additional homes.

Hyde Housing's plans for 2025/26

Growing our income and managing costs

- We'll develop our third party offer to institutional investors, incorporating Pinnacle's services
- We'll collaborate with Pinnacle to improve our ways of working and our customer services
- We'll continue to look for ways to be more efficient, to increase productivity, optimise resources and reduce costs.



Hyde Housing's plans for 2025/26

Empowering an inclusive and high-performing culture

- We'll integrate Tower Hamlets Community Housing into Hyde to enable us to improve operational efficiency, reduce costs and improve customer services
- We'll review and agree new People and Culture, Office, Technology and Data strategies
- We'll continue to review pensions to ensure financial sustainability, compliance and alignment with colleague and organisational needs.

Hyde Housing's impact

Our social purpose is to provide safe, affordable homes and services to our customers and communities, who can be some of the most vulnerable in society. Measuring our impact, alongside customer insight and feedback, helps us improve the homes and services we provide.

By being transparent with customers and stakeholders, and accountable for our actions, we benefit customers and the environment, as well as reducing risk, attracting funding and driving performance.

Environmental

- General needs homes in EPC Band C (SAP 69) or higher: **79.8%** (2023/24: 77%)
- New general needs homes in EPC high Band B (SAP 86) or higher: **41%** (2023/24: 25%)
- Corporate carbon footprint: **9,621tCO_2e**[1]
- Biodiversity: **30%** of our communal green spaces mapped for habitat and use (2023/24: 30%).

Social

- Total number of homes owned and/or managed: **44,856** (2023/24: 44,320)
- Customer satisfaction: **81.4%** (2023/24: 77.6%)
- Grants, fundraising and financial support to communities and customers since 2022/23: **£22.8m** (2023/24: £14.6m)
- Value of a social tenancy: **£753m** (2023/24: £640.5m).

Governance

- Governance and Viability: **G1/V2** (2023/24: G1/V2)
- Number of customers involved in helping improve their services since 2023/24: **2,998** (2023/24: 1,496)
- Employer performance: Investors in People award **Gold Award** (2023/24: Gold Award)
- Suppliers with contracts worth more than £100,000 complying with our minimum standards: **100%** (2023/24: 82%).

1. 2023/24 value; 2024/25 value not available at time of publication.


Yes we can

Hyde Housing: putting customers first

81.4%

overall satisfaction with customer services[1]

(2023/24: 77.6%)

85%

of customer queries resolved in one call

(2023/24: 85%)

1,091

homes let to Hyde Housing customers

(2023/24: 1,210)

91%

satisfaction with lettings

(2023/24: 88%)

We put customers first in everything we do. But we know we must do even more – to listen more, to make things right, and to put those we serve at the heart of everything. We're easier to deal with and are closer to the communities we serve.

Over the past two years, we've taken significant steps to improve our services and strengthen relationships with our customers to achieve better outcomes for them. We recognise that sometimes we don't meet customers' expectations; we're committed to learning from these experiences to ensure we do better in the future.

From our neighbourhoods approach, to our new Customer Service Centre, we're more responsive and efficient in dealing with customers' enquiries and complaints, are more empathetic and are mindful of any vulnerabilities. We've also continued to expand our digital offering, making it easier for customers to manage their homes more conveniently.

1. Based on surveys of Hyde Housing customers after they received a service from us. Note these are different to the Tenant Satisfaction Measures, which are based on the Hyde Group customer perception surveys (and include Pinnacle Group customers).

Hyde Housing: putting customers first

Providing local, targeted support in our neighbourhoods

Our Neighbourhoods and Specialist Housing service, introduced in January 2024, has transformed how we manage our homes and the services we provide this year. We have 55 neighbourhoods, each with an average of 750 homes. Our neighbourhood officers ensure customers have a direct, familiar point of contact.

Because we've doubled the time we spend in our neighbourhoods, we're building better relationships with our customers, understanding local needs and responding faster to problems. In 2024/25, the service has:

- **Strengthened our local presence:** Our Neighbourhood Officer Look-up Tool means customers can find out who their neighbourhood officer is, by simply entering their postcode
- **Ensured homes are safe and well-maintained:** We've completed thousands of inspections, health and safety checks, repairs and building safety improvements to keep our customers and buildings safe. We've brought some compliance checks in-house, including fire door checks and emergency lighting tests
- **Built stronger relationships:** We've set up focus groups, held more drop-in events and strengthened partnerships with local organisations, to ensure customers have a voice in shaping services.

Enhancing lives through our Specialist Housing service

Our Specialist Housing team provides dedicated support to our customers who may have vulnerabilities, including older customers and those with additional needs. We've increased the number of housing officers this year, ensuring customers receive the dedicated support they need. We now have an officer for each of our schemes, ensuring a regular presence.

We launched our Lounge Online initiative, installing free and secure Wi-Fi at all our later living homes, and providing digital training for older customers to help them get online.

Hyde Housing: putting customers first

Our Customer Service Centre goes from strength-to-strength

Our Customer Service Centre (CSC) enables us to answer customers' questions and to solve their problems quickly. We handled 294,000 calls in 2024/25, fewer than the 332,000 handled in 2023/24, as we increased the services customers can access through the CSC – in the past, customers would have had to make multiple calls if they had more than one query – now they can do that in one call. In fact, CSC resolved 85% (2023/24: 85%) of customer queries in one call - from booking repairs to advising customers on antisocial behaviour issues and helping them access the Helping Hand Fund (p21). The team issued £19,300 in vouchers to customers this year.

We've also been answering calls faster. The CSC team answered 75% of calls within 50 seconds in 2024/25, compared with 54% in 2023/24. Average call wait time was 1 minute 14 seconds, compared with 4 minutes 43 seconds in 2023/24. This meant call abandonment rates fell to 7.6% in 2024/25, compared to 18.6% in 2023/24.

All these improvements mean customers are more satisfied. Call surveys show that most customers are satisfied or very satisfied with how their query was handled. Along with transactional surveys and Tenant Satisfaction Measures (p14-15), this feedback is helping us to highlight what we're doing well and where we can continue to improve.

Positive impact of new ways of working sees customer complaints fall

The number of complaints we received this year fell to 4,327 (2023/24: 4,688), as we saw the positive impact of our neighbourhoods approach, bringing more repairs services in-house, our new Customer Service Centre and improvements to MyAccount.

Our complaints handling performance continued to improve. We responded to 91.1% of tenants', and 89.7% of shared owners', Stage 1 complaints within the Ombudsman's timescales (2023/24: 82.1% and 72.9%). We responded to 90.9% of tenants', and 91.2% of shared owners', Stage 2 complaints within the timescales (2023/24: 86.6% and 77%). Response times improved throughout the year, with 96% of Stage 2 complaints responded to within the timescales in Q4.

Key initiatives in 2024/25 included:

- Doubling the number of colleagues handling complaints, with some complaints officers focused on resolving Stage 2 complaints with our heads of service
- Joining the Complaints team with the Customer Services team, to help us identify root causes, themes and trends, so we can act faster
- Holding lessons learned sessions and sharing outcomes with the rest of the business; and reviewing determinations with senior managers, to identify areas of improvement
- Updating our complaints and compensation policy to make sure we're clear and consistent when dealing with service charge enquiries
- Creating a framework for complex case management to help cross-departmental working and prevent further escalation.

Hyde Housing: putting customers first

Supporting customers with vulnerabilities

We estimate that about half of our customers experience a short or long-term vulnerability or disability, and we're making improvements to better meet their needs. We established a new Vulnerability team in January 2024, which is leading on our approach, including how we can adapt our services, and the training and guidance we need for colleagues.

We now ask about, and record, customer vulnerabilities (and review them every 12 months). This gives colleagues – from customer service officers to repairs operatives – visibility of customers' needs, so we can make sure we're considering them in our services.

For example, if a customer reports damp and mould and someone in their household has a medical issue (such as a respiratory condition or is undergoing treatment for cancer), we treat the case as severe and deal with the issue promptly. We'll be looking at more of these 'reasonable adjustments' to services in 2025/26.

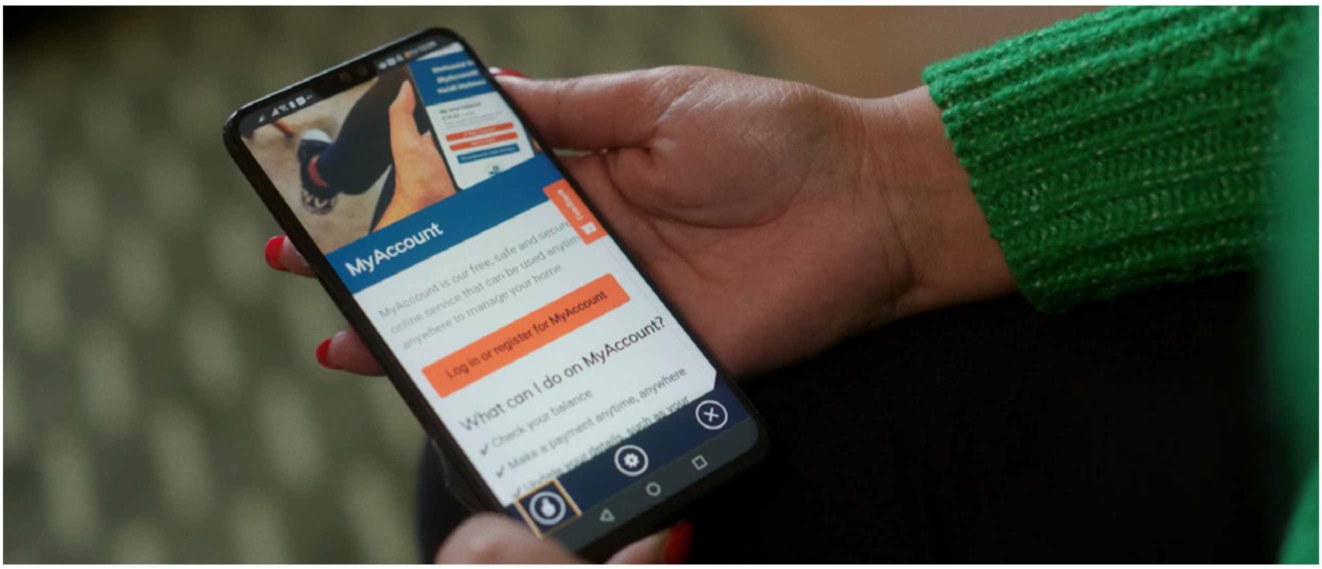
Continuing to add services to MyAccount

We've continued to add more services and functionality to MyAccount, our online customer portal, this year, as we've transferred more services over to Salesforce.

As well as being able to pay rent and service charges and book a repair, customers can now report and track pest infestations, report antisocial behaviour and raise damp and mould issues. They can also report a communal repair and request a copy of their tenancy agreement.

Customers can also apply for a mutual exchange through MyAccount, without having to print out a form. The initial application is checked automatically, speeding up the process. Customers can track progress through MyAccount and speak to the colleague handling their request.

Towards the end of the year we introduced live chat, allowing customers to talk with a customer service officer, so they don't have to call if they need help. Satisfaction with this service is already between 90% and 100%.



Hyde Housing: putting customers first

Tenant satisfaction measures

Rented homes (2023/24 in brackets)
Shared ownership (2023/24 in brackets)

Complaints and antisocial behaviour

Stage 1 complaints received per 1,000 homes

99.7 (119.9)
94.5 (77.4)

Stage 1 complaints responded to within the Housing Ombudsman's Complaint handling code timescales

Stage 2 complaints received per 1,000 homes

30.9 (17.5)
35 (13.9)

Stage 2 complaints responded to within the Housing Ombudsman's Complaint handling code timescales

Antisocial behaviour (all homes)

Antisocial behaviour cases opened per 1,000 homes

60.8 (40.2)

Antisocial behaviour cases opened per 1,000 homes involving hate incidents

1.1 (0.6)

Hyde Housing: putting customers first

case study

THCH: Powered by Hyde

Tower Hamlets Community Housing (THCH) joined the group on 1 April 2025, following extensive engagement and consultation with THCH customers, colleagues, and partners.

THCH: Powered by Hyde will deliver safe and decent homes, great services and strong communities by:

- Implementing a dedicated 'in-house' repairs service
- Investing in homes, shared spaces, communities and building safety
- Adopting our neighbourhoods model, to have a continued local presence, with a team that knows its community
- Providing support and advice services that reflect individual needs
- Investing in community centres to offer more support and inclusive services
- Giving customers a real voice, listening and acting on their feedback
- Delivering new homes local people need, including social housing.

We'll bring people, systems and services together throughout 2025/26. We're committed to making improvements quickly, but thoughtfully, with our teams already working hard behind the scenes to create meaningful change.

Hyde Housing: putting customers first

case study

Lifting Isa's spirits

Isa has lived in her Hyde home in Stockwell since the 1980s. Her life took a turn when she was diagnosed with osteoarthritis, limiting her mobility and independence.

We realised Isa wasn't coping. Her garden had become overgrown, and she didn't know where to turn for help. Isa was referred to our Advice team, who worked with the council to arrange occupational therapy appointments and helped Isa to get the disability benefits she was entitled to. We also arranged for our landscaping contractor Groundscapes to tidy up Isa's garden, free of charge.

Isa said: "Groundscapes were so friendly and kind. I've bought some seeds to beautify the garden and some new garden furniture. My spirits have been lifted, thanks to your support."

Hyde Housing: putting customers first

case study

Going above and beyond for an elderly customer

When an 84 year-old customer called the Customer Service Centre for help, one of our customer service officers (CSO) stepped in to help. The customer's brother, who normally helped her with shopping was in hospital, and she'd run out of personal hygiene products.

The CSO arranged for items to be delivered that day, paying for it themselves to avoid any delays. They also made sure a colleague from our Advice team visited the customer the following week to check on them and see if they needed more help.

Hyde Housing: investing in our homes

98.9%

Decent Homes compliance

(2023/24: 98.3%)

85.6%

satisfaction with repairs

(2023/24: 77.6%)

86%

satisfaction with gas repairs

(2023/24: 86%)

£123.8m

invested in our homes[1]

(2023/24: £109.2m)

10.6

average number of days to carry out a routine repair

(2023/24: 16.5)

£3,340

maintenance and major repair cost per home

(2023/24: £2,897)

Note: Figures relate to Hyde Housing homes only. Customer satisfaction scores are based on surveys of Hyde Housing customers after they received a service from us. Note these are different to the Tenant Satisfaction Measures, which are based on the Hyde Group customer perception surveys (and include Pinnacle Group customers).

1. Cyclical decorations, replacing bathrooms, kitchens, windows and doors, installing new roofs, plus electrical and 'business as usual' building safety works.

Our priority has always been to provide safe, decent and energy efficient homes, in neighbourhoods customers can be proud of.

We face significant funding challenges to ensure our homes are safe, decent and sustainable, and to ensure we continue to comply with changes to building safety legislation, the Decent Homes Standard, Awaab's Law and the government's environmental targets.

We've had to change some of our planned work programmes in the past couple of years, which has seen us prioritise damp and mould work, and repairs. Plus, higher inflation has impacted on delivery timescales, and labour and materials costs.

But we remain committed to investing in our homes. We invested £123.8m (2023/24: £109.2m) in improving homes this year. Work included cyclical decorations, replacing bathrooms, kitchens, windows and doors, installing new roofs, plus electrical and 'business as usual' building safety works.

We're responding to what customers are telling us: they want us to fix things faster, and to be more proactive in dealing with issues like damp, mould and condensation. That means we have to work smarter. So, along with changing how we deliver services through our neighbourhoods approach, we've brought more repairs services in house and improved our digital solutions.

Hyde Housing: investing in our homes

Repairs and maintenance

Repairs demand increased significantly this year, with 148,000 jobs raised (2023/24: 90,000). The average number of repairs carried out in each home by our in-house team increased to 4.74 (2023/24: 2.98).

We're dealing with more repairs, as we're spending more time in our communities, speaking to customers and identifying issues. Customers can also now raise repairs through MyAccount and our Customer Services Centre is dealing with repairs enquiries much faster, and more efficiently.

We use our own teams wherever possible, as it enables us to manage costs and response times more closely. We've also continued to invest in our systems, to ensure colleagues have the latest information about customers and their homes.

This has helped ensure we provide a consistent, high-quality service. Satisfaction with repairs remained high this year, at 85.6% (2023/24: 77.6%).

And, despite the increase in demand, we cut the average number of days it took to carry out a routine repair to 10.6 days (2023/24: 16.5 days); and most repairs are now completed within three days. The average cost of a repair carried out by our in-house team fell this year to £151 (2023/24: £195). However, where we've had to use external contractors to meet demand, costs have increased, with the average cost of a repair at £368 (2023/24: £216).

Improving our repairs management

Our in-house teams use Totalmobile Connect (TMC) to schedule and complete repairs. The system allows us to monitor performance easily through dashboards, and links with our customer relationship system, Salesforce. TMC is also used by our neighbourhood officers to carry out monthly estate inspections and safety checks, and to keep customers updated on repairs progress.

This year, we introduced video calling and a repairs diagnostic tool to TMC, allowing us to gather more details about repairs, ensuring colleagues arrive at a customer's home knowing exactly what needs to be done, and have the right tools and materials with them. Customers can also give more details about the repair when raising it through MyAccount.

Hyde Housing: investing in our homes

Keeping customers safe in their homes

As a responsible landlord, we keep our customers and their homes safe. Our Building Safety Programme involves regular checks of buildings to ensure they continue to be safe and comply with the latest legislation.

This year, we brought safety checks of communal and flat fire door checks in buildings taller than 11m, in-house. Neighbourhood officers have been trained to carry out these vital inspections. We also continued to carry out Fire Risk Appraisals of External Walls (FRAEW), as part of our ongoing programme of intrusive fire risk assessments.

If we identify an issue, we act immediately to put additional measures in place to make sure customers stay safe while we fix things. Currently, remediation work is either underway, or planned, at 27 Higher Risk Buildings.

We apply to the Government's Building Safety Fund for eligible buildings, to cover the cost of these works. We spent £3.2m on building safety in 2024/25 (2023/24: £15.4m). To date, we've spent £93m – on top of funding from the Building Safety Fund and costs met by development partners and contractors – on removing and replacing cladding on our tallest buildings and resolving related safety issues.

We welcome the government's announcement that social housing providers will be given the same access to government funding for remediating building safety issues as private building owners. This additional £1bn of investment, which will be administered through the Building Safety Fund and the Cladding Safety Scheme between 2026/27 and 2029/30, will help accelerate the remediation of social homes across the country. We also expect the government to announce its social housing remediation strategy in summer 2025.

We completed remedial works at the Packington estate in Islington this year. Work to 655 homes, which began in 2023, included installing fire barriers, renewing ventilation ducts and replacing fire breaks behind the spandrel panels.

The original contractor Rydon covered the cost of this multi-million-pound project, while we covered the cost of replacing decking on some balconies. Customers didn't have to pay for any of the work. The homes have been issued an EWS1, so leaseholders now have peace of mind and can sell or remortgage their homes if they choose to.

Installing smart fans to tackle damp, mould and condensation

Ventilation is an essential part of preventing damp, mould and condensation. This year, we began installing smart fans when replacing kitchens and bathrooms, and in empty homes before new customers move in. We also install smart fans as part of damp and mould repairs.

Smart fans run continuously and automatically increase their power when they detect more moisture in the air. They are small, efficient and cheap to run, and don't need filters, so are low maintenance. The fans keep a record of when they are on full power, so we can identify homes with high moisture levels and carry out preventative work.

Hyde Housing: investing in our homes

Our new Asset Management Strategy

We finalised our new Asset Management Strategy at the end of March 2025.

This five year strategy sets out how we'll maintain homes and neighbourhoods to keep them safe, decent and energy efficient. The emphasis is on putting customers first, communicating with them and involving them in the design and improvement of services.

We're using a wider range of data to gain a deeper, more holistic, understanding of our homes. This enables better financial planning and helps us plan work programmes that keep homes safe, energy efficient and decent, while delivering value for money.

We're also exploring installing remote sensors, to help us identify issues faster, prevent more costly repairs and to tackle problems before they harm customers' health. Understanding the root causes of damp and mould, for example, or identifying leaks earlier, are crucial to resolving issues as quickly as possible. Sensors can also help us check the energy efficiency improvements we're making to homes are having a positive impact for customers.

Better systems are helping us improve record keeping, to be more accountable and responsive, and to become more efficient. And we've also made it easier for customers to get in touch, to raise repairs and report safety concerns in their neighbourhoods.

Making our neighbourhoods safe, attractive and well-maintained

We want our neighbourhoods to enhance daily living and to promote a sense of community. This means they must be improved wherever possible, managed well and maintained to a high standard, so they stay safe, attractive and functional.

In 2024/25 we continued our search for new Estates Services contractors, working with customers to choose new suppliers. The contractors will be responsible for communal cleaning, grounds maintenance and some of our waste management.

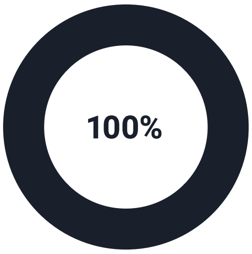
A key area of estates management that's important to customers – particularly vulnerable customers with carers – is parking. While our customers don't want our estates to be dominated by cars, we want them to be able to park easily near their home, and for their friends and family to be able to visit their homes and neighbourhoods – and we want to do this in the simplest and most accessible way. We've changed the way we manage our car parks based on customer feedback (p66).

Automatic Number Plate Recognition technology, supported by existing foot patrols, is also being introduced in high-demand areas. This will help ensure residents with valid permits can park and that pavements and fire routes remain clear.

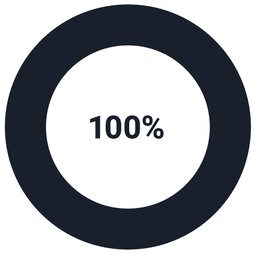
Hyde Housing: investing in our homes

Tenant satisfaction measures

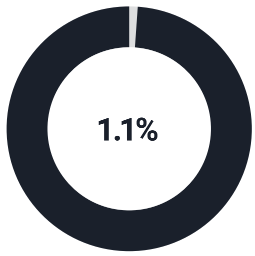
Building safety and compliance



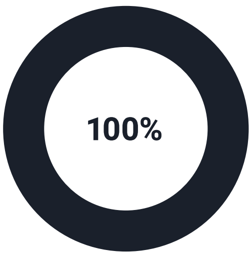
Homes requiring a gas safety check that have had one completed
(2023/24: 97.1%)



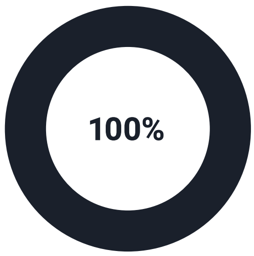
Homes requiring a fire risk assessment that have had one completed
(2023/24: 100%)



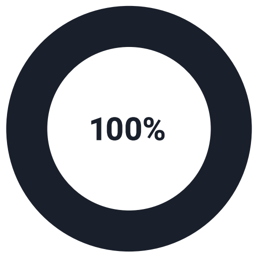
Homes not meeting the Decent Homes Standard
(2023/24: 1.7%)



Homes requiring an asbestos check that have had one completed
(2023/24: 100%)

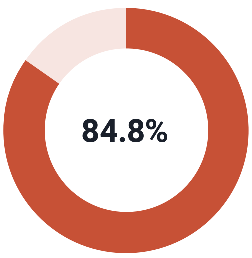


Homes requiring a legionella check that have had one completed
(2023/24: 99%)

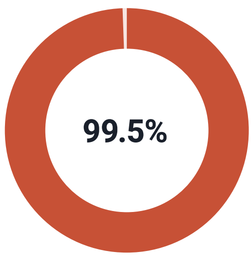


Buildings with passenger lifts that have had a lift safety check
(2023/24: 99.3%)

Repairs and maintenance[1]



Proportion of non-emergency repairs completed within target timescale
(2023/24: 81.7%)



Proportion of emergency repairs completed within target timescale
(2023/24: 98.5%)

Non emergency repairs targets:

Hyde aims to complete routine repairs within 20 working days. It aims to complete non-urgent repairs outside of homes within 120 working days.

Pinnacle aims to attend urgent repairs within five working days and complete repairs within 21 working days. It aims to attend non-urgent repairs within 21 working days and complete repairs within 60 working days

Emergency repairs targets:

Hyde aims to carry out emergency repairs (or make safe) within 24 hours.

Pinnacle aims to attend emergency repairs within 24 hours and complete repairs within 14 working days.

1. Based on 139,465 repairs.

Hyde Housing: investing in our homes

case study

Replacing skylights in an historic Brighton building

We installed new skylights to protect the Victorian roof lanterns on Richmond Terrace in Brighton last year. The wooden lanterns of the listed terrace, which is in a conservation area, had been covered in PVC in the past, but water was leaking through and rotting the wood.

After receiving planning permission from Brighton & Hove City Council to carry out the installation (under our stock investment windows and doors programme), work had to be put on hold because of nesting season.

Seagulls had nested next to scaffold positions and their nests, eggs and chicks are protected. Once the birds had left the nests, were able to carry out the installation, which will protect the historic features for many years to come.

Hyde Housing: investing in our homes

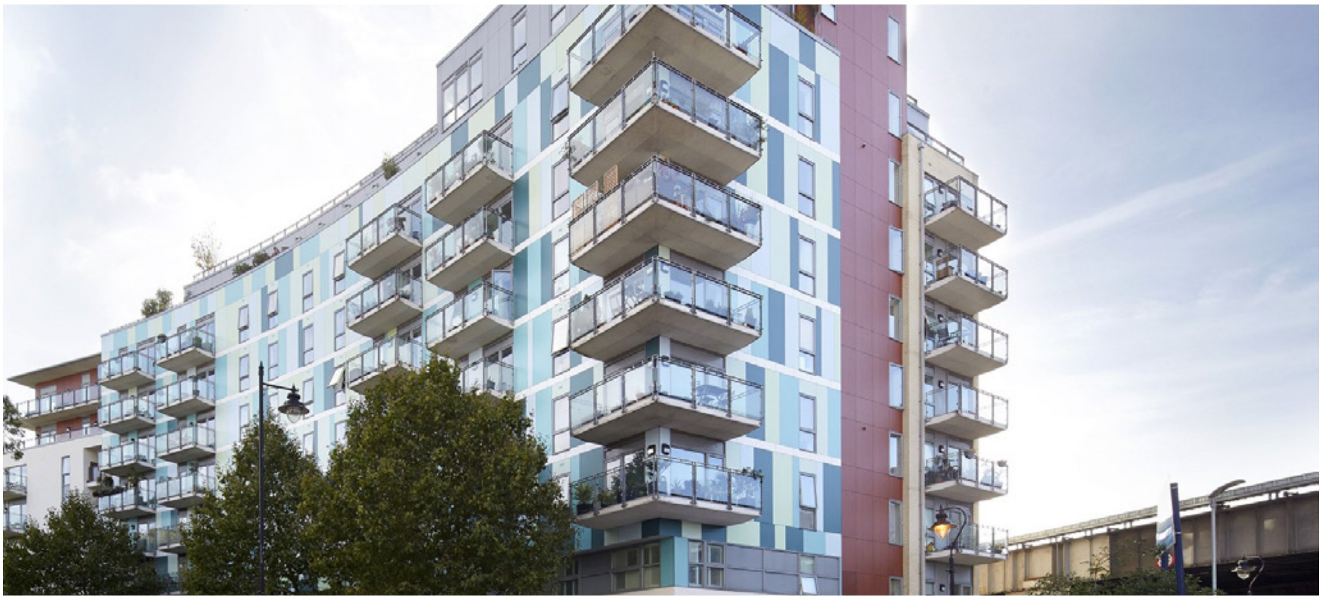
case study

Raising the roof

We've replaced the roof of Pakington House in Stockwell, after previous attempts to stop leaks failed. Contractor Breyer Group stripped the roof and installed new insulation, tiles and felt lining, repaired parapet walls and installed new gutters and pipework, under a £500k contract. Not only is the new roof watertight but it has improved the energy efficiency of the flats.

Customer engagement was key to the project's success. Work was planned to minimise disruption and protect homes, and we kept customers updated with progress throughout. As well as writing to them, we held coffee mornings and even set up a fruit and veg stall to give customers the opportunity to ask questions about the project.

Hyde Housing: investing in our homes



case study

Building safety work at Eyot House comes to an end

The final phase of building safety remediation work at Eyot House, in Bermondsey Spa, south east London, was completed in 2024.

Eyot House is a nine storey building of 120 homes, with the Bermondsey Spa Medical Centre on the ground floor. Work to replace the original combustible cladding system was completed in 2019 by Equans; the original contractor Rok went out of business a number of years previously. We covered the £3.4m cost of the work.

After new legislation came into force, we carried out further investigations, which revealed that 89 out of the original 472 spandrel panels on the outside of the building had to be replaced. This work was carried out by Amber Construction. Work cost £650k, with £600k covered by the Building Safety Fund and the remainder paid by ourselves.

None of the remediation costs were passed onto leaseholders.

Hyde Housing: investing in our homes

case study

Final phase of building safety remediation at Bolanachi

The final phase of remediation work at Bolanachi Building in Bermondsey Spa, south east London, started in May 2025.

Bolanachi Building is a nine-storey, 139 home residential block. In 2018 and 2019 we replaced ACM cladding with non-combustible materials, and in 2021 and 2022 we replaced all timber cladding with new aluminium cladding. Cladding replacement cost £5.4m and was covered by the Building Safety Fund; the £2.26m cost of timber cladding replacement was met by ourselves, after our application to the Building Safety Fund was rejected. No costs were passed on to leaseholders.

This will be the final phase of works. the original contractor, Rooff, will be renewing fire breaks in a section of the external wall. It will meet the cost of this phase. An independent fire engineer has confirmed no more work will be needed and that a favourable EWS1 certificate will be issued after these works are complete.

Hyde Housing: investing in our homes

case study

Video guides for customers

We've put together videos for customers to help them deal with some of the more common issues in their home. From replacing a fuse, finding and using a stopcock, changing a lightbulb and bleeding a radiator, to how to prevent damp, mould and condensation, the videos – which are available on our website – are short and simple guides to looking after a home.

Hyde Housing: investing in our homes

case study

Safe and secure mobility scooter storage in Gosport

We converted four under-used garages in Gosport into a safe and secure mobility scooter storage area for customers living in our Gosport towers. The space can fit up to 22 scooters and features energy efficient technology such as LED lighting and EV charging ports.

Mobility scooters are essential for many of our customers, offering freedom and independence, but the lack of proper storage can be inconvenient and lead to potential safety hazards.

Work, which was carried out by our contractor CDM, took three months, at no cost to customers. Those using the facility will pay for the electricity they use to charge their scooters.

Gosport resident Mick, who's been living in his Hyde home for more than 30 years, said: "I'm really happy with the new scooter storage space. Before I was charging my scooter on the ground floor and storing on the third – so it's great to be able to do it all in one place."

Hyde Housing: providing sustainable homes

We want our homes to be comfortable, enjoyable and affordable to live in, and to also minimise their impact on the environment, and use of resources.

We're committed to making our homes, offices and supply chains more sustainable.

This ambition is demonstrated by us achieving a Gold Award for SHIFT, the social housing sector's sustainability standard for the third year in a row, ranking ninth out of 40 organisations. SHIFT is an independent assessment of the sustainability of the homes we own and manage, the homes we build, customer engagement and our operations' overall environmental performance.

Renewing our Sustainability Strategy

We reviewed our Sustainability Strategy this year, renewing commitments and showing the progress we've made since 2022. The updated strategy builds on the progress we've made towards achieving net zero carbon by 2050 and the work we're doing to meet our targets up to 2030. The strategy sets out our targets for our homes, our carbon impact, our climate resilience, the environment, our suppliers and services, and resource management.

Launching our Biodiversity Action Plan

We also launched our Biodiversity Action Plan, which shares some of the objectives of our Sustainability Strategy. It sets out our commitment to improving and protecting nature across our communities, both in our existing neighbourhoods and our new developments. We'll enhance green spaces, including more nature-friendly and climate-resilient plants and designs, and work with our customers, partners and local stakeholders, to create greener, healthier places to live.

Improving the energy efficiency of hundreds of homes

We continued to work with the Greener Futures Partnership to deliver work funded by the Social Housing Decarbonisation Fund (SHDF). We were awarded £6m, which we're match funding to improve about 900 homes across Chichester. The aim is to bring as many of the homes as possible up to EPC Band C or above, by the end of the programme in September 2025.

We're working with Wates Construction, the AD Group and Purdy, and energy retrofitting of 600 homes is underway (p60). We're installing solar panels, loft insulation, air source heat pumps and ventilation. These improvements will reduce customers' energy use (and bills). We're also improving ventilation, to help reduce the potential for damp, mould and condensation.

Hyde Housing: providing sustainable homes

case study

Chichester customers look forward to lower energy bills

Two of our customers, Ray and Susan, are looking forward to warmer winters, cooler summers and lower energy bills, thanks to their home being part of our major retrofit programme aimed at improving the energy efficiency of more than 600 homes in Chichester.

Ray, said: "I'm really pleased with the work Hyde is carrying out. We're really looking forward to paying less for energy. We're thankful to Hyde as they're doing the work free of charge to customers. I've done my research and one of the air source heat pumps retails for more than £4,000. Imagine if we had to pay for that - what a great deal for us! It feels great that Hyde is looking out for its customers, especially during a cost-of-living crisis."

Hyde Housing: providing sustainable homes

case study

Successful water neutrality pilot in Petworth

We installed 100 water flow regulators in customers' homes, in Petworth, West Sussex, in 2024, as part of a pilot to help them save water and reduce their utility bills.

The Natural England-approved flow regulators were fitted to the cold water inlets by our contractor, Cenergist. The regulators reduce the water flow, so less water is used when running taps and showers. Monitoring during the pilot showed each household saved an average of just under 72 litres of water per day.

Parts of northern Chichester, Horsham and Crawley are classed by Natural England as a 'Water Neutrality Zone'. This means any new developments must be water neutral, in other words, they can't increase the zone's overall water consumption.

We can offset the impact of new developments by reducing water consumption in our existing homes. We estimate that for every four homes fitted with flow regulators, we create capacity for one new one. This means we could potentially create capacity for hundreds more homes in the area.

We're planning to roll out the installation programme across Chichester in 2025. This will save customers money on bills and help bring more, much needed, affordable housing in the area.

Hyde Housing: providing sustainable homes

case study

Our Big Plant Out

Our Big Plant Out will see eight estates ‘planted out’ in 2024 and 2025 to help improve our communities and increase biodiversity.

Stockwell was the first estate to enjoy some green-fingered care, with more than 50 trees and 700 bulbs planted last year. The trees will not only help improve the biodiversity of these green spaces, but will also help provide shade in warmer temperatures. Our suppliers, worked with us as part of their social value commitments to deliver these improvements.

Hyde Housing: listening to our customers

37,510

unique customer touchpoints (customers we've invited to take part)

(2023/24: 40,757)

1,997

number of times customers have engaged in activities

(2023/24: 2,099)

133

customer involvement opportunities

(2023/24: 233)

1,513

customers involved in activities

(2023/24: 1,496)

Our customers must have a voice at the highest levels of Hyde. By working in partnership with them, we can make sure we're governed well and delivering services that meet their needs now, and in the future.

We want customers to be confident we're listening to their needs and views, and that we'll act on them to put things right where we can. We offer a wide variety of ways for customers to influence and improve our services, including surveys, taking part in one of our service improvement groups, scrutinising our performance or joining Customer Voice.

"Residents need to be involved – it's our lives that are affected. I hear people complain about services, but then say they don't want to get involved. Get involved and be part of changing things for the better. It's really easy."

Soshana, procurement volunteer, Brighton

Hyde Housing: listening to our customers

Customer Voice welcomes ten new members

Customer Voice is our strategic customer group. It works with our senior leaders, listening to feedback from the wider resident community and providing suggestions for new and changing services.

This year has been a period of change for Customer Voice. Several members reached the end of their tenure, including the long-standing and valued Chair, Stella Young, and we appointed ten new members.

The new members are more representative of our customers, especially in age, geographic spread and tenure. This includes having more homeowners, giving them more of a voice at a strategic level.

We also ensured Customer Voice is more closely aligned with our Group Board and the Group Housing Services Committee, to improve transparency. Customer Voice now sees more information, helping members give us more detailed feedback on our performance, helping us to improve services and customer satisfaction.

This year, Customer Voice:

- Worked with us to improve services following the Housing Ombudsman's Paragraph 49 report
- Helped shape our service scrutiny framework and the 2025/26 programme, giving more customers the chance to get involved
- Helped develop our new policy consultation framework, ensuring customers can better influence our ways of working.

Customer involvement strategy

We published our Customer Involvement Strategy in January 2025, setting out how we'll deliver meaningful and accessible customer involvement and meet customers' expectations, as well as those of the Regulator of Social Housing. The strategy was developed with customers and aims to:

- Provide more effective opportunities for customers to influence the services that matter most to them, so we can act on their feedback
- Make performance data readily available and enable effective customer scrutiny
- Engage with our neighbourhoods, improve communications and support inclusive tenants and residents' associations
- Use data to better understand customers' needs and deliver real service improvements
- Recognise, reward and support involved customer volunteers.

"It's great having meetings where residents have their say. Those running the session I attended were genuinely interested in solving problems, and being open and approachable. Thank you for listening to us."

John, online conference attendee

Hyde Housing: listening to our customers

case study

Developing training materials with customers as part of our vulnerability approach

A group of customers worked with our Customer Involvement and Vulnerability teams to develop training materials for colleagues. The new training videos feature customers explaining what vulnerability means to them, and the additional support they might need. A new approach for gathering vulnerability insight – including more open questioning and empathetic language – has been developed, based on their feedback. One of the customers, Ceneta, said: “Being involved made me feel needed and heard – the fact that Hyde is making changes and has a new vulnerability policy is great.”

Hyde Housing: listening to our customers

case study

Working with customers to improve car parking

We consulted with customers as part of our plans to introduce new car parking services.

Customers had highlighted issues with our parking services, which were not always customer friendly. They said they wanted us to make parking easier, fairer and cheaper where possible, with a focus on improving parking for Blue Badge holders and key workers.

We gathered feedback using email surveys and telephone calls. One area of particular concern raised was support for vulnerable customers and how easy it was to obtain carer and visitor permits. In response, we've introduced e-permits and a new parking app, Sippi, for car parks managed by UK Car Park Management. This makes buying permits quicker and easier.

We've also introduced a Hyde customer helpline offering tailored help and non-digital access to services.

Automatic Number Plate Recognition technology, supported by existing foot patrols, is also being introduced in high-demand areas. This will help ensure residents with valid permits can park and that pavements and fire routes remain clear.

Hyde Housing: listening to our customers

case study

Building stronger relationships in Brighton

We held a neighbourhood drop-in session for Brighton and Hove customers at the Phoenix Community Centre in July 2024. The session gave customers the chance to speak to colleagues about our services (and service charges), to report a repair and to get advice on dealing with damp and mould.

Customers were joined by Councillor Tim Rowkins and customers from Customer Voice who had a walkabout of the Phoenix Estate.

One of our customers, Eileen, said: “It was great to speak to someone face-to-face and raise issues. I’m especially pleased to meet my new neighbourhood officer and look forward to seeing more of him in my neighbourhood.”

Hyde Housing: delivering value for money

Our approach to value for money (VFM) isn't just embedded in strategy; it's present in every decision, every plan and every service we deliver. VFM not only saves money but also builds trust, delivers better homes and services, and sets the foundation for a stronger, fairer and more resilient future.

Despite the continuing financial pressures affecting the social and affordable housing sector and our customers, we're committed to delivering better outcomes through smarter working, thoughtful investment and a culture grounded in value.

Over the last year, we've continued to evolve how we operate, focusing on cost control and maximising the value of every pound spent. We've continued to improve the experiences of our customers, empowering colleagues to work more effectively, and built sustainable and high quality homes.

This mindset has shaped some of our most important decisions in 2024/25. We've challenged ourselves to do more with less, and to do better with purpose. Every change and transformation project begins with a detailed business case, weighing costs, benefits and risks, and is reviewed and tracked by our Change Board (made up of colleagues covering each area of the business who approve business cases for new projects and initiatives) to ensure promised benefits are delivered. Recent examples include transforming our repairs service (p49), the launch of our new Customer Service Centre (p42) and improvements to MyAccount (p43).

Teams must show how they plan to deliver tangible outcomes while remaining financially sustainable. Efficiency targets are built into every budget. Performance is monitored monthly, so resource allocation is strategic, accountable and always tied back to delivering better results for customers.

VFM in investment and development

Our investment and development model has also been reshaped. Every scheme we undertake goes through a rigorous appraisal process, balancing financial viability with long-term social value.

Proposals are reviewed by our Scheme Appraisal Panel and approved by the Group Investment Committee, with escalation to the Group Board where necessary. Our recent developments (p77-84) show how this approach ensures quality, alignment, and measurable benefit at every stage.

We've also taken steps to unlock new funding streams and attract additional investment. By creating transparent, well-structured opportunities for third-party investors, we're helping to bring more capital into social housing, supporting the development of new homes, strengthening service delivery and improving the overall experience for our customers.

Hyde Housing: delivering value for money

How we monitor VFM performance

- **The Group Board** is responsible for VFM and ensures our approach is strategic, comprehensive and appropriate
- **The Group Audit Committee** oversees risk and internal control, ensuring robust stewardship of our resources
- **The Group Housing Services Committee** oversees housing service delivery, including our performance against budget and delivery of key performance indicators
- **The Group Investment Committee** oversees investment, including new developments, considering their financial value, return on investment and affordability
- **The Group Finance Committee** oversees treasury management and financial planning, including ensuring our financing delivers financial value and risk assurance
- **The Asset Management Approval Panel** considers the best use of our existing assets, including the strategic disposal of some and major investment in others
- **The Development Investment Group** evaluates all new development proposals
- **Customer Voice** monitors customers' experience of our services.

Measuring value for money

Measuring value for money is just as important as delivering it. We track both regulatory and internal measures, which are reviewed monthly by our Leadership Team and Board committees.

Our 'Delivering the Annual Plan' scorecard brings together the seven statutory VFM indicators alongside key KPIs and strategic targets. Where performance slips below target, we provide clear explanations and develop improvement plans. Our monthly KPI and budget performance meetings ensure these issues are discussed openly and resolved quickly.

Our VFM approach is grounded in transparency and continuous improvement. It's not just about hitting efficiency numbers, it's about understanding what works, where we can improve, and how we can do better for our customers. For the past three years, efficiency targets have been embedded into our budgets, creating a culture of expectation and accountability that sits across the organisation.

Efficiency targets are also embedded in our 30 year Financial Plan, which sets the baseline for annual budgets and is a key part of how we'll deliver VFM over the longer term.

To ensure VFM for our customers, and to ensure compliance and continuous improvement, we also carry out an annual assessment against:

- Internal targets and KPIs
- Regulatory standards
- The sector scorecard, comparing our performance against other housing providers in the G15.

Hyde Housing: delivering value for money

Business health metrics

KPI source	Metric	Actual 2024/25	Actual 2023/24	G15 median 2023/24
Regulator	Operating margin – (RSH definition[1])	**16.7%**	7.3%	12%
Regulator	Operating margin – social housing lettings	**25.4%**	25.0%	23%

1. Excludes surplus on disposals of property assets and our share of joint ventures.

These metrics show how financially efficient our business is overall. The total operating margin has increased, with impairments impacting the prior year metric. The social housing letting operating margin has also increased, despite increased pressures on costs as we continue to invest in the quality of our homes and how we deliver services (p49). We don't expect these pressures to ease, however our plans continue to see a steady improvement in our margin and efficiency in future years.

Outcomes delivered

KPI source	Metric	Actual 2024/25	Actual 2023/24	G15 median 2023/24
Sector scorecard	Customer satisfaction	**81.4%**	77.6%	70%
Regulator	Reinvestment	**8.3%**	6.8%	6%
Sector scorecard	Investment in communities	**£2.6m**	£2.7m	£4.7m

Customer satisfaction was higher than our target this year, the result of the successful implementation of our neighbourhoods approach, the launch of our Customer Service Centre and continued improvements to our digital offering, through MyAccount (p43). We've focused on areas of particular dissatisfaction this year, improving how we deal with repairs requiring multiple visits, reorganising our Service Charge team (and updating processes), and improving communications across all our services.

Our reinvestment has increased, with additional spend on improving our current properties and continuing spend on existing homes and building new homes. Investment in communities metrics are lower than target. This reflects our balancing of costs in challenging economic times. As our margins grow, we'll be able to invest more in our communities.

Our communities are also realising the benefits from wider investments we've made, and social value of £27.5m delivered through our supply chain partners this year. We plan to continue to spend more on our community centres and playgrounds in 2025/26.

Hyde Housing: delivering value for money

Asset management metrics

KPI source	Metric	Actual 2024/25	Actual 2023/24	G15 median 2023/24
Regulator	Return on capital employed (ROCE)	**3.2%**	2.0%	1.9%
Sector scorecard	Occupancy	**99.4%**	99.3%	98.8%
Sector scorecard	Ratio of responsive repairs to planned maintenance	**50.7%**	49.1%	67%

Return on capital employed (ROCE) indicates how efficiently we've invested in our business. Consistent with our margin trends, we're performing well against the challenging financial backdrop, with a higher return than that of our peers. This metric has improved, as last year was impacted by impairment, and our margin has increased.

Our occupancy rate for the year remained strong, reflecting the demand for our housing and continued strong key-to-key performance to turn around voids.

Our ratio of responsive repairs to planned and major repairs remains in line with 2023/24. This is an area we're focused on improving, as we become more efficient with our in-house repairs team.

Funding metrics

KPI source	Metric	Actual 2024/25	Actual 2023/24	G15 median 2023/24
Regulator	Gearing – debt to housing properties ratio	**45.0%**	44.4%	47%
Regulator	EBITDA MRI interest cover	**90.3%**	80.1%	52%

Gearing measures the level of net debt compared to the historic cost of our housing properties. We continue to perform better than our peers, as we strike a balance between keeping our debt as low as possible, while still building homes. We've continued to manage our interest cover over the past few years, successfully refinancing our debt and increasing our EBITDA, giving us one of the strongest interest cover ratios among our peer group.

Hyde Housing: delivering value for money

Social housing lettings and operating efficiency metrics

KPI source	Metric	Actual 2024/25	Actual 2023/24	G15 median 2023/24
Regulator	Social housing cost per social housing home	**£6,594**	£5,943	£6,221
Sector scorecard	Management cost per social housing home	**£2,123**	£1,940	£1,578
Sector scorecard	Service charge cost per social housing home	**£830**	£916	£1,129
Sector scorecard	Maintenance cost per social housing home	**£1,937**	£1,549	£1,813
Sector scorecard	Major repairs cost per social housing home	**£1,403**	£1,348	£1,387
Sector scorecard	Other social housing cost per social housing home	**£250**	£140	£520
Sector scorecard	Overheads as a % of turnover	**11.9%**	12.8%	11.7%
Sector scorecard	Rent collected as a % of rent due	**99.7%**	98.8%	99.2%

Our social housing costs per home have increased overall this year, largely driven by an increase of nearly £300 per property for maintenance, as we continue to invest in the quality of our homes and how we deliver services. Consistent with our other financial metrics, we've reduced our overheads as a percentage of turnover, as we've become more efficient.

Our rent collections also remain strong, despite the cost of living pressures on customers, demonstrating the support we provide is helping them to manage their finances.

Development metrics

KPI source	Metric	Actual 2024/25	Actual 2023/24	G15 median 2023/24
Sector scorecard	New supply delivered – total homes	**602**	630	892
Sector scorecard	New supply delivered – social housing homes	**554**	550	867
Sector scorecard	New supply delivered – non-social housing homes	**48**	80	89
Regulator	New supply delivered – % homes owned, social housing homes	**1.7%**	1.6%	1.1%
Regulator	New supply delivered – % homes owned, outright sale homes	**0.1%**	0.1%	0.1%

We completed 602 homes (including our share through joint ventures). This is lower than target, because we were impacted by some handover delays, contractors going out of business and fluctuating phasing of developments. We're managing our development programme carefully, as we reduce our exposure to market risks, by delivering more homes through our strategic partnerships (p79, 88 and 95).

We're a Tier 1 strategic partner for the current Greater London Authority and Homes England grant programmes, enabling us to access government funding to build affordable homes.

Our colleagues

We want colleagues to be engaged and committed; who feel empowered to make a difference to customers' lives. We do this by investing in them, creating an inclusive culture, and providing a working environment that allows people to work effectively and collaboratively.

Inclusion strategy one year on

Equity, diversity and inclusion are central to our social purpose and integral to how we act as an employer, a provider of affordable homes in sustainable communities and a business partner.

Following the launch of our first Inclusion Strategy in February 2024, we've been working at pace to deliver the agreed actions as we build a workplace that's as inclusive as possible.

Key actions included delivering inclusive leadership training for 70 leaders; developing a leadership pipeline for ethnically diverse middle managers; introducing new fertility treatment, trans-inclusion and carers policies; publishing our antiracism statement and undertaking a neuroinclusion assessment.

We also signed up to the Centre for Ageing Better's Age-friendly Employer Pledge and became a sponsor for HouseProud, the network for LGBTQ+ people working in social housing.

Group Chief Executive Officer, Andy Hulme, is the Equity, Diversity and Inclusion (EDI) Lead for the G15 chief executive officers. Our Chair, Mike Kirk, leads on EDI for Group Board and we seconded an EDI specialist to help drive the inclusion agenda across the G15, which represents London's largest housing associations. And, while there is some way to go, according to the G15's 2025 Diversity Report, we have one of the most ethnically diverse Boards in the group, with 25% of members from an ethnically-diverse background.

Our colleagues

Our Employee Resource Groups

Our Employee Resource Groups that support colleagues, raise awareness and influence people practices, continued to flourish this year, organising a number of events and initiatives to tie in with national celebrations, including Black History Month, Pride and International Women's Day.

And this year we launched Engage, a new network to represent colleagues aged over 50, who make up about a third of our workforce. Engage is focused on recognising the value of older colleagues, supporting them to continue working and promoting an age-diverse workforce.

Engagement

Our employee engagement score, which includes job satisfaction, motivation levels and intention to stay at Hyde, was 75% in March 2025, in line with 78% from 2023/24. Despite increased customer demand for things like repairs, restructuring of some teams and the challenges we, and the sector, are facing, most colleagues enjoy their jobs and like working at Hyde.

Apprenticeships

We recruited seven new trades apprentices to our Property Maintenance team in September 2024, bringing the total number to 29. During 2024/25, five apprentices moved into permanent roles.

Our colleagues

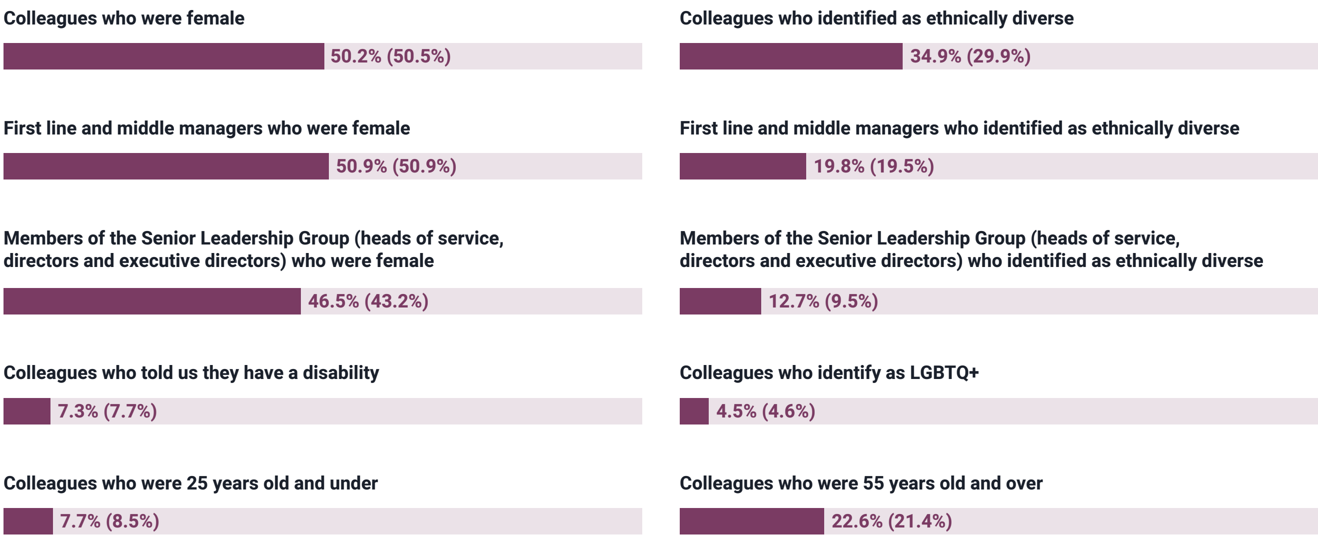
Wellbeing

Our wellbeing activities cover physical, mental and financial wellbeing. In 2024/25 we offered colleagues financial education seminars and organised events in support of mental health awareness, men's health, and women's health.

Last year, we appointed Property Services Director, Mark Batchelor, as our Senior Wellbeing Champion. Mark helped launch a new series of monthly wellbeing webinars and has also begun to record podcasts discussing broader wellbeing issues with colleagues from across Hyde.

The diversity of our colleagues

We embrace diversity in all its forms and, overall, our colleagues are diverse. We continue to focus on encouraging more female and ethnically diverse senior leaders. In March 2025 (2023/24 shown in brackets):



On average, colleagues were **44** years old (2023/24: 43.8).

Gender pay gap

The proportion of women at the most senior grades increased slightly this year. Our median gender pay gap closed to 1.1% from 1.8% in 2023/24 and our mean gender pay gap closed to 5.5% from 8.1% in 2023/24.

Ethnicity pay gap

Our median ethnicity pay gap is 3.8% (2023/24: 5.6%) and our mean ethnicity pay gap is 13.2% (2023/24: 14.2%). We have more ethnically diverse colleagues in senior roles year-on-year, with 12.7% (2023/24: 9.5%) of heads of service and the Leadership Team identifying as ethnically diverse.

Investment, Development and Partnerships

Working in partnership to build more affordable homes

Working in partnership to build more affordable homes

519

homes started

(2023/24: 823)

602

homes completed

(2023/24: 630)

- **386 shared ownership**
- **168 social and affordable rent**
- **48 outright sale**

315

homes for shared ownership sold

(2023/24: 238)

57

homes for market sale sold

(2023/24: 79)

5,500+

homes due to be completed between 2025-29[1]

1. A mix of social rent, affordable rent, shared ownership and private sale homes.

We're committed to building genuinely affordable homes in thriving neighbourhoods, as we know this has a profound impact on the wellbeing and life chances of our customers, as well as society and the economy as a whole.

Over the past few years, we've looked at ways of doing things differently. We believe a diversified funding model to build homes for rent and shared ownership – incorporating grant, debt funding, partnerships, joint ventures and third-party equity investors – is essential.

We've embraced managing homes on behalf of others, something we've done for many years for local authorities, including the London Boroughs of Islington and Brent, and it's something Pinnacle specialises in.

We choose our partners carefully. They must share our ambitions to overcome the challenges we face and must be committed to supporting our customers and communities over the long term, and to work with us to address environmental and climate challenges.

We also structure our partnerships with care, setting our parameters and building in significant protection. We want all the homes built to be owned by vehicles regulated by the Regulator of Social Housing and managed by ourselves. But we also recognise that an earlier-stage investor may be valuable in accelerating the delivery of affordable homes. We've therefore structured vehicles to enable initial investors to exit more quickly, and replace them with a long-term funding partner.

Working in partnership to build more affordable homes

An advantage of this approach is that it enables us to specify and build high quality homes with our chosen housebuilder partners. Long-term investors' requirements are for the homes to be of higher quality and sustainability than those delivered by more traditional Section 106 routes, and this certainty of onward sale of the affordable homes, also helps to de-risk our development programme.

We started construction of 519 homes this year (2023/24: 823), and completed 602 homes (2023/24: 630), 92% of them affordable and built to at least EPC Band B (SAP 81).

We identify opportunities to repurpose tired and obsolete homes, build homes on land we already own, and occasionally sell homes that no longer meet our customers' needs, to release capital for reinvestment. Total proceeds from all sales (including staircasing) was £98.2m (2023/24: £117.5m).

Our Community and Place Standard: Creating great places for people to thrive

We published our Community and Place Standard in March 2025. This sets out key requirements for all our developments, ensuring we build high quality, safe and sustainable homes that are affordable to live in – and to look after – in neighbourhoods that make the most of green spaces and that are enjoyable places to live.

The standard was developed with customers and colleagues, so we could understand their priorities. It considers customer wellbeing and long term operational and environmental aspects of homes and communities. There'll be a customer engagement plan for every scheme, to help ensure we engage with communities and local stakeholders throughout the development period, and build positive relationships with the people living there.

Working in partnership to build more affordable homes

Homes for Brighton & Hove: Continuing to deliver much needed affordable homes

Homes for Brighton & Hove, our 50/50 joint venture partnership with Brighton & Hove City Council, agreed to buy a plot of land at the Sackville Trading Estate in Hove in March 2025, with plans to build 306 affordable homes.

Homes for Brighton & Hove will apply for planning permission in 2025/26 to build 183 council-rented homes and 123 homes for shared ownership on the northern part of the former trading estate, instead of 260 community care homes that originally formed part of Moda's Hove Central development.

The proposed building will be a similar size, height and design as the one originally given planning permission. The homes will be designed to meet the highest energy rating – EPC Band A (SAP 92), with high levels of insulation and renewable energy systems. The proposals include landscaping and removal of a podium structure from the original scheme, to improve access to the new Hove Central Boulevard and its shops, cafés and offices.

Homes for Brighton & Hove was established in 2017. The partnership aims to build 1,000 genuinely affordable homes, specifically for lower income households in the city. Its first two projects were completed in 2024, delivering 346 council rent and shared ownership homes.

"I moved into my three-bedroom shared ownership house in Spring Acres in September, and I love it. I'm so happy; I can work from home comfortably and I love the feeling of community here. I also love the area – it's just perfect for me."

Dean, customer at Spring Acres, Sittingbourne

Working in partnership to build more affordable homes

case study

Affordable homes for Waddon coming in 2025

We're working with the London Borough of Croydon to build hundreds of affordable homes close to Waddon railway station.

The first phase of the scheme comprises 126 homes: 56 for London Affordable rent and 70 for shared ownership. Contractor Formation Design & Build began building the apartments, duplexes and town houses in January 2024 and the homes are now complete.

The energy-efficient homes surround a green space for the community to enjoy, featuring natural play equipment and allotments for residents. There's also electrical vehicle charging and a public art installation.

Phase two has been submitted for revised planning consent. We're proposing 136 social rent homes and 75 shared ownership homes.

Working in partnership to build more affordable homes

case study

Canterbury Riverside completed

We completed construction of 189 affordable homes at our Canterbury Riverside development in November 2024. The homes are a mix of social rent and shared ownership flats and houses for local people.

Canterbury Riverside is a £115m mixed-use development at the centre of a new leisure quarter, transforming an area of the city that was poorly maintained, anonymous and provided no sense of place. The wider development has a new public square overlooking the River Stour. There are cafés, restaurants and a cinema, as well as a riverside walk, cycle paths and picnic areas.

Working in partnership to build more affordable homes

case study

Sittingbourne to get hundreds more affordable homes

We agreed the final phase of our Spring Acres scheme in Sittingbourne, Kent, in 2024. Together with our construction partner Chartway Group, we've delivered more than 360 homes to date. The final phase will see 280 more homes built, including 72 for affordable and social rent, 158 for shared ownership and 50 for outright sale, due to be finished by 2027.

About half of Spring Acres will be green space, including the 'Countryside Gap', a 15ha country park that will be open to the public and managed by Swale Borough Council. There will be four other public open spaces, including two play areas, a ball court and drop off area for Landsdowne Primary School next door, a shop and commercial units.

In January 2025, we acquired a 6ha site at Swanstree Avenue, Sittingbourne with Chartway, where we'll build 135 affordable homes. The homes will be for affordable rent and shared ownership and will meet EPC Band A (SAP 92) for energy efficiency.

As part of the delivery plan, the project team will work with local businesses and enterprises to build the new homes and deliver social value impact. Construction is expected to start in early 2026 and homes are due to be completed in 2027.

Working in partnership to build more affordable homes

case study

Work restarts at North Woolwich

We restarted work on our scheme to build 163 affordable homes in North Woolwich, close to the banks of the Thames, last year. Contractor Formation Design & Build will complete the homes, after the original contractor became insolvent.

The new neighbourhood will include 93 homes available for people on the London Borough of Newham's housing waiting list, and 70 homes for shared ownership. There'll be a community garden, two communal roof terraces and underground car parking.

The site, which is near the famous Tate & Lyle factory, has a rich maritime history that will be referenced in the names of the addresses – Anchor Point and Bowline Apartments. The homes are due to be ready in early 2026.

Working in partnership to build more affordable homes

case study

The next phase of Rochester Riverside to start

Phases four and five of Rochester Riverside regeneration were granted planning permission by Medway Council at the end of 2024/25. These phases will add 253 homes to the 502 already built as part of the £419m regeneration scheme that we're delivering with Vistry, in partnership with Medway Council and Homes England.

Construction of phases four and five will start at the end of 2025, comprising 15 houses and 238 flats; 79 of the homes will be affordable. New commercial units are included in the plans, as well as a nursery, car parking and cycle parking, and a 2.5km extension to the river walk, connecting the development to Rochester High Street.

Pinnacle Group

Managing homes and serving communities on behalf of others

Pinnacle Group: managing homes and serving communities on behalf of others

73,051
homes managed

34
contracts won, worth £77m

127
homeless families supported into permanent homes

26,000
neighbourhood services sites in 200+ locations

49,457
military families living in Ministry of Defence provided Service Family Accommodation

SIX
new partnerships with investors in affordable housing

Pinnacle is a national organisation looking after about 73,000 homes on behalf of central and local government, institutional investors and housebuilders. It also provides neighbourhood services on behalf of social housing providers, and delivers essential services supporting schools, universities, hospitals, public buildings the armed forces, and workplaces.

Pinnacle Group joined the Hyde Group on 31 October 2024, helping to strengthen the Hyde Group, by giving us extra resources to better meet the needs of our customers.

This acquisition is in line with our strategy to transform Hyde into a leading national housing and property services management organisation. Pinnacle operates as a standalone subsidiary, managing its own day-to-day contract activities and continuing to deliver services to its clients and communities.

The Hyde Group Board has oversight of Pinnacle's performance, to ensure it continues to manage operational risks (and opportunities) and continues to provide appropriate risk-adjusted returns on the invested capital.

Pinnacle, which celebrated its 30th anniversary in 2024, won 34 contracts worth more than £77m in 2024/25, the majority of which will be delivered over the next five years. Pinnacle has 73,051 homes in management, including affordable homes, leasehold properties, private rental homes, student homes, extra-care homes and 49,457 Ministry of Defence provided Service Family Accommodation. All Pinnacle's profits are gifted to the Hyde Group to be reinvested in affordable homes and services.

Pinnacle Group: managing homes and serving communities on behalf of others

Pinnacle's new contracts included delivery partnerships with investors in affordable housing, such as Octopus-backed NewArch Homes, Pears-funded MTD Housing, and Nuveen-backed Preferred Homes. It also grew its existing collaborations with investors last year, including more than doubling the number of homes it manages for L&G Affordable Homes.

Pinnacle won housing management contracts with Manchester City Council, Birmingham City Council and CBRE Investment Management. And new contracts worth more than £2m a year with housing association Notting Hill Genesis will see it provide cleaning, caretaking, window cleaning and waste services across five London boroughs.

Pinnacle has two Registered Providers that manage homes owned by the group: Pinnacle Spaces and Pinnacle Affordable Homes. Customers' overall satisfaction with Pinnacle Spaces in 2024/25 was 73.4%: overall satisfaction with Pinnacle Affordable Homes was 75.6%.

Pinnacle's Residential Management Services (RMS) division significantly expanded its portfolio with Bellway Homes, adding 1,463 homes at five sites. RMS now manages nearly 5,000 homes for Bellway, providing a range of services, including leasehold management, service charge collection, concierge services, cleaning and grounds maintenance.

Pinnacle also secured a 50-year contract with infrastructure giant Hochtief to operate more than 1,000 student rooms, in partnership with Staffordshire University, and expanded its workplace operations for manufacturer JCB, at its world headquarters.

Pinnacle now provides neighbourhood services to more than 26,000 delivery sites and more than 230 workplaces.

Its Meadowship partnership with Bromley Council helped 127 homeless households find a permanent home last year. The scheme has helped nearly 400 homeless families to date (see p88).

Pinnacle supported more than 12,000 armed forces families moving into Ministry of Defence (MOD) Service Family Accommodation through its contract with the Defence Infrastructure Organisation. It helped 170 Afghan families move into surplus MOD accommodation as part of the government's Afghan Relocation and Assistance Policy.

Pinnacle handled more than 1 million customer calls across its contact centres, and boosted its market rent and student accommodation portfolios. It also started managing its first two extra-care schemes with Nuveen (120 homes) and secured a pipeline of 11 additional developments (around 660 homes).

Pinnacle Group: managing homes and serving communities on behalf of others

case study

Helping homeless families find a permanent home

Pinnacle moved 127 families from temporary accommodation to permanent homes as part of its Meadowship Partnership with the London Borough of Bromley.

Under the joint venture agreement, Pinnacle buys and refurbishes homes meeting the council's requirements, which are then let to households on the council's waiting list currently living in temporary accommodation. Homes are let on five-year assured short-hold tenancies. Funding is provided through a mix of institutional investment and council loans.

The first phase of the partnership delivered 256 local homes. The second phase delivered a further 186 homes. All homes are owned under long leases and managed by registered provider Pinnacle Affordable Homes.

Pinnacle Group: managing homes and serving communities on behalf of others

case study

Pinnacle Service Families adds support to the Military Wives Choirs

Pinnacle Service Families (PSF) is partnering with the Military Wives Choirs (MWC) to support and enrich the lives of military families across the UK and overseas. PSF is Pinnacle's contract with the Defence Infrastructure Organisation to provide management services to about 49,000 military family homes across the UK.

MWC has 72 choirs across the UK and overseas, supporting women across the military community by bringing them closer together through the shared experience of singing.

PSF will promote the work of MWC, encouraging families to connect with their local choir, as a source of friendship, support and community, especially during the transition of moving home.

Pinnacle will also lead initiatives to raise awareness and generate essential funds for MWC's ongoing projects, helping to sustain and grow its positive impact in the military community.

PSF will send its housing officers to choir practices to provide direct, face-to-face housing assistance, ensuring a comprehensive support system during deployment.

Wendy Human, Chief Executive of the Military Wives Choirs Foundation, said: "We're delighted that Pinnacle Service Families has chosen to support us by promoting membership of our choirs and including us as beneficiaries of its fundraising. There's much we can do to support each other and the communities we serve."

Hyde Group performance

Focused strategy, management discipline and business resilience

Our financial performance

Our continued operational efficiencies and strong financial discipline delivered more value for money and better services for customers during a year of transformational growth, which included the acquisition of Pinnacle Group.

This strong financial performance demonstrates our capacity to remain resilient and adapt effectively in a difficult environment. We've grown our turnover by £114.6m, to £465.6m, through ongoing Hyde Housing operations, increased sales and the acquisition of Pinnacle. We have a well established build and sales programme that helps us continue to provide new homes. This is achieved by having multiple sales channels incorporating our institutional partners. The addition of Pinnacle Group brings a new national income stream through managing homes and providing neighbourhood services across differing sectors. Our growth will continue into the next financial year, as we will report a full year of both Pinnacle and Tower Hamlets Community Housing being part of the group.[1]

EBITDA for the Group has increased year on year by 9.3% to £157.9m (2023/24: £144.5m). Before operating cost adjustments, we achieved an adjusted operating surplus of £121.0m (2023/24: £117.0m). This strong performance was enabled by firm cost control measures and enhanced by surpluses from property sales. We further strengthened our financial position with net assets increasing to £872.2m (2023/24: £802.2m). We also closely managed our debt levels. Net debt of £1,587m (2023/24: £1,471m) represents a gearing level, (based on historic book value of assets) of 45.0% (2023/24: 44.4%).

The statutory surplus, after operating cost adjustments and gains on financial instruments, was £69.1m (2023/24: £25.9m). Last year's result was after taking impairment and writedowns (net of reversals) of £37.6m, this year's surplus includes an add back of impairment of £4.0m. Excluding these adjustments, our surplus remains stable year-on-year.

The following table shows a detailed analysis from our management reporting segments to the statutory surplus. We distinguish between our housing operating business, our building safety programme, development sales, joint ventures, housing property disposals and Pinnacle operations. We also report movements from operating cost adjustments, fair value movements and other one-off items separately, to arrive at our overall surplus.

1. The financial results in the following table include five months of Pinnacle operating as part of the Hyde Group.

Our financial performance

	2025 £m	2024 £m
Hyde Housing		
Housing business		
Operating income	331.8	306.6
Operating costs	(259.6)	(242.0)
Core operating surplus	**72.2**	**64.6**
Margin	**21.8%**	**21.1%**
Building safety remediation		
Costs	(2.7)	(2.2)
Recoveries and grants	4.0	2.6
Net building safety remediation costs	**1.3**	**0.4**
Investments, Development & Partnerships		
Development sales		
Outright and first tranche sales	43.4	42.4
Cost of sales and operating costs	(42.0)	(37.6)
Development surplus	**1.4**	**4.8**
Joint ventures		
Joint venture income	10.0	22. 3
Joint venture cost of sales	(10.6)	(21.1)
Share of joint venture (deficit)/surplus	**(0.6)**	**1.2**
Housing property sales		
Sale proceeds	98.2	117.6
Cost of sales	(52.6)	(71.4)
Sale surplus	**45.6**	**46.0**
Pinnacle[1]		
Turnover	86.4	-
Cost of sales	(81.2)	-
Surplus	5.2	-
Amortisation	(4.1)	-
Pinnacle surplus	**1.1**	**-**
Operating cost adjustments	2.0	(44.1)

continues...

1. Pinnacle results are included for five months of the year. Adjusted measures are included pre-pinnacle to allow comparability year on year.

Our financial performance

	2025 £m	2024 £m
Statutory operating surplus	**123.0**	**72.9**
Statutory operating margin	**26.4%**	**20.8%**
Net financing costs	(58.4)	(51.3)
Fair value movements on investments	1.0	1.8
Statutory surplus before derivatives and taxation	**65.6**	**23.4**
Fair value movements in derivatives	3.5	3.2
Loan break costs	-	-
Taxation	-	(0.7)
Statutory surplus for the year	**69.1**	**25.9**
EBITDA	**157.9**	**144.5**
Net assets	**872.2**	**802.2**

Housing business

The financial performance of Hyde Housing improved, increasing to a margin of 21.8% from 21.1%, and a surplus of £72.2m (2023/24: £64.6m). Our margin improvement was achieved despite the ongoing inflationary and regulatory demands increasing our cost base, while most of our rental income was capped by the rent settlement. This improvement was driven largely by operational efficiencies, allowing us to increase investment in customer services and increase spending in customers’ homes.

Our financial performance

Building safety

We report on our building safety programme separately, to provide clear visibility and oversight of building safety projects.

Ongoing changes to building safety regulations has meant we must continue to carry out improvement works on some of our buildings, although our early action since the Grenfell tragedy in 2017 means we've carried out work to mitigate the risk to customers living in our tallest buildings.

Our spending has reduced over time, as we took prompt action to improve safety in earlier years and have been successful in working with our building contractors, which have undertaken significant improvement works at their own expense, without recourse to us. This has resulted in reduced spend in the year, and recoveries relate to works completed in prior years, with £2.7m of spend (2023/24: £2.2m) and £4.0m of grants and contractor recoveries (2023/24: £2.6m).

Our financial performance

Development and joint ventures

Development and joint ventures relate to building homes. For statutory reporting, our development sales and costs (and our share of joint arrangements) are recognised in the turnover and operating expenditure (shown in Note 3 as shared ownership first tranche sales and outright property sales). Joint venture entities are equity accounted for, with our share of operating surplus in joint ventures shown in the Statement of Comprehensive Income (and further broken down in Note 8).

Total surplus from development and joint ventures was £1.3m (2023/24: £4.8m) and a loss of £0.6m (2023/24: a gain of £1.2m), respectively. The reduction in development and joint venture surpluses was driven by phasing of the development programme and a softening of the market. In response to higher interest rates and the market affordability challenges, we flexed our tenures during the prior year between outright sale and shared ownership to mitigate these market challenges. This resulted in a lower sales surplus, while preserving longer term value of our shared ownership assets.

Sales were achieved in our key schemes including Canterbury Riverside, Stones Farm and Thanet Way, as well as our partnerships at Portslade, Coldean, Harrow View East and Rochester Riverside.

Housing property sales

Disposals of homes (and related costs) include staircasing sales of shared ownership homes, disposals of empty homes no longer meeting customers' needs and other asset sales, such as sales of homes to our strategic partnerships (p78).

Our total surplus of £45.6m (2023/24: £46.0m) was driven by one large sale to our investment partners and our void disposals programme (£38.1m) and other sales and related costs including staircasing and right to buy and acquire (£7.8m). Further breakdowns of these sales and costs are shown in Note 7.

Pinnacle

The five months of Pinnacle joining the Group contributed an increase in turnover of £86.4m and an operating margin before business combination adjustments of 6%. Pinnacle will add further growth to the Group as we recognise a full year of operations in the next financial year.

Our financial performance

Statement of Financial Position

Our total assets increased by £317m to £4,096m, due to our continued investment in maintaining our homes and building homes. This includes holding our homes at historical cost, which is significantly lower than the value they would fetch on the open market. Net assets (total reserves) increased from £802m to £872m. We use our reserves to reinvest in our homes and services, and to meet the ambitions of our 2050 Strategic Plan.

	2024/25 (£m)	2023/24 (£m)
Housing properties net of depreciation	3,527	3,345
Other non-current assets	226	156
Current assets	343	278
Total assets	**4,096**	**3,779**
Current liabilities	(198)	(126)
Grant greater than one year	(1,309)	(1,244)
Long term loans	(1,648)	(1,565)
Other long term creditors and provisions	(69)	(42)
Net assets and reserves	**872**	**802**

Cash flow management

Cash flow	2024/25 (£m)	2023/24 (£m)
Cash flow from operating activities	194.9	199.2
Cash flow from investing activities	(238.3)	(127.1)
Cash flow from financing activities	65.9	(65.4)
Net change in cash	**22.5**	**6.7**

Statutory operating cash flows of £194.9m were in line with 2023/24 (£199.2m).

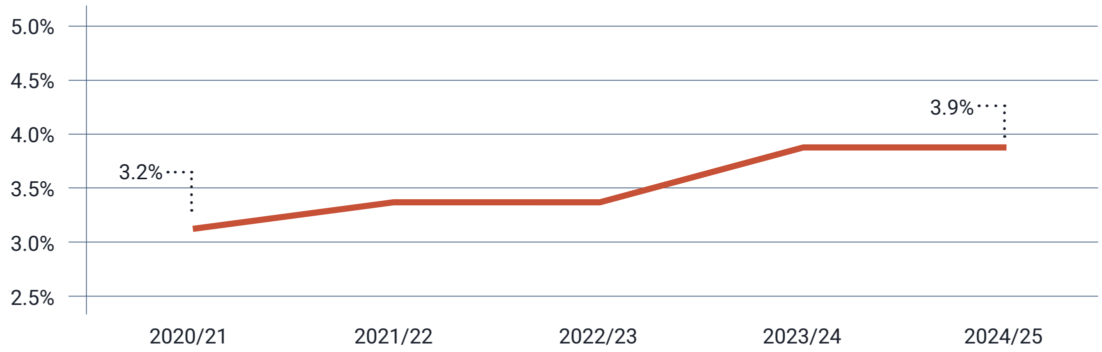
Cash outflows from investing activities were £238.3m (2023/24: £127.1m). This is largely driven by our strategic investment in Pinnacle and cash spent on homes (replacing components such as kitchens and bathrooms) and building homes, offset by grants received from the government.

During the year we spent £281.2m (2023/24: £212.5m) on building homes and maintaining homes and received £128.2m (2023/24: £93.8m) from the government, which allowed us to deliver 602 homes (2023/24: 630) and to start construction of 519 more (2023/24: 823). We also spent a further £4.6m (2023/24: £5.3m) on other fixed asset investments, including our digital platforms, which enable us to deliver better customer services.

Cash outflow from financing activities of £65.9m (2023/24: £65.4m inflow) was attributable to interest payments of £68.9m (2023/24: £66.1m) and repayment of existing debt of £14.5m, offset by net cash inflows from revolving credit facilities of £150.0m.

Our financial performance

Weighted Average Cost of Debt



Debt, interest and liquidity

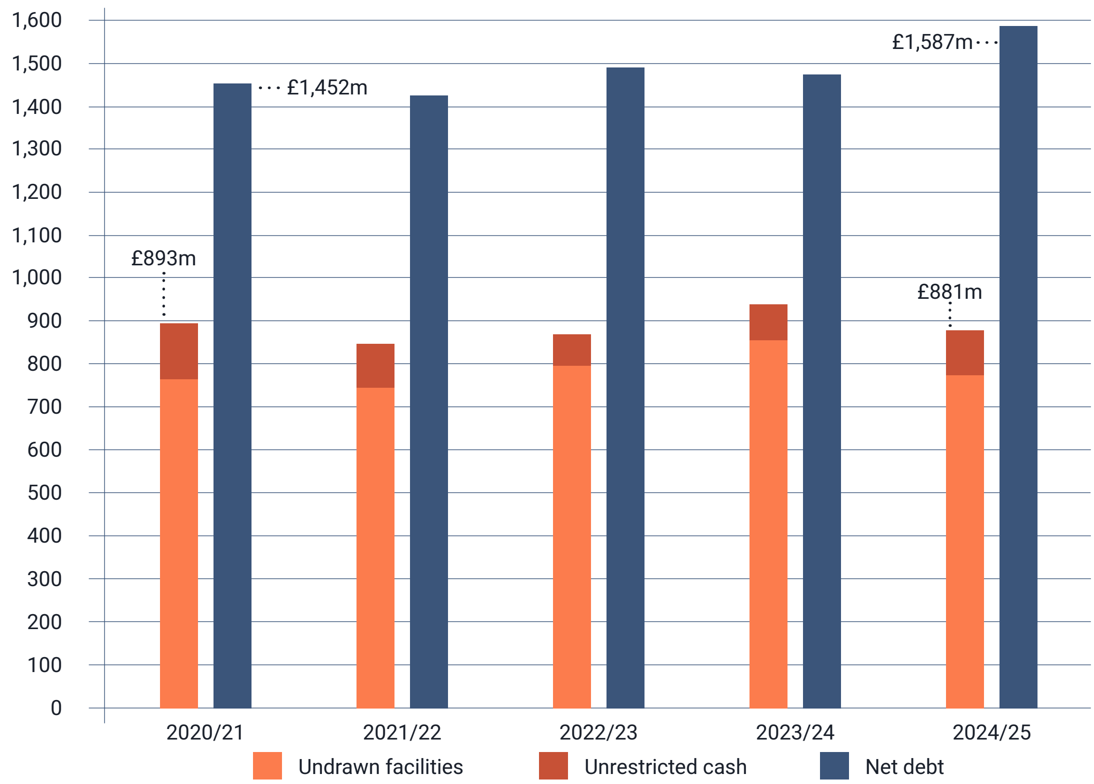
Our weighted average cost of debt has remained relatively low at 3.9%, this remains lower than the Bank of England base rate, after its reduction from 5.25% to 4.5% during the year. This is achieved by our strategic decision to hold a high proportion of debt at fixed rate (76% fixed and 24% variable).

We've also chosen to maintain significant liquidity of £775m (2023/24: £848m). This reduction from 2023/24, as we drew on our revolving credit facilities for the Pinnacle acquisition, ensures liquidity far exceeds our internal 12 month target of £400m and ensures it's sufficient to fund at least the next five years of our Financial Plan.

This still gives us significant financial resilience against the uncertainties the economy and our sector faces, protecting our long-term viability, which, in turn, gives comfort to our customers that their homes are secure for the long term. Further details are given in our viability statement (p128).

Our financial performance

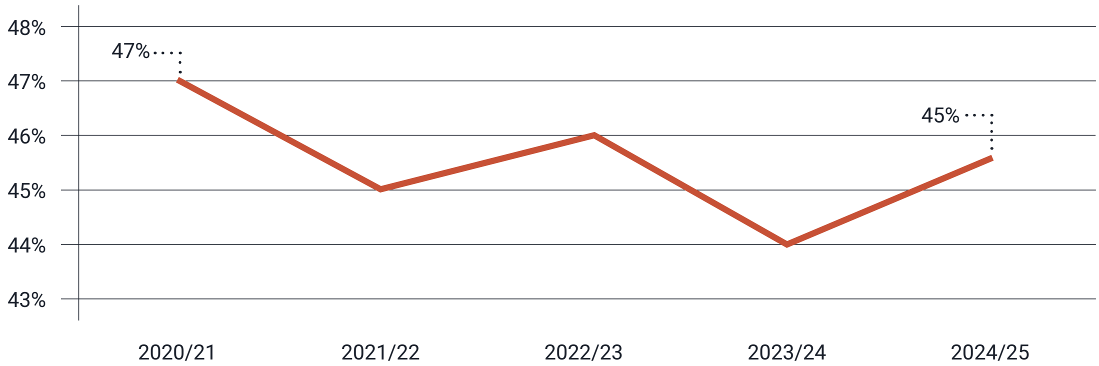
Liquidity and net debt (£m)



Gearing

We continue to have significant headroom on gearing. Our gearing, at 45%, remains one of the lowest in the sector, and we continue to have significant headroom against our banking covenants. These are a result of our careful management of banking facilities and the use of investment partnerships to help fund our development programme, rather than borrowing more.

Gearing (debt to assets) (%)



Risk management

Managing risk in everything we do is essential. The Group Board owns and sets our level of risk appetite, which guides our decision-making and strategy development.

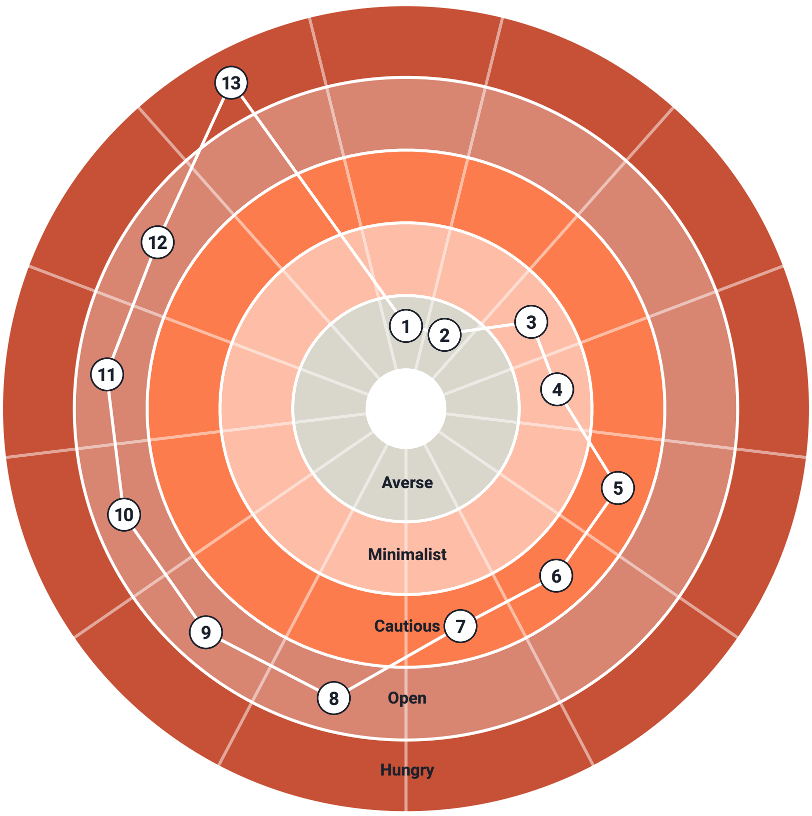
Sound risk management, based on strategic, economic, social and environmental principles, underpins our approach to governance. We regularly review our control framework and how we manage emerging risks to ensure we capture and address issues that could affect our ability to meet our statutory obligations and strategic objectives.

Our internal control framework is designed to limit and manage these risks. However, we realise this framework only provides reasonable, and not absolute, assurance, which means non-compliance issues can still happen.

Risk appetite

We have statements across 13 key risk areas that are applicable to the registered providers within Hyde Housing Association, to establish our capacity for taking and absorbing risk and provide guiding principles for decision making. The Group Board reviews risk appetite every year, with the next review taking place in September 2025. This year we introduced a new risk appetite category around our complaints handling approach.

Our performance against Key Risk Indicators for each risk appetite category (a blend of KPI metrics, risk escalation indicators and reactive indicators) is reported to the Board quarterly.



Risk management

1 Regulatory compliance: Averse

- Regulatory, and health and safety compliance, is a fundamental organisational objective
- We'll implement all possible controls to ensure compliance, following an exercise to determine if those controls are proportionate to the risk
- 100% compliance: We'll always comply with all health and safety legislation , while acknowledging that minor deviations will occur from time-to-time.

2 Fraud, bribery, theft and corruption: Averse

- We have no appetite for breaching anti-money laundering regulations. We have procedures for verifying and recording the identity of counterparties and reporting suspicions. We ensure staff are aware of the subject and our procedures
- We have no appetite for internal or external fraud losses. We apply all reasonable controls to prevent fraud events from occurring, even if these controls are expensive and outweigh the losses that could arise.

3 Core service delivery: Minimalist

- We prefer highly conservative core service delivery options, with low inherent risk and a potential for limited reward
- We avoid unnecessary innovation but, where it's essential, changes will be managed via the change and transformation process, to ensure delivery isn't compromised
- Our primary focus is to ensure we get the basics right and maintain regulatory compliance. We take an incremental approach to change and have no appetite for transformational change
- Maintaining the security and resilience of our systems is very important. We implement best practice controls to reduce risk
- We have a strong preference to use market-leading products and providers. We only use small or start-up providers where the inherent risk is very low, and where there are no other suitable products offered by market-leading providers.

4 Data, privacy and information security: Minimalist

- We have a very limited appetite for data loss or information security breaches
- We apply all best practice controls to prevent data loss events
- We have a very limited appetite for breaches of any data, privacy and information security legislation, especially the Data Protection Act 2018.

5 Business continuity and resilience: Cautious

- We have some appetite for business disruption, but this is largely confined to areas outside of our control
- While we apply all best practice controls, we won't apply controls that go above and beyond best practice, if they are too expensive, and won't result in significant improvements or reductions in business disruption losses
- We have business continuity and IT disaster recovery plans, including cyber incident playbooks, which are reviewed and tested annually.

6 Funding and liquidity: Cautious

- We maintain a minimum liquidity of £400m, or enough funds to cover planned contractual commitments, as well as the 'extreme' stress level scenario under Bank of England standards
- Group fixed debt (including swaps) must be between 70% and 95% of the drawn debt at any time
- We implement controls to protect our credit rating and only take actions we're confident won't adversely impact our ability to continue to raise debt funding at an affordable rate
- We seek appropriate financing arrangements for the business and prefer to keep things simple.

7 Complaints handling: Cautious

- Determination appeals: We'll appeal severe maladministration determinations where we believe the Housing Ombudsman Service (HOS) fails to consider customers' behaviour
- Evidence requests: We won't provide evidence for cases where we are preparing for legal action due to a breach of tenancy
- Complaint Handling Failure Orders (CHFO): We have some appetite for CHFOs where compliance would be a burden on resource, or where we disagree with the HOS' adjudication
- Resourcing: We may consider temporary secondments to cover spikes in complaints.

Risk management

8 Legal: Open

- We have some appetite to take actions that could be challenged. However, we'll only do this if we're likely to win the challenge and if gains outweigh adverse consequences
- We generally favour further legal action. We only favour settlement if it's estimated to cost less than further legal action
- We'll take legal action to protect the safety of our colleagues and customers, even if the outcome is not always certain.

9 Development, investment and asset management: Open

- We're open to expanding beyond our traditional products and geography, including management on behalf of others, provided we're confident we can manage the risks
- We consider partnership working arrangements as appropriate, provided we have confidence in our partners and potential successors in title
- We have an active development programme, which will deliver a large number of homes every year
- We maintain at least a V2 rating
- We're open to taking market sales risk as part of a balanced development portfolio
- We're open to options to realise latent potential value through active asset management, as long as the business case makes sense.

10 Outsourcing: Open

- We take a risk-based approach to outsourcing. Subject to availability of specialist resources, or where inherent risk is high, we won't outsource business-critical functions
- We have an outsourcing strategy and framework. We invest in ongoing contract management to ensure our contractors are properly managed and are delivering
- We prefer to purchase off-the-shelf products, rather than developing bespoke solutions.

11 Change and transformation: Open

- We're open to change
- We support innovation to improve service delivery
- We want to deliver change at pace, provided we can manage the risks well.

12 Reputation: Open

- While we're not careless with our reputation, we're prepared to say and do things , which we think are right, but which have the potential to draw additional attention from central and local government, the Regulator, media, public and/or other stakeholders. However, we only do this once appropriate steps have been taken to minimise any potential adverse impact
- We're prepared to take a stance on issues which would protect the long-term reputation of the sector or drive sector-wide improvements.

13 People: Hungry

- We actively recruit people without sector experience to introduce new ways of thinking and working, subject to those candidates demonstrating the best likelihood and potential to deliver the outcomes of a role
- We strongly encourage flexible and new ways of working. We're open to innovative and experimental ways of working, as long as they're not detrimental to service delivery, or staff engagement and welfare
- We continually re-assess the structure and location of our workforce, to ensure it's optimised to achieve our objectives
- We're open to restructuring and relocating our workforce, as long as it ensures we maintain a competitive advantage and achieve our objectives
- We invest heavily in employees' learning and development, even if this comes at a significant financial cost. We proactively identify employees' learning and development needs and support them to achieve their goals and qualifications.

Risk management

Business assurance framework

We use a combined assurance reporting tool, supported by a suite of business assurance KPIs, to further strengthen our control environment. This focuses on key business areas, providing integrated assurance mapping that identifies and assesses the type, performance and relationship of the sources of assurance across all lines of defence.

Risks, uncertainties and governance

The Group Audit Committee reviews the arrangements for risk identification and management each year, in terms of strategic and operational risks.

Strategic risks are reviewed regularly by Group Board and updated as necessary, to ensure we're able to continue to deliver the objectives of our 2050 Strategic Plan.

Operational risks, which might impact day-to-day service delivery, are owned and monitored by our Leadership Team and reported to the Group Housing Services Committee, Group Finance Committee (finance and treasury risk) and Group Investment Committee (development risk).

We produce risk registers based on key risks and make an initial assessment of cause and the likelihood and potential impact of events occurring to determine the level of risk. This is evaluated against the mitigation measures we have in place, to provide a residual risk score.

To ensure risk management is part of everyday activities, our Leadership Team reviews emerging issues monthly and reports impact and mitigation. On a regular basis, we carry out a wider Political, Economic, Social, Technological, Legal and Environmental (PESTLE) that's taken to our committees and Group Board.

Risk management

Our strategic risk register

We, along with other social housing providers, face an increasingly challenging operating environment, which we have reflected in our strategic risk register. This year, we reviewed our strategic risks to align with our Strategic Plan 2025-30.

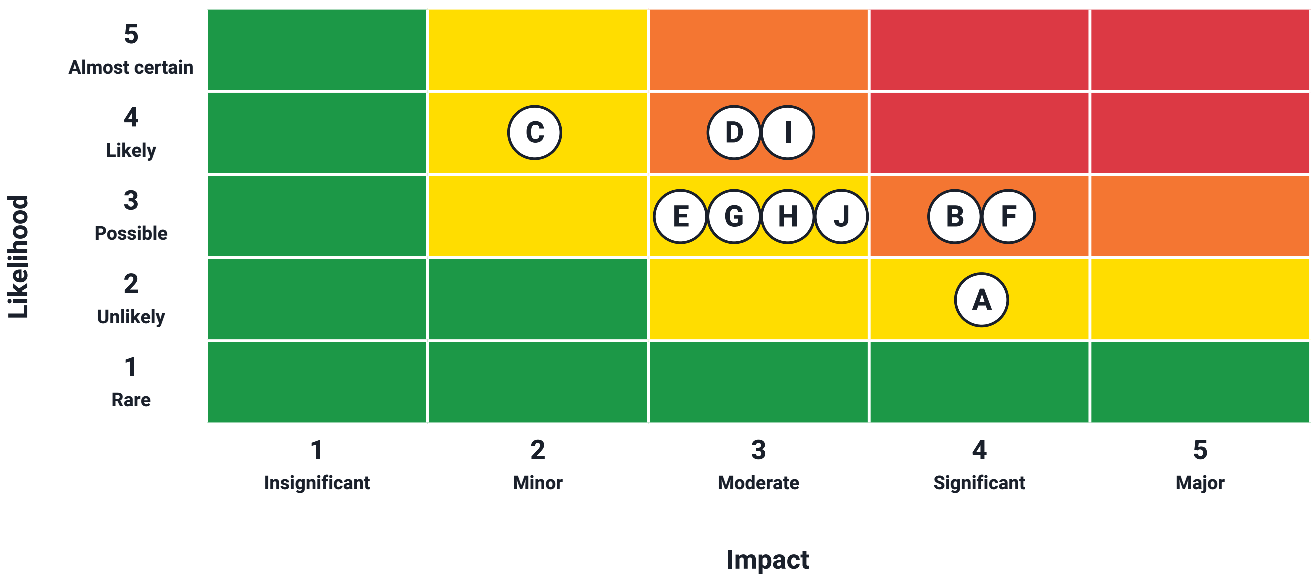
Our overall risk ratings have decreased slightly from last year where nine strategic risks were rated as 'High'. While we've seen this softening, external threats relating to the economy and challenges facing the sector continue to put pressure on our organisation and require significant management input and time to mitigate risks.

External threats are further compounded as the sector expands its digital footprint. Providing customers with access to systems, data and automated services comes with an increased risk of cyberattacks. In response, we're increasing our efforts to protect our customer data and our business systems.

We've reviewed our strategic risks and proposed a number of changes to reflect our current position, including the acquisition of Pinnacle Group and our appetite for further growth. The main changes proposed are:

- Risk A is now commercial – management and investment operations risk, focusing on ensuring appropriate governance, control and risk management of commercial activity
- Risk B now focuses on the delivery of strategic change and efficiencies
- Risk F is now financial sustainability risk, formed by merging external economic environment risk and stress testing risk
- Risk G now centres entirely around people risk.

Residual risk heat map



Risk management

Strategic risk	Description
A	Failure to design and embed sufficient governance, management (financial and operational) and risk management controls for commercial activities (investment and management operations), leading to contagion of social assets, regulatory downgrade, reputational damage or financial loss.
B	Failure to deliver the benefits and efficiencies of the strategic change programme resulting in service decline, stakeholder dissatisfaction, loss of opportunities for growth, financial loss or negative intervention from regulators, funders or ratings agencies.
C	Failure to preserve and promote the strength of the Hyde Group brands, and to articulate Hyde's strategy as a catalyst for change in the sector, leads to financial loss, stakeholder dissatisfaction, reputational damage, regulatory intervention and loss of opportunities for growth.
D	Failure to anticipate and adapt to a changing political and legislative landscape leads to increased costs, service decline, reputational damage and loss of opportunities for growth.
E	Failure to design, develop and deliver products and services that address the expectations of Hyde's key stakeholders (customers, regulators, institutional investors, funders and lenders) leads to financial loss, stakeholder dissatisfaction, service decline, regulatory intervention and/or loss of opportunities for growth.
F	External economic factors (economic cycles/shocks) or poor financial and operational management negatively impact the Hyde Group's ability to maintain financial sustainability resulting in increase costs, financial loss, disposal of social assets, loss of opportunities for growth, or negative intervention from regulators, funders or ratings agencies.
G	Failure to attract, recruit, retain, and development of a skilled, diverse workforce capable of delivering the Hyde Group's corporate strategy resulting in service decline, reputational damage, increased costs, loss of opportunities for growth and regulatory intervention.
H	Failure to embed a robust information governance and data management framework leading to poor decision making, inability to satisfy regulatory reporting requirements, financial loss, failure in statutory duties and/or reputational damage.
I	Failure to have the correct data, systems, policies and procedures to ensure buildings are safe and to protect the health, safety and wellbeing of Hyde's customers and employees, leading to potential or actual harm, failure in statutory duties, financial loss, reputational damage, regulatory intervention and/or legal action.
J	Failure to deploy adequate system security controls and processes, resulting in cyberattacks (hacks, ransomware, malware) or attempts to steal or ransom customer and business information and data, resulting in financial loss, prolonged service outages, reputational damage and regulatory intervention.

Health and safety

We're committed to providing a safe and healthy workplace for our employees and contractors, and a safe environment in which our customers can live. We regard the successful management of health and safety as essential to the delivery of our strategy.

We're also committed to continual improvement in health and safety management in our homes and we achieve this through delivery of a comprehensive property health and safety compliance programme.

We track several key health and safety performance indicators relating to our core housing operations, those undertaken by our direct labour organisation and construction site activity undertaken by our development partners. We continue to perform well in respect of accident frequency, lost day and reportable injury rates.

Our health and safety arrangements are independently reviewed and certified annually.

Our health and safety training programme is targeted by role and includes mandatory elements for all staff. We maintain full compliance regarding completion of our four core health and safety e-learning modules.

To underpin our commitment to health and safety, Hyde's Board members, Leadership Team and managers all attend training accredited by the Institution of Occupational Safety & Health.

RoSPA Gold Award

This year, we retained our Royal Society for the Prevention of Accidents (RoSPA) Gold award, which is testament to our ongoing commitment to health and safety excellence, both for colleagues and customers.

Internal controls assurance

The Group Board's responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness is set out in this internal controls assurance statement.

The Group Board is ultimately responsible for ensuring the Group establishes and maintains a system of internal controls appropriate to the various business environments in which it operates. Such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable, and not absolute, assurance against material misstatement or loss.

The key elements in exercising control include:

- Group Board-approved terms of reference and delegated authorities: Group Housing Services, Group Audit and Group Finance and Investment Committees
- Clearly defined management responsibilities for the identification, evaluation and control of significant risks
- Robust strategies and business planning processes, with detailed financial budgets and forecasts
- Formal recruitment, retention, training and development policies for all staff
- Robust treasury management, which is subject to external review each year
- Established authorisation and appraisal procedures for significant new initiatives and commitments
- Regular reporting to the appropriate committees on key business objectives, targets and outcomes
- Group Audit Committee-approved anti-money laundering, whistleblowing and anti-fraud and corruption procedures
- Regular monitoring of loan covenants and requirements for new loan facilities
- Annual review of Regulator of Social Housing's Economic and Consumer Standards.

Internal control assurance

The Board confirms that it has a strategy and procedure for anti-fraud and corruption.

The system of internal controls is ongoing and has been in place for the year to 31 March 2025 and up to the date of approval of the annual report and financial statements.

The Board recognises its responsibility for the system of internal control and for reviewing its effectiveness. The Group produces an annual review of internal control. This provides assurances around external audit, internal control, internal audit, whistleblowing, risk management and performance monitoring.

The Board reviews annually the effectiveness of the system of internal control. This includes a review of the fraud register. The Board confirms that all necessary actions are taken to remedy any significant failings or weaknesses, identified during the review.

The Board cannot delegate ultimate responsibility for the system of internal control but has delegated authority to the Group Audit Committee to regularly review its effectiveness. The Board receives a verbal update from Group Audit Committee on a quarterly basis and has access to the minutes. The Group Audit Committee has received the Chief Executive's 'Annual review of the effectiveness of the system of internal control' for the Group, and the annual report of the internal auditor, and has reported its findings to the Board.

The Board confirms no weaknesses were found in the internal control for the year ended 31 March 2025 which might otherwise have resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements.

Hyde Group governance

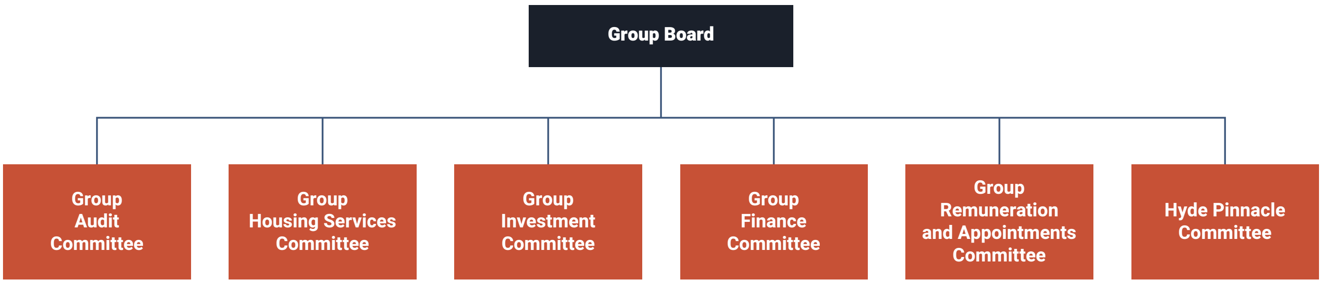
Ensuring effective decision-making and good risk management

Group structure

Good governance ensures effective decision-making and good risk management, keeping us aligned to our vision and mission, helping to meet our social purpose and reinforcing our reputation.

We're committed to being transparent (providing information that is complete and informs), to being accountable to all stakeholders (from customers and staff, to investors, partners, the Regulator of Social Housing and Government). We also make it easy for stakeholders to engage with us, to share their views and we're committed to building their trust, so they know we'll respond to them.

We've adopted the National Housing Federation's Code of Governance 2020.



The Group Board

The Group Board is our ultimate governing body, with non-executive directors and two executive directors. Board members (p123) come from a range of professional and business backgrounds, giving us the best mix of skills and expertise, and are paid for their time and involvement. The Board holds six formal business meetings a year and meets to consider strategic issues, and to approve the Group financial plans and accounts. It delegates some responsibilities to six committees, each chaired by a non-executive director.

The Group Audit Committee

The Group Audit Committee (GAC) oversees internal and external audits, as well as our risk management framework and internal control framework. This ensures we have appropriate systems in place and that we comply with the Regulator of Social Housing's standards and expectations.

GAC reviews the financial statements of the Group, the Registered Providers and subsidiaries with external debt. GAC also reviews any material matters in the other entities in the Group. It's responsible for recommending the appointment of internal and external auditors and for investigating any activity it thinks fit (or anything referred to it).

Group structure

The Group Housing Services Committee

The Group Housing Services Committee (GHSC) oversees customer services and operations and how these two interact. It also acts as a strategic conduit between customers and the Board, and works closely with Customer Voice, our involved customer group. The Committee reports to the Group Board on the overall effectiveness of services provided to residents by the Operations Directorate, and customer facing services provided by other directorates (Hyde Foundation and Strategy and Transformation).

This committee has delegated authority to scrutinise performance against the Regulator of Social Housing Consumer Standards.

The Group Investment Committee

The Group Investment Committee (GIC) oversees and approves our property investment strategies, including acquisitions, capital expenditure, development, asset management and disposal. It scrutinises and approves our involvement and investment in large urban regeneration and renewal projects.

The Group Finance Committee

The Group Finance Committee (GFC) provides oversight of the Group's corporate finance and treasury-related activities and recommends, or endorses, actions and proposals to the Group Board or subsidiary boards for approval.

The Group Remuneration and Appointments Committee

The Group Remuneration and Appointments Committee (GRAC) is responsible for setting the remuneration of board members and of Hyde's Leadership Team. GRAC oversees board member appraisals and reviews board member appointments, as well as overseeing recruitment of Hyde's Leadership Team members.

The Hyde Pinnacle Committee

The Hyde Pinnacle Committee oversees the Group's investment in the Pinnacle Group and provides assurance and recommendations to Group Board. The committee has delegated authority to take decisions within its remit, including approving or endorsing key matters, such as business planning, and setting appropriate key performance measures. Pinnacle's Group Board governs the business of Pinnacle Group, save for exceptional matters reserved to the Hyde Group Board.

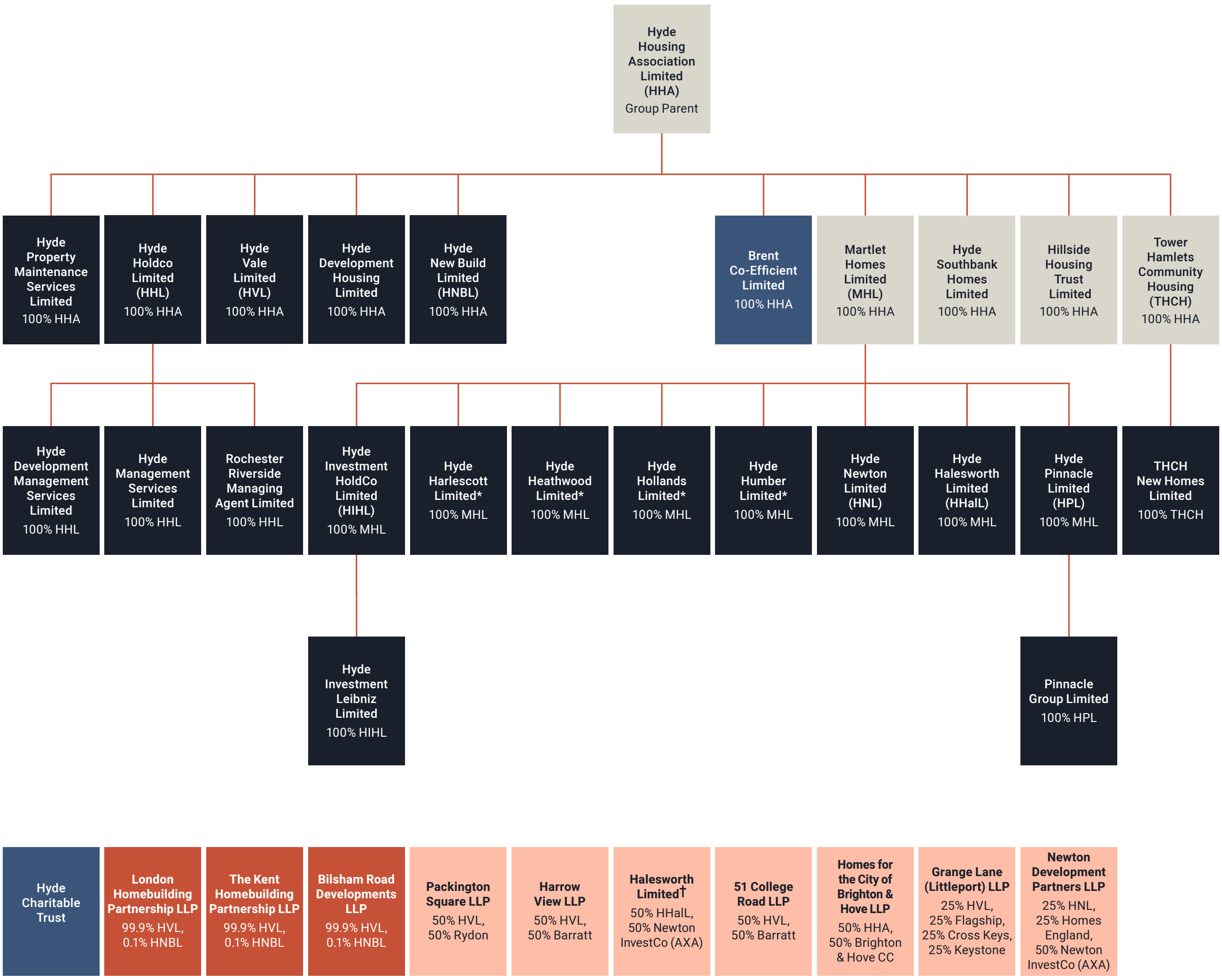
Hyde's Leadership Team

Hyde's Leadership Team (HLT) is responsible for delivering the strategies and plans that ensure we provide homes and services meeting our customers' needs. HLT answers to the Group Board, scrutinising our performance and taking remedial action where necessary. No member of HLT holds any interest in the Association's shares and members act as executives within the authority delegated by the Group Board.

HLT members' details are set out in the Board and advisers section (p113).

Group structure

Group structure organogram



Key

- Registered housing provider (exempt charity)
- Other charity
- Subsidiary
- Special purpose vehicles
- Joint ventures
- † For-profit registered provider
- * Subject to an application to be a for-profit registered provider

Group structure

Protecting our charitable reserves

We have several ways to protect our charitable reserves:

- Our registered provider subsidiaries focus on our affordable assets and customers, as well as the direct funding of affordable development. Our governance and policies help protect our affordable assets, while also using these to help develop and invest in opportunities
- Our commercial activities are carried out by distinct legal subsidiaries, to separate our regulated, publicly funded and charitable activities from commercial risk. These are overseen by GIC. There are no guarantees from the Group's charitable entities to the commercial subsidiaries
- Surplus from the sale of homes is typically used to offset the cost of building affordable homes. These activities are typically funded from our own reserves, arm's length pre-approved loans from the registered providers and third-party non-recourse finance
- GHSC oversees regulated activity and GIC oversees commercial and property activities
- The exposure and level of risk is managed through a series of delegations. For GIC, this is via investment levels in the commercial entities and by the hurdle rates for development (which vary according to tenure). GIC refers any new or unusual schemes to the Group Board
- Joint ventures (JVs) are usually entered into on a contractual basis, supplemented by JV-level formal governance
- We take independent professional advice regarding the regulatory and charity law aspects of any joint venture deals and on any liabilities
- Group Board, supported by GFC, approves any loans and charging of assets. It also has oversight of inter-company lending, liquidity and the development pipeline. Inter-company lending from the Registered Providers to commercial entities is limited to £500m
- We stress test our financial plan every year, covering both Group and subsidiary covenants and liquidity need.

Board and advisers

Non-Executive Board Directors

Mike Kirk	Chair
James Wardlaw	Deputy Chair (Appointed 21 October 2024)
David Banks	Senior Independent Director (Resigned 9 October 2024)
Mandy Eddolls	Senior Independent Director (Appointed 21 October 2024)
Myles Edwards	
Debbie Ellison	Hyde customer
Curtis Juman	Member Responsible for Complaints (Appointed 2 September 2024)
Karen McElhatton	
Gordon More	
Katherine Rodgers	(Resigned 18 April 2025)
Stella Young	Chair of Customer Voice (Resigned 31 March 2025)

Executive Board Directors

Andy Hulme
Rod Holdsworth

Group Company Secretary

Zoe Ollerearnshaw	(Resigned 9 September 2024)
Melanie O'Riordan	(Appointed 9 September 2024)

Hyde's Leadership Team

Andy Hulme	Group Chief Executive Officer
Neal Ackcral	Chief Operating Officer
Mark Batchelor	Property Services Director
Sarah Bissell	HR Director
John Carmichael	Risk & Governance Director
Tom Grundy	General Counsel
Rod Holdsworth	Chief Finance & Resources Officer
Kate Krokou	Chief Strategy & Transformation Officer
Anjali Manoj Kumar	Group Technology Director
Stephen McGowan	Investment Strategy & Business Development Director
Zoe Ollerearnshaw	Company Secretary (Resigned 9 September 2024)
Sharon Pearce	Commercial Development Director
Guy Slocombe	Chief Investment Officer (Resigned 30 January 2025)

Board and advisers

Registered Office

30 Park Street
London SE1 9EQ
Tel: 020 3207 2600
www.hyde-housing.co.uk

Bank

National Westminster Bank Plc
143 High Street
Bromley
BR1 1JH

Solicitors

Devonshires
30 Finsbury Circus
London
EC2M 7DT

Trowers & Hamlins
3 Bunhill Row
London
EC1Y 8YZ

Independent auditors

BDO LLP
55 Baker Street
London
W1U 7EU

Internal auditors

Beevers & Struthers LLP
150 Minories
London
EC3N 1LS

How our Board operates

Board accountability to stakeholders

Regular meetings with the Regulator of Social Housing

Publishes annual review for customers

Annual meetings between non-executive directors and Customer Voice

How we think about board refreshment

Term limits: Maximum term will normally be up to six consecutive years (an initial term of three years, plus another term of three years). Where a member has served six years, and the Board agrees it's in the organisation's best interests, their tenure may be extended up to a maximum of nine years

Annual Board and Board member appraisal and collective external appraisal every three years

Achieving a balance of knowledge of the Group and fresh perspectives

Activities

SIX Board meetings, (including some sessions without the executives), plus additional Board meetings as required

Annual assessment of governance effectiveness, triannual external governance review and appraisals of individual Board members and the Board

Board and Leadership team changes

David Banks	Senior Independent Director (Resigned 9 October 2024)
Mandy Eddolls	Senior Independent Director (Appointed 21 October 2024)
Curtis Juman	Director (Appointed 2 September 2024)
Zoe Ollerearnshaw	Company Secretary (Resigned 9 September 2024)
Melanie O'Riordan	Company Secretary (Appointed 9 September 2024)
Katherine Rogers	Director (Resigned 18 April 2025)
Guy Slocombe	Chief Investment Officer (Resigned 30 January 2025)
James Wardlaw	Deputy Chair (Appointed 21 October 2024)
Stella Young	Chair of Customer Voice (Resigned 31 March 2025)

Board members and membership

Group Board	
Chair	Mike Kirk
Deputy Chair	James Wardlaw
Senior Independent Director	Mandy Eddolls
Members	See pages 123-124

Oversees

Six Board meetings, plus extra meetings to deal with key issues; one meeting to consider and approve year-end related business; approval of audited accounts; two dates set aside each year for strategic discussions; annual governance effectiveness review and board appraisal; periodic meetings between the Group Chair and the Committee chairs.

Recent focus areas

- Approved the acquisition of Pinnacle Group
- Approved Tower Hamlets Community Housing joining the Group
- Approved budget and Financial Plan for 2025/26
- Approved rents and service changes for 2025/26
- Approved updates to the Committee delegations and remit
- Reviewed the Tenant Satisfaction Measures
- Reviewed Group Strategic Plan 2025-30 and the Annual Plan
- Reviewed customer insight and experiences of Hyde services and communications
- Reviewed updates to key customer policies
- Reviewed updates to Digital Programme, Inclusion Strategy and Sustainability Strategy
- Reviewed the implementation of the Neighbourhoods and Specialist Housing service
- Reviewed risks and risk appetites for the Group
- Reviewed the Group Structure for efficiencies
- Reviewed key performance indicators
- Reviewed arrangements and compliance matters relating to fire safety
- Reviewed compliance with the Complaints Handling Code
- Engaged with the Regulator of Social Housing and the Housing Ombudsman.

Board members and membership

Group Audit Committee (GAC)

Chair	Curtis Juman
Members	James Wardlaw Myles Edwards

Oversees

Internal and external audits, financial reporting, risk management, internal control and compliance.

Recent focus areas

- Approved the scope of the Hyde Group Corporate Structure review
- Approved and monitored the internal audit programme
- Reviewed and recommended the 2023/24 financial statements of the Group, the Registered Providers and subsidiaries with external debt
- Reviewed the year-end timetable and external audit plan for 2024/25
- Monitored controls in relation to cyber security and disaster recovery.

Board members and membership

Group Housing Services Committee (GHSC)

Chair	Karen McElhatton
Members	Mandy Eddolls (Appointed 26 March 2025) Myles Edwards Neal Ackcral (Executive) Asit Acharya (Independent committee member) Oke Eleazu (Independent committee member) (Resigned 4 January 2025) Stella Young (Chair of Customer Voice) (Resigned 31 March 2025) Debbie Ellison

Oversees

Operational performance, operational risk, and resident facing services.

Recent focus areas

- Improvements to customer satisfaction and complaints handling
- The work on the Consumer Standards
- The Housing Ombudsman Paragraph 49 report
- Our Digital Programme
- The implications of proposed rent increases in line with the Rent Standard
- Updates to strategic customer facing policies, ensuring a customer focus and customer input.

Board members and membership

Group Investment Committee (GIC)

Chair	Gordon More
Members	Rod Holdsworth (Executive) Katherine Rodgers (Resigned 18 April 2025) James Wardlaw Guy Slocombe (Executive) (Resigned 30 January 2025) Justin Brown (Independent committee member) Antara Woodring (Independent committee member)

Oversees

Approval of development, property investment strategies including acquisitions and disposal, asset management, institutional partnerships and capital expenditure. Scrutiny and approval of our involvement and investment in large urban regeneration and renewal projects. Investments in strategic partnerships.

Recent focus areas

- Institutional investment partnerships
- Development programme funding
- Portfolio management strategies
- Strategic fixed asset disposals through the Asset Management Assessment Panel
- Strategic partnerships with Homes England and the Greater London Authority
- Service provision to joint ventures with institutional partners
- Development delivery and expansion of land-led development
- Financial and annual plans, including additional modelling.

Board members and membership

Group Finance Committee (GFC)

Chair	James Wardlaw
Members	David Banks (Resigned 9 October 2024) Curtis Juman (Appointed 2 September 2024) Gordon More Rod Holdsworth (Executive)

Oversees

The Group's corporate finance and treasury-related activities and recommendations (or endorsement of actions and proposals) to the Group Board or subsidiary boards, for approval.

Recent focus areas

- Budget
- Financial planning and stress testing
- Credit ratings
- Capital structures, including share capital injections and reductions
- Amendments to existing external loan agreements
- Intra-group funding arrangements
- Security for borrowings and unencumbered properties
- Implementation of strategies to reduce the Group's financial exposure from defined benefit pension obligations
- RCFs loans and bank swaps, including liquidity levels
- Treasury: long-term planning; reporting and KPI monitoring; and policy.

Board members and membership

Group Remuneration and Appointments Committee (GRAC)

Chair	Mandy Eddolls
Members	Mike Kirk Karen McElhatton Geoffrey Milton (Independent committee member) (Resigned 31 May 2024)

Oversees

Non-executive and executive remuneration; recruitment, appointment and Board member appraisal; senior leaders' bonus scheme; CEO appointment and performance; and Board and executive succession planning.

Recent focus areas

- Performance review for Senior Leadership
- Appraisal process for Non-Executive Directors
- Succession planning for the Leadership Team and senior leadership roles
- Succession planning and skills audits for Non-Executive Directors
- Gender and ethnicity pay gap reporting
- Pension arrangements and provision
- Market review and benchmarking of Leadership Team salaries.

Board members and membership

Hyde Pinnacle Committee (HPC)	
Chair	James Wardlaw
Members	Gordon More Curtis Juman
Hyde Executives	Andy Hulme Rod Holdsworth Neal Ackcral Tom Grundy John Carmichael Sarah Bissell
Pinnacle Group Executives	Perry Lloyd Christopher Hodson Nick Wright Jim Saunders

Oversees

Approval of matters in connection with the Group's investment in Pinnacle Group Limited and its subsidiaries, and the activities of the Pinnacle Group in line with its business plan.

Recent focus areas

- Financial summary
- Homes pipeline update
- Hyde Pinnacle narrative
- Business development synergies
- Emerging risks and issues
- Health and safety
- Parent company guarantees tracker.

Board members' experience

Mike Kirk (Chair)

Mike is Chair of the Hyde Group Board. He joined Hyde from housing association Vivid, where he was Chair from 2017, following the merger of First Wessex (where he was Chair) and Sentinel. He is currently a trustee of the Ironbridge Gorge Museums Trust, a Non-Executive Director of Housing Diversity Network and was previously Executive Chairman at Quadrise Fuels International plc, Chair of Portsmouth Water, Senior Independent Director at KBC Advanced Technologies, Managing Director of PR agency Weber Shandwick/Square Mile and a Partner at investment bank Cazenove & Co.

James Wardlaw (Deputy Chair)

James is the Deputy Chair of the Hyde Group Board. He is also Chair of our Group Finance Committee, Chair of the Hyde Pinnacle Committee and a member of our Group Audit and Group Investment Committees, and a member of the board of Tower Hamlets Community Housing. He brings nearly 40 years' experience in financial markets, both public and private, and in raising capital from institutional investors. He's also on the advisory boards of five firms engaged in infrastructure. He was on the board of Notting Hill Genesis (and one of its predecessors) for six years, with spells as acting Chair, Senior Independent Director and Chair of its Treasury Committee. He also led an initiative for Homes England (then the Homes and Communities Agency) in 2009/10 to encourage institutional investment into Build to Rent, and was a Senior Civil Servant in HM Treasury for three years.

Curtis Juman

Curtis is Chair of our Group Audit Committee, a member of the Group Finance Committee, and is the Member Responsible for Complaints. A Fellow of the Chartered Institute of Public Finance and Accountancy, he's a Non-Executive Board member for the Trinity House Greater Lighthouse Authority, and a Trustee of the Clink Charity. Curtis has also served as a non-executive board member with several social landlords over the last 20 years. Before retiring in 2023, Curtis was the Finance Director for Ofcom, and before that, he worked in senior finance roles across several Government Departments and their arms-length bodies, at Deloitte and at the National Audit Office.

Karen McElhatton

Karen is Chair of our Group Housing Services Committee and is a member of the Group Remuneration and Appointments Committee. She's also a Non-Executive Director at Courier Facilities Limited. Karen brings more than 30 years' experience, leading technology, digital and shared services in the consumer goods and retail, and performance engineering industries.

Board members' experience

Gordon More

Gordon is Chair of our Group Investment Committee and a member of our Group Finance Committee. Gordon is a non-executive director of Housing Growth Partnership, Kingswood Homes Limited and Allison Homes Limited. He was Chief Investment Officer and interim Chief Executive Officer at Homes England. He has 40 years' experience in housing, real estate finance and corporate banking, holding board and committee roles.

Mandy Eddolls

Mandy is the Hyde Group Senior Independent Director, Chair of our Group Remuneration and Appointments Committee and a member of the Group Housing Services Committee. She started her career in human resources in UK and US manufacturing, before holding senior roles in financial services and higher education. Mandy is HR Director for the National Crime Agency, leading in people and culture, to support the Agency in its mission to protect the public from serious and organised crime. Mandy is Visiting Professor of HR Management at London South Bank University and has held non-executive roles in social housing.

Myles Edwards

Myles is a member of the Group Housing Services Committee and Group Audit Committee. He's a business strategy consultant with 30 years' experience in financial services, healthcare and social housing sectors. He was previously Membership Director at Foresters Friendly Society, Commercial Director at Age UK and a member of Royal London's Independent Governance Committee. Myles is the Senior Independent Director on the Board of Magenta Living, where he's the Board member responsible for complaints and sits on the People and Culture Committee, and the Communities Committee. He's also a trustee of Age UK and St Martin in the Fields.

Katherine Rodgers

Katherine was a member of the Group Investment Committee until she resigned on 18 April 2025. She is Chair of Hyde Charitable Trust. She's Director of Property Development at the University of Cambridge and has worked for leading real estate investment and development specialists in the UK residential and commercial sectors. Katherine was Head of Strategy and Business Planning, and Major Projects Development Director, at Grosvenor Britain and Ireland. She was also on the Board of the Bermondsey Business Improvement District and the Bermondsey Community Kitchen.

Board members' experience

Debbie Ellison

Debbie is a member of the Group Housing Services Committee. She brings a wealth of experience from her many years as a teacher, deputy head, inclusion lead, diversity lead, member of the PTA and has served as chair of Governors for a local primary school. Debbie is a long-standing Hyde resident who started the tenants and residents' association (TRA) on her estate in 2003. Debbie also introduced a youth TRA, for younger residents aged 8-12, to help them contribute more to their community.

Andy Hulme (Group Chief Executive Officer)

Andy joined Hyde from Lloyds Banking Group, where he was Global Managing Director of Real Estate and Housing. He was also Lloyds Bank Mortgage Director, Group Head of New Mortgages and Managing Director of the Equity Businesses. Andy worked with UK Government to bring Help to Buy to market during his time at Lloyds. He was CEO of the Housing Growth Partnership, a private equity investment fund supporting SME housebuilders. Andy held senior roles at Virgin Money, Direct Line, the Royal Bank of Scotland, NatWest and Tesco Bank.

Rod Holdsworth (Chief Financial & Resources Officer)

Rod is an experienced Chief Financial Officer who's worked across multiple sectors, including facilities management, construction, housebuilding, engineering services, waste management and medical device healthcare. He's led the finances of a diverse range of organisations, from multinationals with 90,000 employees to small UK companies with fewer than 200. He was CFO at Crest Nicholson plc, Wates Group, OCS Group and Morrison plc, and held senior Finance roles at Alfred McAlpine plc and Smiths Industries plc. Rod trained as a civil engineer before moving into finance, where he trained with PwC. He's also a director of British Carriage Driving.

An active and engaged Board

Number of meetings attended by Non-Executive Board Members

Board member	Board	GAC	GHSC	GIC	GFC	GRAC	HPC
David Banks (to 9 October 2024)	5	3	-	-	4	-	-
Mandy Eddolls	9	-	-	-	-	5	-
Myles Edwards	10	6	5	-	-	-	-
Curtis Juman (from 2 September 2024)	6	4	-	-	3	-	4
Mike Kirk	11	-	-	-	-	5	-
Karen McElhatton	8	-	6	-	-	5	-
Gordon More	9	-	6	6	10	-	4
Katherine Rodgers	8	-	-	6	-	-	-
James Wardlaw	10	6	-	6	10	-	4
Debbie Ellison	11	-	6	-	-	-	-

Statement of the Group Board's responsibilities

The Group Board is responsible for preparing the financial statements and annual report in accordance with applicable law and regulations.

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Private Registered Provider (PRP) and of the surplus or deficit for that period. In preparing these financial statements, the Board is required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the PRP will continue in business.

The Group Board is responsible for keeping adequate accounting records that are sufficient to show and explain the transactions and which disclose, with reasonable accuracy at any time, the financial position of the PRP and to enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and The Accounting Direction for Private Registered Providers of Social Housing 2022.

It has general responsibility for taking reasonable steps to safeguard the assets of the PRP and to prevent and detect fraud and other irregularities.

The Group Board is responsible for ensuring that the Annual Report includes a fair review of the development and performance of the business and the position of the Group, and its subsidiaries included in the consolidation, together with the disclosure of the principal risks and uncertainties they face. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Group Board is responsible for the maintenance and integrity of the Group's website.

In the case of each director in office at the date the Directors' Report is approved:

- So far as the director is aware, there is no relevant audit information of which the Group's auditors are unaware; and
- They have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Viability statement

The Board has assessed the Group's future viability over the next five years, based on the approved Financial Plan, which covers the same period.

The Financial Plan was reviewed and approved by the Board in May 2025. It considers the impact of different strategic, operational and economic assumptions and factors. It also considers the impact of relevant risks and mitigation action available to the Group.

The Financial Plan has sufficient detail to allow the Board to assess the forecast liquidity position and financial performance.

As part of the viability assessment, the Group carried out stress testing, considering key factors that may adversely impact viability. Based on the relevant risks (linked to the strategic risk register), four different scenarios were applied, as well as additional sensitivities, including:

- The Bank of England's stress tests, with a focus on those most relevant to the Group, using published indices such as inflation, house prices and interest rates
- Sector-wide scenarios relevant to the Financial Plan, including rent policy and stagflation
- Additional scenarios impacting the Group and our future strategic plans, including counterparty risk, no property sales or disposals, failure of joint venture partners and key contractors, unrealised efficiencies, and one-off adverse events
- Sensitivities of economic factors including inflation and interest rates. Specific mitigation that could be used include:
  - Renewing loan facilities
  - Pausing uncommitted development spend
  - Deferring or pausing uncommitted and discretionary development expenditure or repairs and maintenance expenditure.

Using one or more of these mitigations would mean the Group is able to withstand the most severe stress tests across the viability period to 2030.

Due to the healthy liquidity and covenant position, the Group can manage the potential risks under these different scenarios. Additionally, the Group is able to manage its operations to control and defer significant parts of its cash outflows and pressures on the tightest covenants, while still meeting all contractual obligations. The ability to do this has further demonstrated that the Group can ensure long-term financial viability in even the most adverse scenarios.

External assurance of the Group's viability is demonstrated by its credit ratings (Fitch: A stable and S&P Global: A- with a negative outlook). The Group Board can also confirm that it has complied with the Governance and Financial Viability Standard set out by the Regulator of Social Housing.

The Board's review of the five year Financial Plan shows it expects the Group to be financially viable over this period.

Statements of compliance

The Group Board confirms that the annual report has been prepared in accordance with the principles set out in paragraphs 4.6 and 4.7 of the 2018 Statement of Recommended Practice (SORP) for registered social landlords.

The Group has undertaken an assessment of compliance with the Regulator of Social Housing's Consumer and Economic Standards for the period 1 April 2024 to 31 March 2025. The Group Board can confirm that, during the year in question, the Group has complied with the Governance and Financial Viability Standard, including demonstrating full compliance with the National Housing Federation Code of Governance. In the period following the annual assessment of compliance to the signing of the financial statements, there have been no instances of non-compliance.

Going concern

The Group undertakes a robust going concern assessment by reference to its most recent five-year Financial Plan. The Financial Plan considers the current economic environment and the Group's future strategic plans. This includes considering the expected case in the Financial Plan and adverse stress-tested scenarios, with appropriate and proportionate mitigation.

The impact of the different stress tests is assessed against liquidity, interest cover covenants, credit rating metrics and Group operating margin.

Across the different scenarios and stress tests, and with mitigations, the Group remains compliant with all banking covenants and has sufficient liquidity throughout the going concern assessment period of at least 12 months.

Based on the robust going concern assessment, the directors consider the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the financial statements are signed. For this reason, the Group continues to adopt the going concern basis in the financial statements. No material uncertainties exist.

Independent auditors

BDO LLP are our independent statutory auditors and were first appointed for the year ended 31 March 2022. The Board proposes to reappoint BDO LLP for the 31 March 2026 financial year.

Mike Kirk - Chair
24 September 2025

Financial statements

Independent auditors' report to the members of Hyde Housing Association Limited

Opinion on the financial statements

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 and the Association's surplus for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been properly 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.

We have audited the financial statements of Hyde Housing Association Limited ("the Association") and its subsidiaries ("the Group") for the year ended 31 March 2025, which comprise the Consolidated statement of comprehensive income, the Association statement of comprehensive income, the Consolidated statement of financial position, the Association statement of financial position, the Consolidated statement of changes in reserves, the Association statement of changes in reserves, the Consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the Group Audit Committee.

Independence

Following the recommendation of the Group Audit Committee, we were appointed by the Board in November 2020 to audit the financial statements for the year ending 31 March 2021 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is 5 years, covering the years ending 31 March 2021 to 31 March 2025.

We remain independent of the Group and the Parent 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 as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Group or the Parent Association.

Independent auditors' report to the members of Hyde Housing Association Limited

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 Board's assessment of the Group and the Parent Association's ability to continue to adopt the going concern basis of accounting included:

- Assessment of the internal forecasting process to confirm the projections are prepared by appropriate personnel who are aware of the detailed figures in the forecast but also have a high-level understanding of the entity's market, strategy and profile in the customer base.
- Obtaining and assessing the availability of financing facilities, including the nature of facilities, repayment terms and financial covenants.
- Consideration of the forecasts prepared by management and challenge of the key assumptions based on our knowledge of the business. As referred to in the going concern accounting policy note, management have performed stress testing on the financial plan. We have reviewed the stress testing scenarios modelled by management, which include assessing the impact on covenant compliance when sensitising the model for changes in interest rates, inflation, reduction in property sales and the level of bad debt. We did not note any significant omissions in the stress testing performed. The Bank of England's stress tests focus on key areas relevant to the Group, using published indices like inflation, house prices, and interest rates. We also considered stagflation. Additionally, we assessed scenarios that could impact the sector-wide scenarios that align with the financial plan, including rent policy and Group and future strategic plans, such as counterparty risk, absence of property sales or disposals, failure of joint venture partners and key contractors, unrealised efficiencies, and one-off adverse events.
- We challenged management on the suitability of the mitigating actions identified in their assessment and the quantum and period ascribed to these mitigating actions. We reviewed the reasonableness of the proposed mitigations and whether the mitigations were entirely in the control of management to action.
- We considered the adequacy of the disclosures in the financial statements against the requirements of the accounting standards and the consistency of the disclosure with the forecasts and stress test scenarios.

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 Group and the Parent Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Overview	
Key audit matters	Impairment of inventories: **Yes** (2024: Yes)
Materiality	Group financial statements as a whole: **£61.4m** (2024: £53.0m) based on **1.5%** (2024: 1.4%) of total assets Specific materiality: **£9.3m** (2024: £5.4m) based on **2%** (2024: 1.5%) of revenue

Independent auditors' report to the members of Hyde Housing Association Limited

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework, country of operation and the Group's system of internal control. On the basis of this, we identified and assessed the risks of material misstatement of the Group financial statements, including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by management that may have represented a risk of material misstatement.

Components in scope

There are eight components within the Group for the purpose of our audit. The nature of components is as follows:

Component	Component Name	Entity
1	Registered Providers of Social Housing	Four registered providers of social housing including Hyde Housing Association Limited (i.e. the Association), Martlet Homes Limited, Hillside Housing Trust and Hyde Southbank Homes Limited
2	Property management service providers	One subgroup of entities being Pinnacle Group Limited and its subsidiaries & joint ventures
3	Brent Co-Efficient	One Registered Charity, namely Brent Co-Efficient Limited
4	Holding Companies and other small entities	One holding companies and four entities that are subject to audit exempt as per s479 of the Companies Act
5	Registered Provider of Social Housing where the Group has joint control	A joint venture namely, Halesworth Limited in which the Group has 50% share
6	Design and Build Companies	Six entities are design and build vehicles including, Hyde Vale Limited, Hyde New Build, London Homebuilding Partnership LLP, Kent Homebuilding Partnership LLP, Bilsham Road Developments LLP and Hyde Development Housing Limited
7	Hyde Charitable Trust	One Registered Charity, namely Hyde Charitable Trust
8	Other joint ventures and associates	Harrow View LLP, Packington Square LLP, 51 College Road LLP, Homes for the City of Brighton & Hove LLP, Mount Anvil Hyde Regeneration LLP, Grange Lane (Littleport) LLP, Greenwich Partnership LLP, and Newton Development Partners Limited

Independent auditors' report to the members of Hyde Housing Association Limited

We performed risk assessment procedures to identify areas in the Group's financial statements that may be at risk of material misstatement. We used both qualitative and quantitative factors to perform this assessment including evaluating the size, complexity, and nature of each entity's activities, reviewing significant transactions or estimates and any changes in the business environment. The Group is centrally managed, with the Group Finance team controlling the processes and controls for all components except that joint ventures are managed separately.

We identified the specific areas that could lead to a material misstatement at Group level. As part of our Group audit, we assessed each component against the risks of material misstatement identified.

The four dormant entities which have no financial impact on the consolidated financial statements have not been allocated to components.

Procedures performed at the component level

For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence to support the Group opinion. We performed procedures to respond to group risks of material misstatement at the component level that included the following.

Component	Component Name	Group Audit Scope
1	Registered Providers of Social Housing	Full scope audit
2	Property management service providers	Procedures on one or more classes of transactions, account balances or disclosures
3	Brent Co-Efficient	Procedures on one or more classes of transactions, account balances or disclosures
4	Holding Companies and other small entities	Procedures on one or more classes of transactions, account balances or disclosures
5	Registered Provider of Social Housing where the Group has joint control	Procedures on one or more classes of transactions, account balances or disclosures
6	Design and Build Companies	Procedures on one or more classes of transactions, account balances or disclosures
7	Hyde Charitable Trust	Procedures on one or more classes of transactions, account balances or disclosures
8	Other joint ventures and associates	Procedures on one or more classes of transactions, account balances or disclosures

Independent auditors' report to the members of Hyde Housing Association Limited

Working with other auditors

As Group auditor, we determined the components at which audit work was performed, together with the resources needed to perform this work. These resources included component auditors, who formed part of the group engagement team as reported above. As Group auditor we are solely responsible for expressing an opinion on the financial statements.

In working with component auditors, we held discussions with component audit teams on the significant areas of the group audit relevant to the components based on our assessment of the group risks of material misstatement. We issued group audit instructions to component auditors on the nature and extent of their participation and role in the group audit, and on the group risks of material misstatement.

We directed, supervised and reviewed the component auditors' work. This included holding meetings and calls during various phases of the audit, reviewing component auditor documentation remotely and evaluating the appropriateness of the audit procedures performed and the results thereof.

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) that 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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent auditors' report to the members of Hyde Housing Association Limited

<table>
<tr><th colspan="2">Key audit matter</th><th>How the scope of our audit addressed the key audit matter</th></tr>
<tr><td>Impairment of inventories

Accounting policies (note 1)

Inventories balance (note 19)</td><td>As explained in the accounting policies as per note 1, inventories, including properties developed for resale and first tranche shared ownership properties, are measured at the lower of cost and net realisable value (estimated selling price less costs to sell). For properties under construction at the balance sheet date, an assessment is needed of an anticipated selling price and a determination of the expected costs to complete and sell. Inventories of the Group amounted to £129.0m (Group) and £75.7m (Association) (note 19).

Due to the volume of properties held in inventories and the level of judgement required, due to inherent estimation uncertainty for both sales proceeds and costs to complete and sell, we consider there is a significant risk that the carrying amount of inventories is misstated and we have therefore considered this to be a key audit matter.</td><td>Having obtained management's assessment of the recoverable amounts of inventories, we selected a sample on which to perform detailed testing. Our samples were chosen from the populations of items that represented shared ownership properties both completed and under construction schemes at year-end.

For the schemes selected, we performed one or a combination of the below, based on the risk attached to each scheme selected:

1. For forecast sales price:
• Completed units sold after the year end – we agreed proceeds to completion statement
• Completed units not sold after year end and schemes still under construction – we obtained one or more of: third party formal valuation of the property; sales prices achieved for similar units in the year; or valuation of properties for marketing purposes. We enquired and assessed what management plans are for unsold properties.
• Land bank - we obtained one or more of: third party formal valuation of the property; sales prices achieved or paid for land in the year; or other management valuation. We enquired and assessed what management plans are for the site.

2. For costs to complete (performed one or a combination of the following):
• Obtained the latest cost consultant report or build contractor's invoice and compared construction costs against total contract value, taking into account latest contract variations.
• Obtained details of the expected costs to complete from the scheme budget and agreed the budgeted contract costs of the development to the latest contract documentation and considered the appropriateness of any estimates used.
• Assessed the accuracy of cost forecasting by looking at the outturn of costs compared to budget on schemes completed in the year. For development schemes in progress, discussed with the development manager whether there was any indication of any potential cost issues in relation to:
  ◦ Price inflation
  ◦ Contractor solvency
  ◦ Variations, including contractor requests to increase the price of a fixed price contract.

3. For costs to sell – reviewed computations of selling costs and compared against known selling costs that were incurred in the year.

Key observations:

Based on the evidence obtained we did not identify any indications that the assessments of the recoverable amounts made by management were inappropriate.</td></tr>
</table>

Independent auditors' report to the members of Hyde Housing Association Limited

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	GROUP		ASSOCIATION	
	2025	2024	2025	2024
Financial statement materiality				
Materiality	£61.4m	£53.0m	£48.0m	£41.8m
Basis for determining materiality	1.5% of total assets	1.4% of total assets	1.5% of total assets	1.4% of total assets
Performance materiality	£39.9m	£34.5m	£31.2m	£27.2m
Basis for determining performance materiality	65% of materiality	65% of materiality	65% of materiality	65% of materiality
Specific materiality				
Specific materiality	£9.3m	£5.4m	£5.6m	£3.8m
Basis for determining specific materiality	2% of revenue	1.5% of revenue	2% of revenue	1.5% of revenue
Specific performance materiality	£6.1m	£3.5m	£3.7m	£2.5m
Basis for determining specific performance materiality	65% of materiality	65% of materiality	65% of materiality	65% of materiality

Rationale for the benchmarks applied

A registered provider of housing's key stakeholders are primarily focused on the value of the stable, rented asset portfolio, as their debt is secured on these assets. Total assets is therefore considered to be the appropriate benchmark for determining overall materiality. However, we also determined that for those classes of transactions within the statement of comprehensive income that are used in covenant calculations and sector benchmarking metrics, as well as other financial statement areas such as property for sale and rent arrears, that are subject to greater scrutiny by key stakeholders, a misstatement of less than materiality for the financial statements as a whole could influence the economic decisions of the users of the financial statements. As a result, we applied a specific materiality calculated using revenue as the benchmark to these balances and transactions.

We have determined that 65% of materiality is an appropriate basis for performance materiality based on our previous experience of the audit and factors such as the low levels of misstatements previously identified partially offset by some areas of the financial statements being subject to significant estimation uncertainty.

Independent auditors' report to the members of Hyde Housing Association Limited

Reporting threshold

We agreed with the Group Audit Committee that we would report to them all individual audit differences in excess of £1.2m (2024: £1.0m) in relation to financial statement materiality and £186k in relation to specific materiality (2024: £100k). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Board are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 where we are required by the Co-operative and Community Benefit Societies Act 2014 to report to you if, in our opinion:

- the Association has not kept proper books of account;
- the Association has not maintained a satisfactory system of control over its transactions;
- the financial statements are not in agreement with the Association's books of account; or
- we have not received all the information and explanations we need for our audit.

Responsibilities of the Board

As explained more fully in the Group Board members responsibilities statement, 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 members determine 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 are responsible for assessing the Group and the 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 intend to liquidate the Group or the Association or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the members of Hyde Housing Association Limited

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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

Non-compliance with laws and regulations

Based on:

- our understanding of the Group and the industry in which it operates;
- discussion with management and those charged with governance including the Group Audit Committee; and
- obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Housing SORP, 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.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be employment law, the Regulator of Social Housing's Regulatory Standards, data protection, building safety and health and safety legislation.

Our procedures in respect of the above included:

- review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- review of financial statement disclosures and agreeing to supporting documentation;
- involvement of tax specialists in the audit; and
- review of legal expenditure accounts to understand the nature of expenditure incurred.

Independent auditors' report to the members of Hyde Housing Association Limited

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- enquiry with management and those charged with governance including the Group Audit Committee regarding any known or suspected instances of fraud;
- obtaining an understanding of the Group's policies and procedures relating to:
  - detecting and responding to the risks of fraud; and
  - internal controls established to mitigate risks related to fraud.
- review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and

based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls, including the posting of inappropriate journals to manipulate financial results, and management bias in accounting estimates.

Our procedures in respect of the above included:

- testing a sample of journal entries throughout the year and all journals which met defined risk criteria, by agreeing to supporting documentation;
- assessing significant estimates made by management for bias including impairment of inventories (see key audit matters), and impairment of tangible fixed assets by challenging estimates made by management.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including component auditors, who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. For component auditors, we also reviewed the results of their work performed in this regard.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor's report.

Independent auditors' report to the members of Hyde Housing Association Limited

Use of our report

This report is made solely to the members of the Association, as a body, in accordance with the Housing and Regeneration Act 2008 and the Co-operative and Community Benefit Societies Act 2014. 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Philip Cliftlands
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Philip Cliftlands (Senior Statutory Auditor)
For and on behalf of BDO LLP
Statutory Auditor
London, UK

Date: 24 September 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of Comprehensive Income For the Year Ended 31 March 2025

		GROUP					
		Pre swap movements[1]	Swap movements[1]	Total	Pre swap movements[1]	Swap movements[1]	Total
		2025	2025	2025	2024	2024	2024
	Notes	£'000	£'000	£'000	£'000	£'000	£'000
Turnover	3	465,558	-	**465,558**	350,917	-	350,917
Operating expenditure	3	(387,601)	-	**(387,601)**	(325,801)	-	(325,801)
Surplus on sale of property assets	7	45,603	-	**45,603**	46,015	-	46,015
Gift aid income	30	-	-	**-**	-	-	-
Share of joint ventures and associated undertakings	8	(577)	-	**(577)**	1,151	-	1,151
Building safety recoveries	3	-	-	**-**	661	-	661
Operating surplus		**122,983**	**-**	**122,983**	72,943	-	72,943
Interest receivable	9	1,444	5,693	**7,137**	3,890	5,335	9,225
Interest and financing costs	10	(59,783)	(2,239)	**(62,022)**	(55,199)	(2,159)	(57,358)
Movement in fair value of investment property	16	1,076	-	**1,076**	1,205	-	1,205
Movement in fair value of other investments	17	(112)	-	**(112)**	590	-	590
Surplus before tax		**65,608**	**3,454**	**69,062**	23,429	3,176	26,605
Taxation	11	-	-	**-**	(721)	-	(721)
Surplus for the year		**65,608**	**3,454**	**69,062**	22,708	3,176	25,884
Other comprehensive income							
Actuarial loss in respect of pension schemes	31	(854)	-	**(854)**	(11,505)	-	(11,505)
Other movements		17	-	**17**	(1,308)	-	(1,308)
Total other comprehensive (expense)		**(837)**	**-**	**(837)**	(12,813)	-	(12,813)
Total comprehensive income for the year		**64,771**	**3,454**	**68,225**	9,895	3,176	13,071

The turnover, surpluses and deficits for the current year and previous year relate to continuing activities.

1. The Group reports the result excluding and including the impact of interest rate swaps fair value movements

Statement of Comprehensive Income For the Year Ended 31 March 2025

		ASSOCIATION					
		Pre swap movements[1]	Swap movements[1]	Total	Pre swap movements[1]	Swap movements[1]	Total
		2025	2025	2025	2024	2024	2024
	Notes	£'000	£'000	£'000	£'000	£'000	£'000
Turnover	3	281,425	-	**281,425**	252,140	-	252,140
Operating expenditure	3	(232,641)	-	**(232,641)**	(235,538)	-	(235,538)
Surplus on sale of property assets	7	35,529	-	**35,529**	34,838	-	34,838
Gift aid income	30	2,260	-	**2,260**	3,366	-	3,366
Share of joint ventures and associated undertakings	8	-	-	**-**	-	-	-
Building safety recoveries	3	-	-	**-**	661	-	661
Operating surplus		**86,573**	**-**	**86,573**	55,467	-	55,467
Interest receivable	9	3,156	3,679	**6,835**	2,912	1,835	4,747
Interest and financing costs	10	(47,016)	(2,230)	**(49,246)**	(45,401)	(2,159)	(47,560)
Movement in fair value of investment property	16	1,084	-	**1,084**	1,050	-	1,050
Movement in fair value of other investments	17	-	-	**-**	23	-	23
Surplus before tax		**43,797**	**1,449**	**45,246**	14,051	(324)	13,727
Taxation	11	-	-	**-**	-	-	-
Surplus for the year		**43,797**	**1,449**	**45,246**	14,051	(324)	13,727
Other comprehensive income							
Actuarial loss in respect of pension schemes	31	(219)	-	**(219)**	(10,467)	-	(10,467)
Other movements		17	-	**17**	(188)	-	(188)
Total other comprehensive (expense)		**(202)**	**-**	**(202)**	(10,655)	-	(10,655)
Total comprehensive income for the year		**43,595**	**1,449**	**45,044**	3,396	(324)	3,072

The turnover, surpluses and deficits for the current year and previous year relate to continuing activities.

1. The Group reports the result excluding and including the impact of interest rate swaps fair value movements

Statement of Financial Position at 31 March 2025

		GROUP		ASSOCIATION	
		2025	2024	2025	2024
	Notes	£'000	£'000	£'000	£'000
Non-current assets					
Housing properties	13	3,526,810	3,344,523	2,903,447	2,686,942
Intangible fixed assets	14	57,862	13,506	13,497	13,506
Other fixed assets	15	9,064	8,289	3,519	4,321
Derivative financial instruments: assets	32	26,010	24,085	25,821	24,056
Investments in joint ventures	8	65,437	46,428	-	-
Investment properties	16	28,031	23,554	27,786	23,344
Investments	17	21,809	21,908	16,465	16,465
Pension assets	31	2,471	-	-	-
Debtors: amounts falling due after more than one year	18	16,689	19,110	42,941	43,303
		3,754,183	**3,501,403**	**3,033,476**	**2,811,937**
Current assets					
Inventories	19	128,979	115,523	75,728	59,806
Debtors: amounts falling due within one year	20	85,801	57,229	34,473	38,516
Cash and cash equivalents	21	127,771	105,314	81,062	85,330
		342,551	**278,066**	**191,263**	**183,652**
Current liabilities					
Less: creditors: amounts falling due within one year	22	(198,076)	(126,196)	(170,876)	(111,384)
Net current assets		**144,475**	**151,870**	**20,387**	**72,268**
Total assets less current liabilities		**3,898,658**	**3,653,273**	**3,053,863**	**2,884,205**
Creditors: amounts falling due after more than one year	23	(2,981,815)	(2,804,598)	(2,514,096)	(2,391,064)
Derivative financial instruments: liabilities	31	(6,255)	(8,101)	-	-
Recycled capital grant fund	24	(37,108)	(33,238)	(37,108)	(33,238)
Provisions for liabilities and charges	25	(1,289)	(5,124)	(1,235)	(5,124)
		(3,026,467)	**(2,851,061)**	**(2,552,439)**	**(2,429,426)**
Total net assets		**872,191**	**802,212**	**501,424**	**454,779**
Reserves					
Called up share capital		-	-	-	-
Revenue reserves		890,477	819,953	519,264	473,848
Cash flow hedge reserve		(18,286)	(20,040)	(17,840)	(19,441)
Restricted reserve		-	2,299	-	372
Total reserves		**872,191**	**802,212**	**501,424**	**454,779**

Statement of Financial Position at 31 March 2025

These financial statements on pages 142 to 202 were authorised to be issued by the Board on 24 September 2025 and were signed on its behalf. The notes on pages 150 to 202 form part of the financial statements.

Mike Kirk
Chair

Rod Holdsworth
Chief Financial & Resources Officer

Melanie O'Riordan
Company Secretary

Statement of Changes in Reserves For the Year Ended 31 March 2025

	Notes	Unrestricted revenue reserve £'000	Pension reserve £'000	Restricted revenue reserve £'000	Total revenue reserves[1] £'000	Cash flow hedge reserve £'000	Total reserves £'000
Group							
Balance at 1 April 2024		**819,953**	**-**	**2,299**	**822,252**	**(20,040)**	**802,212**
Surplus from Statement of Comprehensive Income		70,378	-	(1,316)	**69,062**	-	**69,062**
Actuarial loss	**31**	-	(854)	-	**(854)**	-	**(854)**
Non actuarial pension movements		(1,498)	1,498	-	**-**	-	**-**
Pensions cessation		-	-	-	**-**	-	**-**
Restricted reserve transfer		-	-	-	**-**	-	**-**
Change in value of effective hedged instruments		-	-	-	**-**	1,242	**1,242**
Amortisation of gilt lock hedge		-	-	-	**-**	512	**512**
Other movements		17	-	-	**17**	-	**17**
Balance at 31 March 2025		**888,850**	**644**	**983**	**890,477**	**(18,286)**	**872,191**
Association							
Balance at 1 April 2024		**473,848**	**-**	**372**	**474,220**	**(19,441)**	**454,779**
Surplus from Statement of Comprehensive Income		45,246	-	-	**45,246**	-	**45,246**
Actuarial loss	**31**	-	(219)	-	**(219)**	-	**(219)**
Non-actuarial pension movements		(219)	219	-	**-**	-	**-**
Pension cessation		-	-	-	**-**	-	**-**
Restricted reserve transfer		-	-	-	**-**	-	**-**
Change in value of effective hedged instruments		-	-	-	**-**	1,241	**1,241**
Amortisation of gilt lock hedge		-	-	-	**-**	360	**360**
Other movements		17	-	-	**17**	-	**17**
Balance at 31 March 2025		**518,892**	**-**	**372**	**519,264**	**(17,840)**	**501,424**

1. The restricted revenue reserve is now included as part of the overall revenue reserves total on the Statement of Financial Position at 31 March 2025 to better reflect its nature. It was previously disclosed as a stand-alone reserve outside of the Revenue reserves. As the amount in the Restricted reserve was immaterial in prior year, this change has only been applied to the current year and the year ended 31 March 2024 has not been restated.

Total unrestricted reserves at 31 March 2025 for Group and Association are £889.5m and £518.9m respectively. Amortisation relates to the release of balances in the cash flow hedge reserve into the Statement of Comprehensive Income within interest payable. These balances are a result of recognising the value of derivatives at the inception of effective hedge relationships in the cash flow hedge reserve. These hedge relationships are however no longer effective, and the balances are amortised over the life of the hedged items. Gilt lock costs are also amortised. They result from the movement in gilt rates at the time of entering a gilt lock (the strike price) to the time that the related transaction took place. They are amortised over the life of the transaction/bond.

Paid share capital is £11 (2024: £11). Each share is £1 and carries one voting right. The shares carry no dividend rights and are cancelled on cessation of membership of the Association.

Share Capital	2025 £	2024 £
Balance at 1 April	11	11
Additions	1	1
Disposals	(1)	(1)
Balance at 31 March	**11**	**11**

Statement of Changes in Reserves For the Year Ended 31 March 2024

	Notes	Revenue reserve £'000	Pension reserve £'000	Revenue reserve - net £'000	Cash flow hedge reserve £'000	Restricted reserve £'000	Total reserves £'000
Group							
Balance at 1 April 2023		**809,282**	**(2,400)**	**806,882**	**(21,795)**	**1,178**	**786,265**
Surplus from Statement of Comprehensive Income		25,884	-	**25,884**	-	-	**25,884**
Actuarial loss	**31**	-	(11,505)	**(11,505)**	-	-	**(11,505)**
Non actuarial pension movements		(11,428)	11,428	**-**	-	-	**-**
Pension cessation		(2,477)	2,477	**-**	-	-	**-**
Restricted reserve transfer		(1,121)	-	**(1,121)**	-	1,121	**-**
Change in value of effective hedged instruments		-	-	**-**	1,241	-	**1,241**
Amortisation of gilt lock hedge		-	-	**-**	514	-	**514**
Other movements		(187)	-	**(187)**	-	-	**(187)**
Balance at 31 March 2024		**819,953**	**-**	**819,953**	**(20,040)**	**2,299**	**802,212**
Association							
Balance at 1 April 2023		**473,176**	**(2,400)**	**470,776**	**(21,043)**	**366**	**450,099**
Surplus from Statement of Comprehensive Income		13,727	-	**13,727**	-	-	**13,727**
Actuarial loss	**31**	-	(10,467)	**(10,467)**	-	-	**(10,467)**
Non actuarial pension movements		(10,390)	10,390	**-**	-	-	**-**
Pension cessation		(2,477)	2,477	**-**	-	-	**-**
Restricted reserve transfer		(6)	-	**(6)**	-	6	**-**
Change in value of effective hedged instruments		-	-	**-**	1,241	-	**1,241**
Amortisation of gilt lock hedge		-	-	**-**	361	-	**361**
Other movements		(182)	-	**(182)**	-	-	**(182)**
Balance at 31 March 2024		**473,848**	**-**	**473,848**	**(19,441)**	**372**	**454,779**

Statement of Cash Flows
For the Year Ended 31 March 2025

	Notes	GROUP 2025 £'000	2024 £'000
Net cash from operating activities		**194,863**	**199,210**
Cash flow from investing activities			
Housing properties additions		(270,588)	(212,537)
Grants received		129,750	93,790
Recycled capital grant repaid		(6,119)	-
Purchase of other fixed assets		(4,644)	(5,331)
Purchase of subsidiary net of cash acquired		(66,145)	-
Return on investment		14,728	-
Purchase of investment		(36,730)	(7,134)
Interest received		1,426	4,081
Net cash flow from investing activities		**(238,322)**	**(127,131)**
Cash flow from financing activities			
Interest paid		(68,719)	(66,115)
Other finance costs		(880)	(1,146)
Net Revolving Credit Facilities		150,000	(36,095)
(Repayment)/drawdown of borrowings		(14,485)	38,000
Net cash flow from financing activities		**65,916**	**(65,356)**
Net change in cash and cash equivalents		**22,457**	**6,723**
Cash at beginning of the year		**105,314**	**98,591**
Cash at end of the year	**21**	**127,771**	**105,314**
Cash flow from operating activities			
Operating surplus	**3**	122,983	72,943
Adjustments for non-cash items:			
Depreciation and amortisation		52,207	47,179
Grant amortisation		(13,158)	(12,857)
Impairment (write back)/charge		(4,103)	34,029
(Increase)/decrease in inventory		(13,262)	11,017
Costs on housing fixed asset disposals		40,599	60,572
Decrease/(increase) in debtors		7,384	(5,855)
(Increase)/decrease in creditors		10,147	(4,133)
Movement in joint ventures		3,566	3,534
Pension costs less contributions		(7,590)	(7,501)
(Decrease)/Increase in provisions		(3,910)	282
Net cash from operating activities		**194,863**	**199,210**

Statement of Cash Flows
For the Year Ended 31 March 2025

	GROUP				
	31 March 2024 £'000	Cash flow £'000	Cashflows arising on business combination £'000	Non-cash changes £'000	31 March 2025 £'000
Group reconciliation of net debt					
Cash balances	**105,314**	88,602	(66,145)	-	**127,771**
Debt falling due within one year	**(14,485)**	14,485	-	(66,561)	**(66,561)**
Debt falling due after one year	**(1,562,044)**	(150,000)	-	63,496	**(1,648,548)**
Net debt	**(1,471,215)**	**(46,913)**	**(66,145)**	**(3,065)**	**(1,587,338)**

Notes to the financial statements

1. Summary of significant accounting policies

General information and statement of compliance

The Hyde Group (the "Group") is headed by parent entity, Hyde Housing Association (the "Association"), and subsidiaries as disclosed in the related parties (note 30). The Association is a public benefit entity and a private registered provider of social housing incorporated in the United Kingdom under the Co-operative and Community Benefit Societies Act 2014. The registered office is 30 Park Street, London, SE1 9EQ. All amounts are in GBP. The Group and individual financial statements of the Association have been prepared on a going concern basis, in compliance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the Housing SORP 2018 update: Statement of Recommended Practice for registered social housing providers (the "SORP 2018") and The Accounting Direction for private registered providers of social housing 2022 (the "Accounting Direction 2022").

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the fair value of certain investments and derivative financial instruments. The following accounting policies have been applied consistently in dealing with items which are considered material to the financial statements of the Group and Association. The Association has taken advantage of the exemption contained in FRS 102 and has not disclosed transactions or balances with entities which form part of the Group who are wholly owned subsidiaries, except as required by the Accounting Direction 2022. The Association has taken advantage of the exemptions under FRS 102 and has not prepared a cash flow statement.

Going concern

The Group undertakes a going concern assessment by reference to the first two years of its most recent Financial Plan which was approved by the Board in May 2025. The Financial Plan considers the current economic environment and the Group's future strategic plans. This includes considering the base case in the Financial Plan and adverse stress tested scenarios. Different stress tests are based on:

- The Bank of England's stress tests, with a focus on those most relevant to the Group, using published indices such as inflation, house prices and interest rates
- Sector-wide scenarios relevant to the Financial Plan, including rent policy and stagflation
- Additional scenarios impacting the Group and our future strategic plans, including counterparty risk, no property sales or disposals, failure of joint venture partners and key contractors, unrealised efficiencies, and one-off adverse events

The impact of the different stress tests are assessed against the operating surplus (interest cover) and debt (gearing) banking covenants of the Group, as well as having sufficient liquidity to fund the Group's operations. The Group also considered specific mitigations which it can take to manage operations in the event of adverse pressures. These mitigations include; negotiating loan facilities with lenders, pausing uncommitted development spend, and deferring or pausing uncommitted and discretionary development expenditure or repairs and maintenance expenditure. Across the different scenarios and stress tests performed, the Group remains compliant with all banking covenants and has sufficient liquidity throughout the going concern assessment period with appropriate management mitigating actions.

Notes to the financial statements

1. Summary of significant accounting policies (continued)

Based on the assessment performed, the Group Board consider that the Group and association has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the financial statements are signed. For this reason, the Group continues to adopt the going concern basis in the financial statements. No material uncertainties exist.

Basis of consolidation

The Group is required by the Co-operative and Community Benefit Societies Act 2014 to prepare consolidated financial statements. Subsidiaries are all entities over which the Group has control and they are consolidated from the date at which control is transferred to the Group. Subsidiaries are deconsolidated when control ceases. Group entities are detailed within note 30 to the financial statements.

Business combinations

Business combinations are accounted for in accordance with FRS 102 Section 19. The cost of a business combination is the aggregate of the fair values, at the date of combination, of consideration transferred by the Group in exchange for control of the acquiree. Acquisition-related costs, such as professional fees, are included in the cost of the business combination and not expensed.

The identifiable assets acquired and liabilities assumed are recognised at their fair values at the acquisition date. Any excess of the cost of the business combination over the fair value of the identifiable net assets acquired is recognised as goodwill (see the Group's policy on goodwill under Intangible Assets). If the fair value of the net assets acquired exceeds the cost of the business combination, the difference is recognised immediately in profit or loss as a negative goodwill gain after reassessing the values of the assets and liabilities acquired.

Joint ventures

Jointly controlled entities are entities in which the Group holds an interest on a long-term basis and has rights to the net assets through contractually agreed sharing of control. The Group's interest in joint ventures is accounted for using the equity method of accounting. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the profit or loss, other comprehensive income and equity of the venture. Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

Joint controlled operations are joint arrangements where the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. All attributable assets, liabilities, income and expenditure are included, on a proportionate basis, in the Group's Statement of Comprehensive Income and Statement of Financial Position.

Segmental reporting

For the purpose of segmental reporting (see note 2) the chief operating decision maker (CODM) has been identified as the Hyde Leadership Team (HLT). The business segmental reporting reflects the Group's management and internal reporting structure. Segmental results include items directly attributable to the segment, as well as those that can be allocated on a reasonable basis. The CODM review the Group's internal reporting to assess performance and allocate resources. Management has determined the operating segments as the operating business (comprising the landlord operations), building safety project, first tranche and outright sales, joint ventures.

Notes to the financial statements

1. Summary of significant accounting policies (continued)

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied or services rendered net of recoverable value added taxes (VAT). The Group recognises income when: the significant risks and rewards have been transferred to the buyer; the Group retains no continuing involvement or control over the goods; the amount of income can be measured reliably; it is probable that future economic benefits will flow to the Group; and when the specific criteria relating to the income have been met, as described below:

- **Rent and service charges receivable** is recognised for the period the amounts are due in accordance with tenancy and/or lease agreements (see further details about service charges provided below);
- **Management and other services income fees** are recognised as services are provided in line with the contractual frameworks;
- **First tranche shared ownership sales** are recognised on completion based on the proportion of equity sold of the property;
- **Outright property sales** are recognised on completion;
- **Revenue grants** are grants receivable from local authorities and other organisations they are recognised using the accrual model to match income in the same period as relevant grant expenditure; and
- **Grant amortisation** relating to grant for housing properties is recognised over the useful economic life of the structure of the associated properties.

Recoveries and reimbursements

Amounts from successful legal cases and related recoveries are recognised when virtually certain which is determined to be on receipt of funds. These are recognised outside turnover.

Service charges

The Group operates both fixed and variable service charges on a scheme-by-scheme basis in full consultation with residents. The service charges on all schemes are charged based on estimates of costs. Where variable service charges are used, the budget will include an allowance for the surplus or deficit from prior years, with this surplus being returned to residents in the form of a reduced charge for the year and a deficit being recovered via a higher service charge (or by alternative methods if the contract allows). Until these surpluses/deficits are applied, they are identified separately for each property and reported in the Statement of Financial Position as a creditors or debtors due within one year, as appropriate.

Interest

Interest payable and interest receivable is recognised in the interest relates to respectively.

Housing properties

Housing properties are classified as property, plant and equipment. They are measured using the cost model comprising the purchase price, together with directly attributable costs in bringing them to their intended use. The directly attributable costs include the labour costs of Hyde employees arising directly from the construction or acquisition of the property and the incremental costs that would have been avoided, only if individual properties had not been constructed or acquired. Interest is capitalised on specific and general borrowings of the Group as a whole, calculated on the

Notes to the financial statements

1. Summary of significant accounting policies (continued)

net costs incurred during the period of development. Post acquisition expenditure on properties is capitalised only when it results in a direct increase in rental income or a reduction in future maintenance costs or when there is a significant extension of the useful economic life of the property. See note 13.

Shared ownership

Housing properties includes the retained equity portion of shared ownership properties. When shared ownership properties within housing properties are sold, either in entirety or a proportion, this is called staircasing. Staircasing sales are recognised within surplus on disposal of property assets (note 7). Also included in housing properties are shared ownership properties which are under construction. The element included in housing properties is the portion that is not expected to be sold and will be retained. The first tranche element of shared ownership properties is held within inventories (note 19). Further details on judgements and estimates applied in allocating costs to shared ownership tenures are provided in the accounting policy note "Significant accounting judgements and estimation uncertainty".

The Group operates a component accounting policy in relation to the capitalisation and depreciation of its completed housing property portfolio. Housing properties where the Group has the responsibility for maintaining and replacing a component are split between their land and structure costs and seven major components, each having their own periodic replacement. Where the Group does not have responsibility for maintaining and replacing components, properties are split between land and build only. Depreciation of freehold housing properties is charged so as to write down their cost to their residual value on a straight line basis over their expected useful economic lives on the following basis:

Component	Useful economic life (years)
Land	Not depreciated
Structure	100
Roof	60
Heating (excluding boiler)	30
Boiler	15
Windows and doors	30
Electrical wiring	40
Bathroom	30
Kitchen	20

Intangible fixed assets

Intangible assets are recognised only if they are identifiable, it is probable that the expected future economic benefits attributable to the asset will flow to the Group, and the cost of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

IT and software

Purchased software licences and internally developed software meeting the recognition criteria are capitalised as intangible assets. Software is amortised on a straight-line basis over its estimated useful economic life, which is typically three to five years.

Customer contracts and trademarks

Customer contracts and trademarks acquired in business combinations are recognised at fair value at the acquisition date. These are amortised on a straight-line basis over their estimated useful lives, which have been assessed as 10 years, based on the nature and duration of the underlying customer relationships or brand assets.

Notes to the financial statements

1. Summary of significant accounting policies (continued)

Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the cost of the business combination over the fair value of the identifiable net assets acquired. Goodwill is initially recognised at cost and is subsequently measured at cost less accumulated amortisation and any impairment losses. Amortisation is calculated on a straight-line basis over the estimated useful life assessed as 7-10 years based on the nature of the business acquired. Goodwill is assessed for impairment when there are indicators of impairment and any impairment losses are recognised immediately in the profit or loss account. For the purposes of assessing impairment, goodwill is allocated to cash-generating units (CGUs) that are expected to benefit from business combination in which the goodwill arose. These CGUs may include acquired entities that had previously recognised their own goodwill prior to acquisition; such amounts are included within the Group's overall goodwill balance. The recoverable amount of each CGU is compared with its carrying amount, and any impairment losses are recognised in profit or loss. Impairment losses are not subsequently reversed..

Other fixed assets

Other fixed assets are measured using the cost model comprising the purchase price, together with directly attributable costs in bringing them to their intended use. Fixed assets are depreciated on a straight line basis from the purchase date over the following useful economic lives:

Category	Useful economic life (years)
Freehold/leased property	100 or life of the lease
Solar panel components and inverters	12-25
Furniture and equipment	6
Computer hardware	3-5
Motor vehicles	4

Investment properties

Investment properties represent properties of the Group which are held for long-term investment rather than social benefit. This includes market rent properties and commercial properties, such as offices and shops that are not community facilities. Investment properties are initially recognised at cost which includes purchase cost and any attributable costs in bringing them to their intended use. Investment properties are subsequently measured at fair value at each year end with any surplus/(deficit) recognised in the Statement of Comprehensive Income. Further details are provided in the accounting policy note “Significant accounting judgements and estimation uncertainty” and in note 16.

Investments

Investments that are part of charitable investment portfolios are held at fair value. Easybuy financial assets are classified as investments as these are held for capital appreciation. The Group enter into Easybuy loans on outright sale properties, which are repayable at market value and are secured by a second legal charge on the related property. They held at fair value calculated based on the discounted cash flow of predicted redemption value taking into account management's view of future house price movements, the expected timing of receipts and credit risk. Any disposals are recognised within operating surplus under surplus on sale of other investments. Investment in subsidiaries by the Association, and other entities where the Group or Association does not have control, joint control or significant influence, are measured at cost less any impairment. See note 17 for further details.

Notes to the financial statements

1. Summary of significant accounting policies (continued)

Inventories

Inventories include properties developed for sale and first tranche shared ownership properties. Inventories are stated at the lower of cost and net realisable value (estimated selling price less costs to sell). Costs related to sold inventories are recognised as an expense in the period in which the related revenue is recognised. The remaining element of shared ownership schemes are included in housing properties. Further details on judgements and estimates applied in allocating costs between inventories and housing properties for shared ownership tenures are provided below in the accounting policy note “Significant accounting judgements and estimation uncertainty”.

Cash

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short term liquid investments with maturity of three months or lower. Bank overdrafts, where applicable, are shown within borrowings in current liabilities and within the statement of cash flows.

Impairment

Housing properties and inventories

For housing properties, an impairment review is performed when indicators of impairment exist at a cash generating unit level. The Group defines a cash generating unit (CGU) as a scheme (all units within one area or estate and tenure) within housing properties, unless there are other factors which make this inappropriate, for example groups of schemes are planned for disposal, or sub-optimal costs are incurred during the construction of housing properties. Potential impairment is assessed by comparing the recoverable amount of the housing properties to their net book value. Where a CGU is held for its service potential and that service potential continues to be met, no impairment is charged. Where there is an indication that the service potential cannot be met, or the recoverable amount is less than the carrying amount, impairment is charged to the Statement of Comprehensive Income. For inventories, an impairment review is undertaken comparing carrying value to expected sales proceeds less costs to complete ad sell. If an item of inventory is impaired, the carrying value of the item is reduced and an impairment charge is recognised in the Statement of Comprehensive Income. Impairment of inventories is assessed at the scheme level. Impairment charges are only reversed when the original impairment conditions no longer exist. Where a reversal of the impairment is required, the impairment charge is reversed up to the original impairment loss and is recognised as a credit to the Statement of Comprehensive Income. Further details are provided in the accounting policy note “Significant accounting judgements and estimation uncertainty” and in notes 13 and 19.

Other fixed assets and intangibles

Other fixed assets are reviewed for impairment when indicators of impairment exist. Where these indicators exist the recoverable amount of the assets is assessed and where this is lower than the net book value an impairment is recognised with a charge to operating surplus.

Stock transfers

Stock transfers represent the net costs of developing properties owned by local authorities but currently managed by the Group. The net cost of developing the properties is shown as a long term debtor. The long term debtor is amortised over the life of the management contract with the local authority in line with the benefits received from the stock improvements.

Notes to the financial statements

1. Summary of significant accounting policies (continued)

Social Housing Grant and other government grants or financial assistance

Social Housing Grant (SHG) and other capital grants are held in creditors using the accrual model under FRS 102. Grants are amortised to the Statement of Comprehensive Income over the useful economic life of the related housing properties over a period up to 100 years. Certain developments are funded by other capital grants. These grants are accounted for in a similar manner to SHG. Where grants are receivable for the development programme in arrears, the amounts not yet received are held within debtors. Where grants are repayable and the associated asset is sold, the entire grant, including the portion of the grant previously amortised to income, is held within the recycled capital grant fund within creditors, until it is recycled or repaid to the issuer. Where grants are not repayable and the associated asset is sold, the unamortised portion of the grant is recognised in turnover.

Concessionary arrangements

The Group has a number of arrangements in place where it has performed works to properties or manages properties on behalf of others and receives fees for doing so. The associated turnover and costs from these arrangements are recognised within turnover and operating costs allocated to the specific tenure type of the properties managed.

Taxation

The Group has charitable status and therefore is not subject to Corporation Tax on the surplus arising from charitable activities. Provision is made for the tax liabilities which may arise when property is developed for commercial outright sale or private rent. Tax is chargeable on the activities of certain subsidiaries and a provision is made for any tax payable. This is only when the profits cannot be distributed via Gift Aid. The Group does not recognise deferred tax assets/liabilities to the extent that any profits are mitigated via gift aid and to eliminate future taxable profit to offset any deferred tax assets/liabilities. Where deferred tax is recognised, it is recognised without discounting in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the Statement of Financial Position date except as otherwise required by FRS 102. Deferred tax is calculated at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised, or the deferred tax liability is settled. Deferred tax asset or liability on unrealised fair value gains/(losses) on derivative financial instruments is not recognised by applying the disregard regulations.

Operating leases

The Group treats operating leases as follows:

- **As a lessee:** operating lease expenditure is charged on a straight line basis over the lease term to the Statement of Comprehensive Income
- **As a lessor:** operating lease income is recognised in turnover on a receivable basis over the lease term. This includes rental income from the Group's portfolio of social and non-social housing properties and income from the sublet of office properties, including investment properties.

Restricted reserve

The restricted reserve relates to restricted funds held in relation to Hyde Housing Association Limited, Hillside Housing Trust Limited and Hyde Charitable Trust Limited. These funds can only be spent on further build of social properties within the London Borough of Brent or on other specific activities.

Notes to the financial statements

1. Summary of significant accounting policies (continued)

Cash flow hedge reserve

In a cash flow hedge relationship, the proportion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised directly in the cash flow hedge reserve. The balance in the cash flow hedge reserve is then recycled to the Statement of Comprehensive Income to offset the impact of the hedged item when this occurs. Any ineffective portion of the gain or loss on the hedging instrument is taken to the Statement of Comprehensive Income. The derivatives subject to cash flow hedge accounting have been terminated and the balances are amortised over the life of the hedged items. Movement in the cash flow hedge reserve related to the release of balances to interest payable in the Statement of Comprehensive Income. Gilt lock costs are also amortised over the life of the transaction/bond. They result from the movement in gilt rates at the time of entering a gilt lock (the strike price) to the time that the related transaction took place.

Pension schemes

During the year the Group has participated in three defined benefit schemes: the Hyde Housing Association Limited Pension and Assurance Scheme (HHALPAS), the West Sussex Pension Scheme (WSCC)the Citrus Pension Scheme (Citrus). In the prior year the Group also participated in The Pension Trust Social Housing Pension Defined Benefit Scheme (SHPS), but this was exited on 31 July 2023. HHALPAS, Citrus and WSCC are not open to new entrants. In addition, the Group also operates two defined contribution scheme, the Hyde Housing Association Limited Defined Contribution Scheme and the Pinnacle Group Personal Pension.

Defined benefit schemes

- In accordance with the requirements of FRS 102, the costs are accounted for when committed, regardless of when the benefits are payable. The financial statements reflect, at fair value, the assets and liabilities arising from the Group's retirement obligations.
- The operating costs of providing retirement benefits to employees are recognised in the accounting periods in which the benefits are earned by the employees. The related finance costs and any other charges in value of the assets and liabilities are recognised in the accounting periods in which they arise.
- The financial statements disclose the cost of providing retirement benefits and related gains, losses, assets and liabilities. The attributable assets of the schemes are measured, at their fair value, at the Statement of Financial Position date, and are shown net of attributable scheme liabilities, except where an asset ceiling is applied (see judgements below), in which case no asset or surplus is recognised.

Actuarial gains and losses arising from any new valuation, and from updating the latest actuarial valuation to reflect conditions at the Statement of Financial Position date, are recognised in Other Comprehensive Income for the year. The impact of applying the asset ceiling is recognised as an actuarial gains and losses. For all pension schemes, current service costs are included in the Statement of Comprehensive Income within operating costs. Losses arising on a settlement or curtailment not allowed for in the actuarial assumptions are measured at the date on which the Group becomes demonstrably committed to the transaction and are recognised in the operating costs at that date. Gains arising on a settlement or curtailment not allowed for in the actuarial assumptions are measured at the date on which all parties whose consent is required are irrevocably committed to the transaction and are recognised in the operating costs at that date. The difference between the fair value of the assets held and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the group's balance sheet as a

Notes to the financial statements

1. Summary of significant accounting policies (continued)

pension asset or liability as appropriate. Further details are provided in the accounting policy note “Significant accounting judgements and estimation uncertainty” and in note 31.

During the year ended 31 March 2024, a settlement event was triggered by the Group exiting the SHPS. The settlement cost recognised in the Statement of Comprehensive Income is the difference between the Group’s net pension deficit at the date of exit (31 July 2023) and the exit debt due to the scheme’s Trustees. See note 31 for further details.

Financial instruments

The Group has made an accounting policy choice to continue to measure and recognise financial instruments in accordance with IAS 39 - Financial Instruments: Recognition and Measurement, as is permitted by FRS 102 and to follow the disclosure requirements of FRS 102. Financial assets and financial liabilities are recognised on the Group’s Statement of Financial Position, when the Group becomes a party to the contractual provisions of the instrument. To manage interest rate risk, the Group manages its proportion of fixed to variable rate borrowings within approved limits. Amounts payable or receivable in respect of these agreements are recognised as adjustments to interest expense over the period of the agreement.

Financial assets

The Group measures financial assets on initial recognition at the transaction price and determines the classification of such assets at initial recognition and on any subsequent reclassification event. Financial assets are classified into one of four primary categories:

- **Financial assets at fair value through profit or loss:** these are derivative assets and assets acquired principally for the purpose of selling in the near term. They are initially measured at fair value, excluding transaction costs. At each Statement of Financial Position date, they are re-measured at fair value. Any change in value is recognised in the Statement of Comprehensive Income within interest payable or receivable. Charitable investments are included within this category.
- **Loans and receivables:** this includes non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and have not been designated as either fair value through the Statement of Comprehensive Income. Such assets are measured at amortised cost using the effective interest method. They are measured on this basis whether they are intended to be held-to-maturity or not. Gains and losses are recognised in the Statement of Comprehensive Income when loans and receivables are derecognised or impaired as well as through amortisation.
- **Held to maturity investments:** non-derivative financial assets with fixed or determinable payments and fixed maturity are classified here when the Group has the positive intention and ability to hold to maturity. These are measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Comprehensive Income when held to maturity investments are derecognised or impaired.
- **Available for sale financial assets:** available for sale financial assets are non-derivative financial assets that are designated as such, or that are not classified in any of the other categories. These are held at fair value, with gains or losses being recognised as a separate component of equity until the asset is derecognised or is determined to be impaired, at which time the previously reported cumulative gain or loss is included in the Statement of Comprehensive Income. If there is no active market for a financial asset and it is not appropriate to determine fair value using valuation techniques, financial assets are carried at amortised cost.

Notes to the financial statements

1. Summary of significant accounting policies (continued)

Impairment of financial assets

All financial assets are reviewed for indicators of impairment at each reporting date. Such indicators include default in contractual payments, significant financial difficulties of the issuer or debtor, probability of bankruptcy, or prolonged or significant decline in quoted market price. An impairment loss is recognised in the income statement when there is objective evidence that an asset is impaired. The impairment loss on loans and receivables, which are measured at amortised cost, is the difference between the carrying amount of the asset and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. Impairment provisions for rent and service charge arrears are calculated based on average collection rates and risk profile of different categories of rent and service charge accounts.

When an impairment loss is identified on an available-for-sale financial asset, the cumulative losses previously recognised directly in equity are recorded in the Statement of Comprehensive Income. The loss recognised in the Statement of Comprehensive Income is the difference between the acquisition cost (net of principal repayment and amortisation) and the fair value at the time of impairment, less any impairment loss previously recognised in the Statement of Comprehensive Income. The impairment loss on investments in companies that are not quoted in an active market and are measured at cost is the difference between the carrying amount of the investment and the present value of its estimated future cash flows, discounted at the current market interest rate for similar financial assets. Impairment losses in respect of loans are recognised under operating costs in the Statement of Comprehensive Income. Impairment losses in respect of trade receivables are recognised under operating expenses in the Statement of Comprehensive Income.

Impairment losses on investments in companies that are not quoted in an active market and are measured at cost, and on equity instruments classified as available-for-sale financial assets, cannot be reversed through the Statement of Comprehensive Income.

Financial liabilities

The Group determines the classification of financial liabilities at initial recognition and on any subsequent reclassification event. Financial liabilities are classified into one of two primary categories:

- Financial liabilities at fair value through profit or loss: These are derivative liabilities. These are initially measured at fair value, not including transaction costs. At each Statement of Financial Position date, they are re-measured at fair value. Any change in value is recognised in the Statement of Comprehensive Income within interest payable or receivable. Fair values have been determined using updated SONIA rates as a result of the interest rate benchmark reforms.
- Other financial liabilities are held at amortised cost using the effective interest rate. This includes loans and borrowings, overdrafts and trade payables. Borrowings will include accrued un-amortised issue costs and any premiums or discounts on initial issue.

Significant accounting judgements and estimation uncertainty

The preparation of financial statements requires management to make judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Notes to the financial statements

1. Summary of significant accounting policies (continued)

Significant accounting judgements

Judgements are those management has made in applying the Group's accounting policies that have the most significant effect on the amounts recognised. The most significant judgements are as follows:

- Building safety provisions: Building safety provisions require judgement to be made as to whether a constructive or legal obligation exists. Management makes judgements on a scheme-by-scheme basis considering the facts and circumstances of each scheme. The key judgements applied are:
    - Constructive obligation: A provision will only be recognised where the Group have made specific communications or commitments to residents, such as public statements, as these create valid expectations that certain remedial works will be undertaken.
    - Legal obligation: A provision will only be recognised where there is a legally enforceable obligation to undertake specific remediation, and there are no realistic alternatives to settling the obligation.

Building safety provisions were recognised in prior years due to constructive obligations made as a result of resident forums and/or direct correspondence to residents, where the Group communicated specific remedial works required, and the timelines for when such works would be undertaken. Any such provisions were re-measured each year using management's best estimate of remaining costs, such as contracts in place, survey reports from employers' agents, and active tender documents. These provisions have now been fully utilised or released in previous years, and no new provisions have been triggered by constructive obligations during the year.

No legal obligations were triggered for any schemes or properties during the year. FRS 102 paragraph 21.6 states that legal obligations can arise when an entity has an obligation that can be enforced by law. However, paragraph 21.6 also states that obligations that will arise from the entity's future actions (i.e. the future conduct of its business) do not satisfy the condition in paragraph 21.4(a), no matter how likely they are to occur, even if the entity may intend to carry out expenditure (which would include remedial works) to operate in accordance with legal requirements. With respect to the Building Safety Act 2022 (BSA), specific remedial works are enforceable by the First-tier Tribunal issuing either Remediation Orders under the BSA section 123 or Remediation Contribution Orders under the BSA section 124. The Group have not had any such orders issued during the year, and as a result, no legal obligations have been triggered to recognise building safety provisions. Any costs incurred by the Group relating to building safety mitigations are accounted for in the period they're incurred.

Any pending claims or reimbursements from contractors are separately recognised as assets only when reimbursement is virtually certain in accordance with FRS 102 paragraph 21.9. Government grants relating to building safety are separately recognised in accordance with FRS 102 chapter 24.

- **Impairment of housing properties and inventory:** Where impairment indicators are identified for housing properties and inventory under construction, impairment relates to sub-optimal costs and related overheads that will require rework by a new contractor, or where the capitalised land costs and related overheads exceed the market value of the land. Impairment relating to completed housing properties is the difference between the carrying value of the scheme and its recoverable amount.

Notes to the financial statements

1. Summary of significant accounting policies (continued)

- **Defined benefit pension scheme surpluses:** Surpluses on defined benefit pension schemes are only recognised where the scheme rules do not restrict the right to repayment of the surplus upon wind-up, there are no factors that may restrict the recognition of any surplus, it is probable the Group will benefit from the surplus (such as reduced contributions), and that the resulting asset can be reliably measured. Judgements applied for each scheme were as follows:
  - HHALPAS: The Trustees have invested all assets in a bulk annuity insurance policy during the year. Although the accounting valuation showed a surplus in the prior year (which was restricted to nil in the prior year), the Group was required to pay additional contributions to fund the insurance policy premium, which meant the Group did not benefit or access the surplus. In the current year, the accounting valuation shows a surplus of £1.1m which is intended to be used as a liquidity buffer to meet future scheme costs. This means the Group is not expected to benefit from the surplus. As a result, an asset ceiling was applied and the surplus of £1.1m is restricted to nil.
  - WSCC: The administering authority has absolute discretion over how the surplus will be applied. Further, our actuary performed an alternative calculation which shows the net present value of future service costs is lower than the net present value of future service contributions. These factors indicate the Group may not have access to any surplus, and will not benefit from reduced contributions. In the current year, the accounting valuation shows a surplus of £29.8m, therefore an asset ceiling has been applied and the surplus is restricted to nil.

  See note 31 for further details.

- **Gift aid payments:** Where gift aid distributions are expected to be made within the relevant period of the next financial year end for tax purposes, management consider that such payments are probable. As a result, the income tax effects of any such gift aid distributions are accounted for during the year and no deferred tax liabilities with respect to gift aid payments are recognised. As gift aid and distributions result from core activities in subsidiaries and other investments, it is included in the definition of operating surplus for the Association.

- **Housing property and inventory classification:** Judgement is required to classify development schemes between housing properties (social rent, affordable rent and shared ownership retained share) and inventories (shared ownership first tranche and outright sale tenure properties) based on the expected tenure being developed.

  Between the acquisition of development sites, obtaining planning permission and constructing the properties, the expected tenures will often change based on ongoing discussions with planning authorities, expected levels of grant and appraisal metrics.

  Development sites are classified as housing properties in accordance with the SORP paragraph 8.11, based on the best known primary intended use. Where social housing schemes are intended to be sold to other landlords as bulk sales, they continue to be classified as housing properties. When the bulk sales are made, amounts are recognised in note 7 as a surplus on disposal of property assets. For schemes that are held for sale at the year-end, they are tested for impairment. Housing properties are shown in note 13 and inventories are shown in note 19.

Notes to the financial statements

1. Summary of significant accounting policies (continued)

Estimation uncertainty

Estimates are those which contain key assumptions concerning the future, and other key sources of estimation uncertainty at the year-end, that have a risk of causing adjustments to the carrying amounts of assets and liabilities within the next financial year. The key areas of estimation are as follows:

- **Housing property and inventory impairment:** No impairment charges were made in the current year. Material impairment charges were made in the prior year which involved estimates of sub-optimal costs and for ongoing development schemes, and expert advice on fair value from third party valuers. Although sub-optimal costs were estimated and valuations include estimates of fair value, there are no inputs or variables to these estimates that would materially change the impairment amount. Further details are provided in the significant judgements disclosure above, and notes 13 and 19.

- **Housing property and inventory cost allocations:** Where schemes under construction are mixed tenure and are classified between housing properties and inventories, management's judgement is to apply a suitable method such as tenure mix, area (square footage) or rental yield, depending on the stage of development, to allocate costs between tenures. The allocation of the cost of shared ownership schemes under construction and unsold completed shared ownership between housing properties and inventories is determined by the average past experience of first tranche sales during the year. Cost of sales for first tranche sales are calculated using the actual equity sale achieved (see note 13 and 19).

- **Housing property depreciation and government grant amortisation:** The useful economic life of housing property components are disclosed in note 1. Government grant is amortised over the same useful economic life of the structure of the housing property (100 years). If the useful economic lives across all components were reduced by 10%, this would increase depreciation expense by £7.0m and would increase the amortised grant income by £0.9m.

- **Recognition of goodwill and useful life:** Goodwill recognised on acquisition represents the excess of the consideration over the fair value of identifiable net assets. Goodwill is amortised over its estimated useful life. Management assessed the useful life of goodwill arising on the Pinnacle business combination based on expected future economic benefits and has determined a life of seven years. This involves estimation, particularly regarding the expected longevity of customer relationships and strategic value of the acquired business. A one year decrease in this life would increase goodwill amortisation by £0.7m on an annualised basis.

- **Pension actuarial assumptions:** The Group has obligations to pay pension benefits to current and certain former employees. The cost of these benefits and the present value of the obligation depend on a number of factors including life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors, using qualified actuaries, in determining the net pension obligation in the balance sheet. As HHALPAS benefits are insured (and an asset ceiling was applied to the residual cash surplus), an asset ceiling was applied to WSCC, and the Group has exited SHPS, any changes to assumptions would not impact the financial statements. Other pension schemes in which the Group participates are immaterial. The assumptions are disclosed in note 31.

Notes to the financial statements

1. Summary of significant accounting policies (continued)

- **Investment property valuations:** The fair values are determined based on expert advice from third party valuers. The market rent portfolio uses a discount to vacant possession capital value using a discounting vacant possession methodology. If the market rent portfolio saw a 10% drop in market rents, the valuation would reduce by approximately £1.3m. For the commercial properties, as the leases are predominately full repairing and insuring (FRI) leases, the valuation is based on the specific lease terms as opposed to significant estimates. Further details are disclosed in note 16.

- **Derivative financial instruments fair values:** The fair values are determined based on counterparty estimates or as determined by third party valuers based on available market data and inputs. A -1% decrease to interest rates would result in a £9.9m increase to fair value, and a +1% increase to RPI would result in a £0.3m decrease to fair value. Further details are disclosed in note 32.

Notes to the financial statements

2. Group segmental reporting

At 31 March 2025	Core housing business	Property asset disposals	First tranche and outright sales	Joint ventures	Building safety	Pinnacle	Adjusted operating surplus	Financing, fair value, tax	Exceptional items	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Turnover and receipts	331,761	98,231	43,418	9,961	4,001	86,377	573,749	-	-	**573,749**
Operating costs	(259,531)	(1,097)	(3,680)	(8,663)	(2,738)	(81,224)	(356,933)	-	1,987	**(354,946)**
Cost of sales and disposals	-	(51,530)	(38,383)	(1,875)	-	-	(91,788)	-	-	**(91,788)**
Operating surplus before business combination amortisation	**72,230**	**45,604**	**1,355**	**(577)**	**1,263**	**5,153**	**125,028**	**-**	**1,987**	**127,015**
Amortisation of business combination intangible assets						(4,032)	(4,032)	-	-	**(4,032)**
Gross operating surplus	**72,230**	**45,604**	**1,355**	**(577)**	**1,263**	**1,121**	**120,996**	**-**	**1,987**	**122,983**
Net Financing costs								(58,339)	-	**(58,339)**
Taxation								-	-	**-**
Total surplus/(deficit) – before fair value							**120,996**	**(58,339)**	**1,987**	**64,644**
Fair value movement in investment properties								1,076	-	**1,076**
Fair value movement in investments								(112)	-	**(112)**
Fair value movement in derivatives								3,454	-	**3,454**
Total surplus/(deficit)							**120,996**	**(53,921)**	**1,987**	**69,062**

Segmental reporting is presented via six segments following the format presented to the CODM. Asset and liabilities per segment are not disclosed, as they are not presented to the CODM and are not allocated to segments. In the current year, exceptional items of £2.0m include impairment reversals of £4.1m offset by pension settlement costs of £0.6m, £0.8m of redundancy costs and £0.7m of other costs including costs of terminating leases and non-capitalised transaction costs.

Notes to the financial statements

2. Group segmental reporting (continued)

At 31 March 2024	Core housing business £'000	Property asset disposals £'000	First tranche and outright sales £'000	Joint ventures £'000	Building safety £'000	Adjusted operating surplus £'000	Financing, fair value, tax £'000	Exceptional items £'000	Total £'000
Turnover and receipts	306,616	117,450	42,390	22,258	2,572	**491,286**	-	-	**491,286**
Operating costs	(241,961)	(643)	(2,929)	(2,832)	(2,155)	**(250,520)**	-	(44,108)	**(294,628)**
Cost of sales and disposals	-	(70,792)	(34,648)	(18,275)	-	**(123,715)**	-	-	**(123,715)**
Gross operating surplus	**64,655**	**46,015**	**4,813**	**1,151**	**417**	**117,051**	**-**	**(44,108)**	**72,943**
Net Financing costs							(51,309)	-	**(51,309)**
Taxation							(721)	-	**(721)**
Total surplus/(deficit) – before fair value and break costs	**64,655**	**46,015**	**4,813**	**1,151**	**417**	**117,051**	**(52,030)**	**(44,108)**	**20,913**
Fair value movement in investment properties							1,205	-	**1,205**
Fair value movement in investments							590	-	**590**
Fair value movement in derivatives							3,176	-	**3,176**
Total surplus/(deficit)	**64,655**	**46,015**	**4,813**	**1,151**	**417**	**117,051**	**(47,059)**	**(44,108)**	**25,884**

In the prior year, exceptional items of £44.1m include net impairment charges and reversals of £37.7m, pension settlement costs of £4.3m, provision remeasures of £1.3m and commercial debt write-offs of £0.8m.

Notes to the financial statements

3. Particulars of turnover, operating expenditure and operating surplus

Group	Notes	Turnover 2025 £'000	Cost of sales 2025 £'000	Operating expenditure 2025 £'000	Operating surplus/(deficit) 2025 £'000	Turnover 2024 £'000	Cost of sales 2024 £'000	Operating expenditure 2024 £'000	Operating surplus/(deficit) 2024 £'000
Social housing lettings	**4**	308,992	-	(230,584)	**78,408**	282,120	-	(211,646)	**70,474**
Other social housing activities:									
Shared ownership first tranche sales		40,581	(34,613)	(2,870)	**3,098**	31,019	(23,829)	(1,817)	**5,373**
Net impairment reversal/(charge) of housing properties and inventory[1]		-	-	4,103	**4,103**	-	-	(37,607)	**(37,607)**
Building safety grants and expensed costs		4,001	-	(2,738)	**1,263**	1,911	-	(2,155)	**(244)**
Hyde Foundation		237	-	(2,575)	**(2,338)**	359	-	(2,672)	**(2,313)**
Other, including management activities		4,917	-	(6,655)	**(1,738)**	5,677	-	(8,942)	**(3,265)**
Non-social housing activities:									
Outright property sales		2,836	(3,770)	(810)	**(1,744)**	11,371	(10,819)	(1,112)	**(560)**
Pinnacle management activities		86,377	-	(85,256)	**1,121**	-	-	-	**-**
Leaseholders and freeholders management activities		15,234	-	(20,767)	**(5,533)**	15,155	-	(22,295)	**(7,140)**
Market rent		867	-	(214)	**653**	789	-	(167)	**622**
Commercial rent		1,516	-	(852)	**664**	2,516	-	(2,740)	**(224)**
		465,558	**(38,383)**	**(349,218)**	**77,957**	**350,917**	**(34,648)**	**(291,153)**	**25,116**
Surplus on disposal of property assets	**7**				**45,603**				**46,015**
Share of operating (loss)/surplus in joint ventures	**8**				**(577)**				**1,151**
Building safety recoveries					**-**				**661**
Operating surplus					**122,983**				**72,943**

1. The current year impairment reversal is to housing properties. The prior year net impairment charges is made up of: housing property impairment charge of £39.5m less housing property impairment reversals of £5.8m (housing property net impairment of £33.7m); and inventory impairment charge of £4.2m less inventory impairment reversals of £0.3m (inventory net impairment of £3.9m), giving total net impairment of £37.6m.

Notes to the financial statements

3. Particulars of turnover, operating expenditure and operating surplus/(deficit) (continued)

Association	Notes	Turnover 2025 £'000	Cost of sales 2025 £'000	Operating expenditure 2025 £'000	Operating surplus/ (deficit) 2025 £'000	Turnover 2024 £'000	Cost of sales 2024 £'000	Operating expenditure 2024 £'000	Operating surplus/ (deficit) 2024 £'000
Social housing lettings	**4**	220,358	-	(173,505)	**46,853**	201,664	-	(159,391)	**42,273**
Other social housing activities:									
Shared ownership first tranche sales		40,581	(34,613)	(2,284)	**3,684**	31,018	(23,813)	(2,034)	**5,171**
Impairment on housing properties and inventory		-	-	4,103	**4,103**	-	-	(15,231)	**(15,231)**
Building safety grants and expensed costs		2,853	-	(2,623)	**230**	1,994	-	(2,386)	**(392)**
Hyde Foundation		-	-	(1,413)	**(1,413)**	2	-	(1,404)	**(1,402)**
Other, including management activities		5,323	-	(7,034)	**(1,711)**	5,341	-	(11,328)	**(5,987)**
Non-social housing activities:									
Leaseholders and freeholders management activities		10,953	-	(14,357)	**(3,404)**	7,518	-	(15,392)	**(7,874)**
Intercompany sale		-	-	-	**-**	2,325	(2,423)	-	**(98)**
Market rent		486	-	(701)	**(215)**	1,481	-	(1,968)	**(487)**
Commercial rent		871	-	(214)	**657**	797	-	(168)	**629**
		281,425	**(34,613)**	**(198,028)**	**48,784**	**252,140**	**(26,236)**	**(209,302)**	**16,602**
Surplus on disposal of property assets	**7**				**35,529**				**34,838**
Gift Aid income					**2,260**				**3,366**
Building safety recoveries					**-**				**661**
Operating surplus					**86,573**				**55,467**

Notes to the financial statements

4. Particulars of comprehensive income from social housing lettings

Group at 31 March 2025	General needs £'000	Affordable rental tenure £'000	Supported housing £'000	Older people schemes £'000	Shared ownership £'000	Intermediate market rent £'000	Total £'000
Rent receivable net of service charges	173,311	33,260	5,866	8,465	20,481	7,571	**248,954**
Service charges receivable	18,419	311	2,331	3,170	6,943	23	**31,197**
Net rental income	**191,730**	**33,571**	**8,197**	**11,635**	**27,424**	**7,594**	**280,151**
Other Income	1,049	1	89	388	106	3	**1,636**
Management fee income	11,856	-	223	-	1,998	-	**14,077**
Revenue grants	53	-	-	-	-	-	**53**
Amortisation of grant funding	8,359	1,081	760	209	2,530	136	**13,075**
Turnover from social housing lettings	**213,047**	**34,653**	**9,269**	**12,232**	**32,058**	**7,733**	**308,992**
Service charge costs	(14,806)	(2,299)	(2,590)	(3,927)	(6,669)	(654)	**(30,945)**
Management	(58,752)	(7,413)	(3,242)	(3,708)	(5,342)	(689)	**(79,146)**
Routine maintenance	(33,589)	(3,926)	(1,539)	(2,087)	(357)	(1,004)	**(42,502)**
Planned maintenance	(20,171)	(2,783)	(2,196)	(2,578)	(1,391)	(590)	**(29,709)**
Major repairs expenditure	(1,251)	(142)	(78)	(93)	(922)	(133)	**(2,619)**
Property lease charges	-	-	(104)	-	-	-	**(104)**
Bad debts	(1,001)	(247)	(33)	(109)	112	(44)	**(1,322)**
Depreciation and amortisation	(34,317)	(6,340)	(1,708)	(985)	113	(1,000)	**(44,237)**
Operating costs on social housing lettings	**(163,887)**	**(23,150)**	**(11,490)**	**(13,487)**	**(14,456)**	**(4,114)**	**(230,584)**
Operating surplus/(deficit) on social housing lettings	**49,160**	**11,503**	**(2,221)**	**(1,255)**	**17,602**	**3,619**	**78,408**
Void losses	(713)	(209)	(331)	(140)	(24)	(101)	**(1,518)**

Depreciation and amortisation includes housing property depreciation and the amortisation of stock transfer debtors relating to the management of housing properties.

Notes to the financial statements

4. Particulars of comprehensive income from social housing lettings (continued)

Group at 31 March 2024	General needs £'000	Affordable rental tenure £'000	Supported housing £'000	Older people schemes £'000	Shared ownership £'000	Intermediate market rent £'000	Total £'000
Rent receivable net of service charges	161,533	30,455	5,689	7,868	18,494	7,435	**231,474**
Service charges receivable	14,201	178	1,328	3,854	4,696	(22)	**24,235**
Net rental income	**175,734**	**30,633**	**7,017**	**11,722**	**23,190**	**7,413**	**255,709**
Other Income	784	1	7	263	3	3	**1,061**
Management fee income	11,004	-	264	-	1,356	-	**12,624**
Revenue grants	93	-	-	-	-	-	**93**
Amortisation of grant funding	8,072	1,179	765	210	2,261	146	**12,633**
Turnover from social housing lettings	**195,687**	**31,813**	**8,053**	**12,195**	**26,810**	**7,562**	**282,120**
Service charge costs	(15,991)	(2,510)	(3,458)	(4,008)	(7,376)	(605)	**(33,948)**
Management	(52,687)	(6,544)	(3,078)	(4,142)	(4,881)	(577)	**(71,909)**
Routine maintenance	(29,288)	(2,893)	(1,174)	(1,682)	(179)	(728)	**(35,944)**
Planned maintenance	(16,736)	(1,493)	(1,187)	(935)	(693)	(409)	**(21,453)**
Major repairs expenditure	(2,613)	(442)	(219)	(256)	(1,224)	(128)	**(4,882)**
Property lease charges	-	-	(75)	-	-	-	**(75)**
Bad debts	(363)	(173)	(54)	(126)	(27)	(26)	**(769)**
Depreciation and amortisation	(32,603)	(5,807)	(2,243)	(961)	(34)	(1,018)	**(42,666)**
Operating costs on social housing lettings	**(150,281)**	**(19,862)**	**(11,488)**	**(12,110)**	**(14,414)**	**(3,491)**	**(211,646)**
Operating surplus/(deficit) on social housing lettings	**45,406**	**11,951**	**(3,435)**	**85**	**12,396**	**4,071**	**70,474**
Void losses	(952)	(132)	(220)	(207)	(29)	(90)	**(1,630)**

Notes to the financial statements

4. Particulars of comprehensive income from social housing lettings (continued)

Association at 31 March 2025	General needs £'000	Affordable rental tenure £'000	Supported housing £'000	Older people schemes £'000	Shared ownership £'000	Intermediate market rent £'000	Total £'000
Rent receivable net of service charges	112,719	30,112	5,677	5,883	19,333	7,123	**180,847**
Service charges receivable	11,347	265	2,110	2,120	6,552	15	**22,409**
Net rental income	**124,066**	**30,377**	**7,787**	**8,003**	**25,885**	**7,138**	**203,256**
Other Income	230	1	89	358	5	3	**686**
Management fee income	2,745	-	223	-	1,215	-	**4,183**
Revenue grants	-	-	-	-	-	-	**-**
Amortisation of grant funding	7,789	929	757	162	2,466	130	**12,233**
Turnover from social housing lettings	**134,830**	**31,307**	**8,856**	**8,523**	**29,571**	**7,271**	**220,358**
Service charge costs	(9,851)	(1,969)	(2,417)	(2,532)	(6,514)	(624)	**(23,907)**
Management	(41,516)	(6,969)	(3,109)	(3,106)	(4,678)	(661)	**(60,039)**
Routine maintenance	(22,477)	(3,583)	(1,491)	(1,555)	(346)	(916)	**(30,368)**
Planned maintenance	(13,034)	(2,550)	(2,118)	(2,081)	(1,330)	(563)	**(21,676)**
Major repairs expenditure	(601)	(100)	(73)	(73)	(872)	(130)	**(1,849)**
Property lease charges	-	-	(104)	-	-	-	**(104)**
Bad debts	(554)	(188)	(30)	(89)	105	(45)	**(801)**
Depreciation and amortisation	(25,937)	(5,714)	(1,668)	(602)	109	(949)	**(34,761)**
Operating costs on social housing lettings	**(113,970)**	**(21,073)**	**(11,010)**	**(10,038)**	**(13,526)**	**(3,888)**	**(173,505)**
Operating surplus/(deficit) on social housing lettings	**20,860**	**10,234**	**(2,154)**	**(1,515)**	**16,045**	**3,383**	**46,853**
Void losses	(529)	(184)	(298)	(101)	(24)	(91)	**(1,227)**

Notes to the financial statements

4. Particulars of comprehensive income from social housing lettings (continued)

Association at 31 March 2024	General needs £'000	Affordable rental tenure £'000	Supported housing £'000	Older people schemes £'000	Shared ownership £'000	Intermediate market rent £'000	Total £'000
Rent receivable net of service charges	104,764	27,519	5,493	5,480	17,432	7,014	**167,702**
Service charges receivable	8,311	228	1,208	2,878	4,384	(20)	**16,989**
Net rental income	**113,075**	**27,747**	**6,701**	**8,358**	**21,816**	**6,994**	**184,691**
Other Income	229	1	7	232	1	3	**473**
Management fee income	3,181	-	264	-	1,339	-	**4,784**
Revenue grants	4	-	-	-	-	-	**4**
Amortisation of grant funding	7,503	945	761	164	2,198	141	**11,712**
Turnover from social housing lettings	**123,992**	**28,693**	**7,733**	**8,754**	**25,354**	**7,138**	**201,664**
Service charge costs	(10,908)	(2,261)	(3,252)	(2,770)	(7,160)	(570)	**(26,921)**
Management	(39,212)	(6,210)	(2,993)	(3,513)	(4,800)	(549)	**(57,277)**
Routine maintenance	(17,160)	(2,625)	(1,124)	(1,290)	(165)	(661)	**(23,025)**
Planned maintenance	(10,674)	(1,350)	(1,103)	(719)	(651)	(384)	**(14,881)**
Major repairs expenditure	(1,392)	(307)	(217)	(141)	(1,176)	(35)	**(3,268)**
Property lease charges	-	-	(75)	-	-	-	**(75)**
Bad debts	(285)	(117)	(51)	(105)	(23)	(30)	**(611)**
Depreciation and amortisation	(24,538)	(4,997)	(2,210)	(586)	(34)	(968)	**(33,333)**
Operating costs on social housing lettings	**(104,169)**	**(17,867)**	**(11,025)**	**(9,124)**	**(14,009)**	**(3,197)**	**(159,391)**
Operating surplus/(deficit) on social housing lettings	**19,823**	**10,826**	**(3,292)**	**(370)**	**11,345**	**3,941**	**42,273**
Void losses	(707)	(117)	(216)	(156)	(29)	(83)	**(1,308)**

Notes to the financial statements

5. Housing units

Group	At 31 March 2024	Units developed or newly built units acquired	Units sold	Movements (to)/from other Registered Providers	Other movements	At 31 March 2025	At 31 March 2023	Units developed or newly built units acquired	Units sold	Movements (to)/from other Registered Providers	Other movements	At 31 March 2024
Social housing units owned and/or managed												
General needs	25,712	89	(150)	286	4	**25,941**	25,764	118	(165)	(1)	(4)	**25,712**
Affordable rental tenure	3,152	67	(31)	208	-	**3,396**	3,066	84	(3)	-	5	**3,152**
Supported housing	2,642	-	(50)	-	(2)	**2,590**	2,651	-	(4)	-	(5)	**2,642**
Shared ownership	4,364	386	(92)	288	6	**4,952**	4,093	348	(77)	-	-	**4,364**
Care homes	135	-	(39)	-	-	**96**	134	-	-	-	1	**135**
Other social housing units	1,056	-	-	424	-	**1,480**	1,059	-	-	-	(3)	**1,056**
Total social housing units owned and/or managed	37,061	542	(362)	1,206	8	**38,455**	36,767	550	(249)	(1)	(6)	**37,061**
Total social housing units managed but not owned	2,559	12	(11)	276	-	**2,836**	2,312	-	-	242	5	**2,559**
Total social housing units owned	34,502	530	(351)	930	8	**35,619**	34,455	550	(249)	(243)	(11)	**34,502**
Total social housing units owned but not managed	855	-	(80)	-	-	**775**	855	-	-	-	-	**855**
Total social housing units managed	36,206	542	(282)	1,206	8	**37,680**	35,912	550	(249)	(1)	(6)	**36,206**
Total social units owned and/or managed						**38,455**						**37,061**
Leasehold and freehold units						**19,232**						**7,191**
Social housing units managed outside of registered providers						**8,395**						**-**
Non-social rental housing units - owned						**68**						**-**
Non-social rental housing units - managed						**51,758**						**68**
Total units owned and/or managed at 31 March						**117,908**						**44,320**

Notes to the financial statements

5. Housing units (continued)

Association	At 31 March 2024	Units developed or newly built units acquired	Units sold	Movements (to)/from other Registered Providers	Other movements	At 31 March 2025	At 31 March 2023	Units developed or newly built units acquired	Units sold	Movements (to)/from other Registered Providers	Other movements	At 31 March 2024
Social housing units owned and/or managed												
General needs	17,380	89	(109)	-	4	**17,364**	17,381	118	(116)	(1)	(2)	**17,380**
Affordable rental tenure	2,817	67	(4)	-	-	**2,880**	2,730	84	(2)	-	5	**2,817**
Supported housing	2,128	-	(50)	-	-	**2,078**	2,138	-	(4)	-	(6)	**2,128**
Shared ownership	4,125	386	(89)	-	6	**4,428**	3,850	348	(74)	-	1	**4,125**
Care homes	135	-	(39)	-	-	**96**	134	-	-	-	1	**135**
Other social housing units	1,015	-	-	-	1	**1,016**	1,018	-	-	-	(3)	**1,015**
Total social housing units owned and/or managed	27,600	542	(291)	-	11	**27,862**	27,251	550	(196)	(1)	(4)	**27,600**
Total social housing units managed but not owned	2,244	12	(11)	131	-	**2,376**	1,996	-	-	242	6	**2,244**
Total social housing units owned	25,356	530	(280)	(131)	11	**25,486**	25,255	550	(196)	(243)	(10)	**25,356**
Total social housing units owned but not managed	829	-	(78)	-	-	**751**	829	-	-	-	-	**829**
Total social housing units managed	26,771	542	(213)	-	11	**27,111**	26,422	550	(196)	(1)	(4)	**26,771**
Total social units owned and/or managed						**27,862**						**27,600**
Leasehold and freehold units						**5,741**						**5,449**
Non-social rental housing units						**68**						**68**
Total units owned and/or managed at 31 March						**33,671**						**33,117**

Notes to the financial statements

6. Operating surplus

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Operating surplus is stated after charging:				
Operating lease charges	**18,149**	5,139	**2,489**	3,293
Auditors' remuneration (excluding VAT and including expenses):				
As auditors of the financial statements	**930**	546	**340**	280
Other services provided	**37**	78	**37**	78

Other services related to service charges reporting.

7. Surplus on sale of property assets

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Right to buy and acquire				
Proceeds	1,709	1,817	911	724
Cost of sales	(691)	(1,069)	(388)	(262)
Total surplus	**1,018**	**748**	**523**	**462**
Staircasing				
Proceeds	15,423	14,368	14,940	14,048
Cost of sales	(8,593)	(7,574)	(8,821)	(7,818)
Total surplus	**6,830**	**6,794**	**6,119**	**6,230**
Other disposals				
Proceeds	81,098	101,265	81,797	90,476
Cost of sales and related costs	(43,343)	(62,792)	(52,910)	(62,330)
Total surplus	**37,755**	**38,473**	**28,887**	**28,146**
	45,603	**46,015**	**35,529**	**34,838**

Costs incurred on properties to get them ready for sale are included in selling costs.

Notes to the financial statements

8. Share of joint ventures and associated undertakings

	Total share of deficit 2025 £'000	Removal of consolidated profits 2025 £'000	Total consolidated share of deficit 2025 £'000	Total consolidated share of surplus 2024 £'000
Share of turnover	14,226	(4,265)	**9,961**	22,258
Share of costs of sales	(12,449)	3,786	**(8,663)**	(18,275)
Share of operating cost	(2,184)	309	**(1,875)**	(2,832)
Share of operating (deficit)/surplus for the year	**(407)**	**(170)**	**(577)**	**1,151**

The Group's share of net assets for associates and joint ventures at the year-end was £65.4m (2024: £46.4m). A full list of joint ventures and associates is included in note 30 including those which are dormant.

See note 26 which includes details of the Group's share of capital commitments in the associated undertakings.

9. Interest receivable

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
From cash deposits	658	2,758	375	278
From other sources	786	1,132	65	150
From Group undertakings	-	-	2,716	2,484
Total interest receivable on financial assets not measured at fair value through the Statement of Comprehensive Income	**1,444**	**3,890**	**3,156**	**2,912**
On financial derivative liabilities/assets at fair value through the Statement of Comprehensive Income				
Fair value gains in respect of derivative financial instruments	5,693	5,335	3,679	1,835
Total interest receivable and similar income	**7,137**	**9,225**	**6,835**	**4,747**

Interest receivable from other sources includes that received from joint ventures and dividend income from investments.

Notes to the financial statements

10. Interest and financing costs

	GROUP		ASSOCIATION	
	2025 £'000	**2024 £'000**	**2025 £'000**	**2024 £'000**
On bank loans and overdrafts	68,093	66,491	45,986	44,227
Other finance costs	5,014	4,618	4,691	4,607
Pension costs	(1,304)	(1,201)	(5)	(196)
Due to Group undertakings	-	-	1,932	1,730
	71,803	**69,908**	**52,604**	**50,368**
Less interest capitalised	(12,020)	(14,709)	(5,588)	(4,967)
Total interest payable on financial liabilities not measured at fair value through the Statement of Comprehensive Income	**59,783**	**55,199**	**47,016**	**45,401**
On financial liabilities/assets at fair value through the Statement of Comprehensive Income:				
Fair value losses in respect of derivative financial instruments	2,239	2,159	2,230	2,159
Total interest payable and similar charges	**62,022**	**57,358**	**49,246**	**47,560**

Interest is capitalised at a weighted average rate of 3.9% (2024: 3.9%).

11. Taxation

	GROUP		ASSOCIATION	
	2025 £'000	**2024 £'000**	**2025 £'000**	**2024 £'000**
Current tax	-	-	-	-
Deferred tax	-	-	-	-
Adjustment for the prior period - current tax	-	721	-	-
Total tax charge	**-**	**721**	**-**	**-**

Notes to the financial statements

11. Taxation (continued)

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Reconciliation of total tax charge				
Surplus before tax	69,062	26,605	45,246	13,727
Tax at 25% thereon: (2024: 25%)	**17,266**	**6,651**	**11,312**	**3,432**
Effects of:				
Charitable result not chargeable to tax	(12,794)	(6,222)	(11,312)	(3,432)
Expenses disallowable for tax purposes	-	8	-	-
Trading losses carried forward	8	1,890	-	-
Dividend share of joint venture profit received	-	(2,065)	-	-
Qualifying charitable donations	(3,779)	(262)	-	-
Prior year adjustment	-	721	-	-
Trading losses brought forward offset against current year profit	(701)	-	-	-
Total tax charge	**-**	**721**	**-**	**-**

Hyde Housing Association Limited (the parent charitable entity of Hyde group), Hyde Southbank Home Limited, Hillside Housing Trust, Martlet Homes Limited, Hyde Charitable Trust are exempt from Corporation Tax on the charitable activities they perform. Other Hyde trading and investment holding subsidiaries are subject to corporation tax but the provision for the corporation tax liability have been made, to the extent that these liabilities are not mitigated by group relief or distribution of their taxable profit by way of gift aid payment made to the Hyde Housing Association. Deferred tax is recognised using the balance sheet liability method on temporary differences arising between the tax base of assets and liabilities and their carrying amount in the financial statements. Deferred tax is calculated at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised, or the deferred tax liability is settled. Deferred tax assets are only recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. The group does not recognise deferred tax assets/liabilities, as majority of profit are transferred to the Association via gift aid and does not expect future taxable profit to offset any deferred tax assets/liabilities.

12. Employee information and costs

The average number of persons employed (including Executive Directors but excluding non-executive Board members) expressed as Full Time Equivalent (FTEs), based on a 35-hour working week, during the year was:

	GROUP				ASSOCIATION	
	Hyde 2025	Pinnacle 2025	Total 2025	Total 2024	Total 2025	Total 2024
FTEs	1,418	3,134	**4,552**	1,318	**1,048**	1,029

Notes to the financial statements

12. Employee information and costs (continued)

	GROUP				ASSOCIATION	
Staff costs	**Hyde 2025 £'000**	**Pinnacle 2025 £'000**	**Total 2025 £'000**	**Total 2024 £'000**	**Total 2025 £'000**	**Total 2024 £'000**
Wages and salaries	68,913	41,630	**110,543**	61,718	**53,678**	50,987
Social security costs	7,049	3,732	**10,781**	6,236	**5,522**	5,184
Pension costs	5,730	1,439	**7,169**	5,421	**4,547**	4,530
Pension cessation	-	-	**-**	4,334	**-**	4,334
Total	**81,692**	**46,801**	**128,493**	**77,709**	**63,747**	**65,035**

Remuneration of non-executive board members including expenses totalled £191k (2024: £171k). Key management personnel are members of the Hyde Leadership Team, as remunerated by Hyde Housing Association. Total remuneration of £2,904k (2024 (restated): £3,000k) which included pension contributions of £170k (2024 (restated): £184k) relate to key management personnel based on this definition. The prior year disclosed total remuneration of £4,264k with pension contributions of £279k based on a previously broader definition of Key management personnel. Full remuneration banding for key management personnel is disclosed below. Remuneration to the highest paid Director was £440k (2024: £409k); this includes £7k pension contributions that were paid to this Director (2024: £7k). During the same period £nil compensation for loss of office was paid during the year to directors or past directors (2024: £47k). The Group Chief Executive Officer is an ordinary member of the Hyde Housing Association Limited Defined Contribution scheme which is funded by employee salary sacrificed and employer contributions. Their contributions are tapered so that annual contributions are within the Government defined Annual Allowance; there are no enhanced or special terms which are unavailable to other members. At the request of the Group Chief Executive Officer, and with the agreement of GRAC, all executive colleagues will have a proportion of any variable pay deferred over a three-year period in order to align to the long-term customer outcomes.

The number of key management personnel, across the Group, paid a basic salary, redundancy, bonus and performance-related pay in excess of £60,000 during the year, including pension costs:	**FTEs 2025**	**FTEs (restated) 2024**
£90,000 - £99,999	1	-
£120,000 - £129,999	-	1
£130,000 - £139,999	-	1
£140,000 - £149,999	-	1
£150,000 - £159,999	-	1
£170,000 - £179,999	-	3
£180,000 - £189,999	2	1
£190,000 - £199,999	-	1
£200,000 - £209,999	1	-
£210,000 - £219,999	2	-
£220,000 - £229,999	1	-
£230,000 - £239,999	1	-
£270,000 - £279,999	1	1
£280,000 - £289,999	-	1
£320,000 - £329,999	-	1
£340,000 - £349,999	1	-
£350,000 - £359,999	1	-
£400,000 - £409,999	-	1
£440,000 - £449,999	1	-
Total	**12**	**13**

Notes to the financial statements

13. Housing properties

	GROUP					ASSOCIATION				
	Housing properties held for letting	Housing properties under construction	Completed shared ownership properties	Shared ownership under construction	Total	Housing properties held for letting	Housing properties under construction	Completed shared ownership properties	Shared ownership under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost										
At 1 April 2024	3,003,173	298,663	388,915	157,426	**3,848,177**	2,448,217	198,890	366,867	71,907	**3,085,881**
Additions	47,772	114,756	(126)	107,030	**269,432**	30,627	111,775	(137)	160,775	**303,040**
Transfers and cost adjustments	(9,659)	-	6,875	-	**(2,784)**	(7,615)	(345)	6,899	-	**(1,061)**
Disposals	(11,770)	-	(36,043)	-	**(47,813)**	(10,310)	(11,188)	(36,016)	-	**(57,514)**
Component disposals	(9,253)	-	-	-	**(9,253)**	(7,160)	-	-	-	**(7,160)**
Completed in year	17,049	(17,049)	57,207	(57,207)	**-**	17,049	(17,049)	57,207	(57,207)	**-**
At 31 March 2025	**3,037,312**	**396,370**	**416,828**	**207,249**	**4,057,759**	**2,470,808**	**282,083**	**394,820**	**175,475**	**3,323,186**
Accumulated depreciation and impairment										
At 1 April 2024	(470,409)	(14,590)	(13,678)	(4,977)	**(503,654)**	(386,158)	-	(13,191)	410	**(398,939)**
Depreciation charge for the year	(43,367)	-	-	-	**(43,367)**	(34,533)	-	-	-	**(34,533)**
Impairment reversal for the year	4,103	-	-	-	**4,103**	4,103	-	-	-	**4,103**
Transfers	-	-	-	-	**-**	-	-	410	(410)	**-**
Disposals	2,338	-	378	-	**2,716**	2,099	-	371	-	**2,470**
Component disposals	9,253	-	-	-	**9,253**	7,160	-	-	-	**7,160**
At 31 March 2025	**(498,082)**	**(14,590)**	**(13,300)**	**(4,977)**	**(530,949)**	**(407,329)**	**-**	**(12,410)**	**-**	**(419,739)**
Net book value										
At 31 March 2025	**2,539,230**	**381,780**	**403,528**	**202,272**	**3,526,810**	**2,063,479**	**282,083**	**382,410**	**175,475**	**2,903,447**
At 31 March 2024	**2,532,764**	**284,073**	**375,237**	**152,449**	**3,344,523**	**2,062,059**	**198,890**	**353,676**	**72,317**	**2,686,942**

No assets were held under finance leases. Group borrowings are secured with fixed charges on housing properties. Total expenditure on works to existing properties during the year amounted to Group: £58.6m (2024: £59.3m) and Association: £38.7m (2024: £42.3.m) of which Group: £47.8m (2024: £46.9m) and Association: £30.6m (2024: £33.3m) was capitalised. Group has 24,425 properties with a net book value of £1,574.9m charged as security for borrowings (Association 15,240 properties with a net book value of £1,205m).

Impairment

Impairment charges

No impairment charges were recognised during the year. Cumulative impairment at the year-end is £35.3m (2024: £39.4m).

Impairment reversals

£4.1m (2024: £5.7m) of impairment reversals were recognised in the year. One scheme previously impaired based on a change in its intended use was impaired based on its assessed fair value less costs to sell. The original carrying value of this scheme prior to any impairment was £23.4m. Following the impairment reversal the carrying value at 31 March 2025 is £11.3m. Contracts for the sale of this scheme were exchanged prior to year end and the sale completed post 31 March 2025. A reversal of the previously charged impairment has been recognised based on the final agreed sale price for the scheme.

Notes to the financial statements

14. Intangible fixed assets

	GROUP				ASSOCIATION
	Goodwill	Customer contracts and Trademarks	IT and Software	Total	IT and Software
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2024	-	-	17,912	**17,912**	17,912
Additions	-	-	3,236	**3,236**	3,227
Additions on acquisition	38,861	9,448	117	**48,426**	-
At 31 March 2025	**38,861**	**9,448**	**21,265**	**69,574**	**21,139**
Accumulated amortisation					
At 1 April 2024	-	-	(4,406)	**(4,406)**	(4,406)
Charge for the year	(2,701)	(1,331)	(3,274)	**(7,306)**	(3,236)
At 31 March 2025	**(2,701)**	**(1,331)**	**(7,680)**	**(11,712)**	**(7,642)**
Net book value at 31 March 2025	**36,160**	**8,117**	**13,585**	**57,862**	**13,497**
Net book value at 31 March 2024	**-**	**-**	**13,506**	**13,506**	**13,506**

Amortisation is recognised within operating expenditure in the Statement of Comprehensive Income. Intangible assets consist of IT and Software acquired separately, Goodwill and Customer contracts and trademarks arising from business combinations (see note 29 for further details of business combination assets).

Notes to the financial statements

15. Other fixed assets

	GROUP				ASSOCIATION			
	Freehold office £'000	Furniture, equipment and vehicles £'000	Leasehold property £'000	Total other fixed assets £'000	Freehold office £'000	Furniture, equipment and vehicles £'000	Leasehold property £'000	Total other fixed assets £'000
Cost								
At 1 April 2024	5,807	10,748	1,330	**17,885**	2,173	9,856	1,205	**13,234**
Additions	-	1,382	31	**1,413**	-	1,149	-	**1,149**
Disposals	-	(5,555)	-	**(5,555)**	-	(5,502)	-	**(5,502)**
Additions on acquisition	-	1,282	100	**1,382**	-	-	-	**-**
Transfer to investment property	(672)	-	-	**(672)**	(672)	-	-	**(672)**
Transfers to subsidiary	-	-	-	**-**	-	(506)	-	**(506)**
At 31 March 2025	**5,135**	**7,857**	**1,461**	**14,453**	**1,501**	**4,997**	**1,205**	**7,703**
Depreciation								
At 1 April 2024	(699)	(8,057)	(840)	**(9,596)**	(442)	(7,630)	(841)	**(8,913)**
Charge for the year	(22)	(1,405)	(89)	**(1,516)**	(21)	(1,006)	(56)	**(1,083)**
Disposals	-	5,537	-	**5,537**	-	5,502	-	**5,502**
Transfer to investment property	186	-	-	**186**	186	-	-	**186**
Transfers to subsidiary	-	-	-	**-**	-	124	-	**124**
At 31 March 2025	**(535)**	**(3,925)**	**(929)**	**(5,389)**	**(277)**	**(3,010)**	**(897)**	**(4,184)**
Net book value								
At 31 March 2025	**4,600**	**3,932**	**532**	**9,064**	**1,224**	**1,987**	**308**	**3,519**
At 31 March 2024	**5,108**	**2,691**	**490**	**8,289**	**1,731**	**2,226**	**364**	**4,321**

16. Investment properties

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
At 1 April	**23,554**	**23,621**	**23,344**	**23,566**
Additions	**89**	80	**89**	80
Transfers (to)/from housing properties/other fixed assets	**3,269**	(1,352)	**3,269**	(1,352)
Revaluation	**1,076**	1,205	**1,084**	1,050
Additions on business combination	**43**	-	**-**	-
Disposals	**-**	-	**-**	-
At 31 March	**28,031**	**23,554**	**27,786**	**23,344**

Notes to the financial statements

16. Investment properties (continued)

Investment properties are valued by Jones Lang Salle, an independent valuer with relevant qualifications and experience of the location and tenure of the investment property portfolio. The valuation has been prepared in accordance with the RICS Valuation – Global Standards, incorporating the IVS, and the RICS Valuation – Global Standards – UK National Supplement published by the Royal Institution of Chartered Surveyors (commonly known as the "Red Book"). These valuations are based on input factors such as rent charged and market observations. Management's view is that the commercial rental income should remain constant over the upcoming period, and that a variation in market rental income should not cause a material impact on our valuations.

The valuation methods and key assumptions applied are summarised as follows:

Tenure	Methodology/assumptions
Commercial	Passing rent capitalisation
Market residential	Market value subject to tenancies, average vacant possession discount of 90.3%

Group investment properties include accumulated fair value gains of £15.3m (2024: £14.2m).

17. Investments

	GROUP				ASSOCIATION				
	Charitable Investments	Easybuy	Other investments	Total	Charitable investments	Easybuy	Other investments	Investments in subsidiaries	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2024	11,156	537	10,215	**21,908**	216	537	212	15,500	**16,465**
Additions	11,154	-	-	**11,154**	-	-	-	-	**-**
Revaluation	(112)	17	-	**(95)**	-	17	-	-	**17**
Disposals	(11,141)	-	(17)	**(11,158)**	-	-	(17)	-	**(17)**
At 31 March 2025	**11,057**	**554**	**10,198**	**21,809**	**216**	**554**	**195**	**15,500**	**16,465**
At 1 April 2023	10,566	719	3,095	**14,380**	192	719	226	19,550	**20,687**
Additions	-	-	7,134	**7,134**	-	-	-	4,000	**4,000**
Revaluation	590	(182)	-	**408**	24	(182)	-	-	**(158)**
Disposals	-	-	(14)	**(14)**	-	-	(14)	(8,050)	**(8,064)**
At 31 March 2024	**11,156**	**537**	**10,215**	**21,908**	**216**	**537**	**212**	**15,500**	**16,465**

In 2024 the majority of charity investments were held with the Charities Official Investment Fund (COIF) (2024: £6.8m) and JM Finn investment fund (2024: £4.5m). At the COIF accounting date (31 December 2023) 80% (2022: 79%) was assessed at fair value level 1, 14% level 2 (2022: 14%) and 6% (2021: 7%) level 3. The JM Finn portfolio was assessed at fair value level 1, using the unadjusted stock market quoted price. Following a review of the charity investments most of the funds held in the COIF and JM Finn portfolios were disposed and re-invested into new pooled funds managed by Parmenion.

The other investments held are primarily in the M&G Shared Ownership Fund Limited. During 2024, the Group increased its by £7.1m, there were no further increases in this investment in the year ended 31 March 2025.

Investment in subsidiaries and related undertakings are measured at cost less any impairment and their carrying amount is supported by the net assets of each investment and future profit generation. No impairment of subsidiaries and related undertakings was recognised.

Notes to the financial statements

18. Debtors: amounts falling due after more than one year

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Service charge debtors	1,267	2,622	978	1,457
Stock transfers	12,939	13,557	5,414	5,414
Loans to Group undertakings	-	-	36,549	36,432
Loans to joint ventures	2,483	2,931	-	-
Total	**16,689**	**19,110**	**42,941**	**43,303**

Loans to Group undertakings include unsecured loans at interest rates of between 3.5% to 10%, and are due for repayment between in instalments with final repayment due in November 2029.

19. Inventories

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Repairs material	166	166	-	-
Shared ownership first tranche under construction	80,129	85,738	53,937	42,325
Shared ownership first tranche held for resale	21,791	17,481	21,791	17,481
Outright sale and commercial units under construction	24,091	10,879	-	-
Outright sale and commercial units held for resale	2,802	1,259	-	-
Total	**128,979**	**115,523**	**75,728**	**59,806**

Inventories consists of first tranche shared ownership and outright sale assets under construction or completed which are intended for sale. The Group amount includes schemes which have been transferred from the Association into Hyde Vale Limited, a member of the Group, which is developing these assets for outright sale. Total write-downs to recoverable amounts were nil (2024: £4.2m). The previous year impairments related to contractor insolvencies on shared ownership first tranche under construction (see further details in note 13) and a write-down to a commercial unit under construction to the selling price less costs to sell. Impairment reversals of nil have been released in the year (2024: £0.3m).

Notes to the financial statements

20. Debtors: amounts falling due within one year

	GROUP		ASSOCIATION	
	2025 £'000	**2024 £'000**	**2025 £'000**	**2024 £'000**
Rental and service charge debtors	19,125	18,164	10,542	6,797
Provision for doubtful debts – rental and service charge debtors	(5,435)	(4,446)	(3,511)	(3,355)
	13,690	**13,718**	**7,031**	**3,442**
Trade debtors	30,178	-	1,056	-
Provision for doubtful debts – trade debtors	(1,137)	-	-	-
Social housing grant receivable	-	4,000	-	4,000
Prepayments	8,168	4,800	6,220	4,796
Amounts due from Group undertakings	-	-	7,657	4,821
Major works recoveries	5,521	9,221	2,049	6,045
Other debtors	29,381	25,490	10,460	15,412
Total	**85,801**	**57,229**	**34,473**	**38,516**

Amounts due from Group undertakings represent intercompany balances which are unsecured, interest free and are settled throughout the year. Other debtors include receivables associated with other operational activities of the Group. The provision for doubtful debts has been calculated using historical data including collection rates and arrears aging for current and former tenants.

21. Cash and cash equivalents

	GROUP		ASSOCIATION	
	2025 £'000	**2024 £'000**	**2025 £'000**	**2024 £'000**
Unrestricted cash	106,235	85,742	68,426	70,861
Restricted cash	21,536	19,572	12,636	14,469
Total	**127,771**	**105,314**	**81,062**	**85,330**

Restricted cash of £13.0m (2024: £14.9m) is held within the Group for leaseholder sinking funds (Association £12.6m (2024: £14.5m)). Restricted cash of £8.5m (2024: £4.7m) relates to Brent Co-Efficient Limited, where the restricted funds are ring fenced for expenditure on the Brent PFI contract. The restricted funds are used to settle the Group 's liabilities. All payments and transfers from these bank accounts have to be approved by the syndicate agent, Barclays.

Notes to the financial statements

22. Creditors: amounts falling due within one year

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Loans (note 23)	66,561	14,485	64,145	12,986
Loan interest accrual	9,746	10,190	4,666	5,036
Rent in advance	11,707	10,453	8,140	7,213
Development accruals	18,213	22,368	6,518	6,704
Social housing and other grants (within one year)	12,705	13,691	11,861	12,851
Trade creditors	23,632	9,661	8,932	4,846
Amounts due to Group undertakings	-	-	41,691	26,114
Taxation and social security costs	8,238	1,606	2,141	1,749
Pension contributions due	677	6,453	677	6,453
Other creditors and accruals	46,597	37,289	22,105	27,432
Total	**198,076**	**126,196**	**170,876**	**111,384**

Amounts due to Group undertakings represent intercompany balances which are unsecured interest free and settled throughout the year.

23. Creditors: amounts falling due after more than one year

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Social housing and other grants	1,309,242	1,210,476	1,256,957	1,157,271
Bonds	935,931	937,006	541,849	543,090
Loans	712,617	628,074	528,500	441,651
Intercompany loans	-	-	44,168	99,355
Amounts due to Group undertakings	-	-	120,344	122,115
Other long-term creditors	24,025	29,042	22,278	27,582
Total	**2,981,815**	**2,804,598**	**2,514,096**	**2,391,064**

Amounts due to Group undertakings within the Association represent an intercompany finance debtor the Association holds with Brent Coefficient Limited. Brent Coefficient Limited receives payments from the London Borough of Brent in return for the construction of 364 general needs units and 20 care properties and for the management of these properties. The 20 care properties are owned by the London Borough of Brent. The ownership of the 364 properties is with the parent, the Association. However, the ownership of the 364 properties is conditional upon payment of the intercompany finance debtor balance by the Association to Brent Coefficient Limited at the end of the project as defined in residual value agreement. Therefore the balance is an intercompany balance and shown as a creditor for the Association.

Bonds

Hyde housing association holds two bonds, Hyde Maiden Bond with a principal value of £200m and Hyde 2020 Bond of £350m. Interest is charged at a fixed rate of 5.13% and 1.75% and maturities in July 2040 and August 2055 respectively. A further bond is held by the Group with a principal value of £400m at a fixed rate of 3% and maturity in May 2052.

Notes to the financial statements

23. Creditors: amounts falling due after more than one year (continued)

Revolving credit facilities

The group's loans includes revolving credit facilities totalling £930m principal value of which £243m has been drawn at year end. Interest is charge at SONIA plus a range of 0.76% to 1.42% on the drawn-down amount. A commitment fee of between 0.3% and 0.6% is charged on the undrawn amount. The repayment date for these facilities ranges from August 2025 to June 2029.

Intercompany loans

Hyde Housing Association has a fixed revolver loan facility with Martlet Homes available for a principal value of £250m of which £44.2m was drawn down at year end. Interest is charged at 3.5% and the facility matures in December 2029.

Other loans

The group's loans balance includes other loans with a principal amount totalling £540m. Interest rates range from fixed rates at 4.76%-6.25% to variable rates at SONIA plus 0.37%-1.67%. The loans are due for repayment in full between August 2025-September 2068.

	GROUP	ASSOCIATION
Social housing and other grants	**£'000**	**£'000**
Cost		
At 1 April 2024	1,426,739	1,358,140
Received and due	123,039	123,039
Other transfers	990	990
Disposals	(7,271)	(7,172)
Transfer to RCGF recycle	(7,604)	(7,604)
At 31 March 2025	**1,535,893**	**1,467,393**
Amortisation (contingent grant)		
At 1 April 2024	(202,571)	(188,018)
Amortisation in year	(13,159)	(12,314)
Disposed	1,784	1,757
At 31 March 2025	(213,946)	(198,575)
Balance at 31 March 2025	**1,321,947**	**1,268,818**
Balance at 31 March 2024	**1,224,168**	**1,170,122**

Contingent grants relate to social housing grant balances that were transferred to the Group as a part of some stock swaps. A liability will be realised in Recycled Capital Grant Fund if units from these stock swaps are sold in the future. Contingent grant is disclosed in note 28.

Notes to the financial statements

23. Creditors: amounts falling due after more than one year (continued)

The maturity of the loan balances presented in creditors: amounts falling due after more than one year and less than one year are presented below:

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Loans				
Between one and two years	12,432	65,702	10,883	64,145
Between two and five years	509,331	364,283	325,650	178,983
More than five years	196,325	203,875	196,325	203,875
Bonds				
More than five years	942,764	944,168	546,714	548,211
	1,660,852	**1,578,028**	**1,079,572**	**995,214**
Loan costs	(12,304)	(12,948)	(9,223)	(10,473)
	1,648,548	**1,565,080**	**1,070,349**	**984,741**
Less than one year	66,561	14,485	64,145	12,986
Total	**1,715,109**	**1,579,565**	**1,134,494**	**997,727**

Group loans and bonds are secured by fixed charges on housing properties. The loans and bonds repayable by bullet payments were £1,373.4m (2024: £1,343m).

24. Recycled capital grant fund

	GROUP			ASSOCIATION		
	Greater London Authority 2025 £'000	Homes England 2025 £'000	Total 2025 £'000	Greater London Authority 2025 £'000	Homes England 2025 £'000	Total 2025 £'000
At start of the year	29,009	4,229	**33,238**	29,009	4,229	**33,238**
Inputs to fund:						
Funds recycled	6,755	1,496	**8,251**	6,658	1,486	**8,144**
Administration fee	-	-	**-**	-	-	**-**
Transfers from other Group members	-	-	**-**	97	10	**107**
Interest accrued	1,493	245	**1,738**	1,493	245	**1,738**
Recycling of grant:						
Repayment of grant to HCA/GLA	(6,103)	(16)	**(6,119)**	(6,103)	(16)	**(6,119)**
New build	-	-	**-**	-	-	**-**
Total	**31,154**	**5,954**	**37,108**	**31,154**	**5,954**	**37,108**

Notes to the financial statements

24. Recycled capital grant fund (continued)

	GROUP			ASSOCIATION		
	Greater London Authority 2024 £'000	Homes England 2024 £'000	Total 2024 £'000	Greater London Authority 2024 £'000	Homes England 2024 £'000	Total 2024 £'000
At start of the year	24,409	19,420	43,829	24,409	19,420	43,829
Inputs to fund:						
Funds recycled	3,342	1,573	4,915	3,342	1,495	4,837
Administration fee	(8)	(14)	(22)	(8)	(14)	(22)
Transfers from other Group registered providers	-	-	-	-	78	78
Interest accrued	1,266	126	1,392	1,266	126	1,392
Recycling of grant:						
New build	-	(16,876)	(16,876)	-	(16,876)	(16,876)
Total	**29,009**	**4,229**	**33,238**	**29,009**	**4,229**	**33,238**

Amounts which are outstanding for three or more years or otherwise potentially due for repayment were £16.3m (2024: £18.0m). In the prior year, nil was shown due for repayment as we were in active discussions to defer repayment.

25. Provisions for liabilities and charges

	GROUP			ASSOCIATION		
	Other provisions £'000	Building safety £'000	Total £'000	Other provisions £'000	Building safety £'000	Total £'000
Balance at 1 April 2024	5,124	-	**5,124**	5,124	-	**5,124**
Additions	52	-	**52**	52	-	**52**
Additions from business combinations	75	-	**75**	-	-	**-**
Utilisation	(3,962)	-	**(3,962)**	(3,941)	-	**(3,941)**
Release of provision	-	-	**-**	-	-	**-**
Balance at 31 March 2025	**1,289**	**-**	**1,289**	**1,235**	**-**	**1,235**
Balance at 1 April 2023	4,842	8,200	**13,042**	4,842	8,195	**13,037**
Additions	892	-	**892**	892	-	**892**
Utilisation	(610)	(8,200)	**(8,810)**	(610)	(8,195)	**(8,805)**
Release of provision	-	-	**-**	-	-	**-**
Balance at 31 March 2024	**5,124**	**-**	**5,124**	**5,124**	**-**	**5,124**

Other provisions includes provisions for dilapidations, legal claims and office closure. Dilapidations provisions are included for leased properties where the contract requires us to return the property to its original condition at the end of the lease and are charged to the statement of comprehensive income within operating costs. Legal claim provisions are included for claims brought against the Group and are charged to the statement of comprehensive income within operating costs. All provisions relating to building safety have been utilised and released, with no further provisions triggered during the year. Further details relating to judgements for building safety provisions is provided in note 1.

Notes to the financial statements

26. Capital commitments

At the year-end, the Group and Association had capital expenditure contracted but not provided for of £244.2m and £239.2m (2024: £538.7m and £518.1m). At Group there was a further £185.2m (2024: £190.3m) capital expenditure contracted for by joint venture entities, Association nil (2024: nil). Capital expenditure authorised by the board but not yet contracted for was £450.4m and £450.4m for the Group and Association respectively (2024: £264.9m and £220.6m).

The commitments relate to the build of housing properties from the period 1 April 2025 to 31 March 2034. There are no performance-related conditions attached to the commitments. For the Group and Association, the commitments are expected to be funded by £313.5m of grant with remaining amounts funded by a combination of property sales of debt financing and funding from partners. The Group regularly monitors its funding sources and considering its liquidity position, expects to be able to satisfy these commitments.

27. Operating leases

Total future minimum lease payments under non-cancellable operating leases for the Group as a lessee:

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Not later than one year	14,955	3,242	3,397	3,034
Later than one year but not later than five years	31,004	9,501	6,962	9,501
Later than five years	61,824	34	9	34
Total	**107,783**	**12,777**	**10,368**	**12,569**

The operating leases above relate to office properties, Pinnacle leased units, company vehicles, electronic equipment and white goods.

The Group is the lessor for residential and commercial properties which are tenanted under cancellable operating lease conditions. Typical tenant break clauses exist requiring a notice period of a month. Rents fluctuate in accordance with the lease agreements and the Rent Standard. Shared ownership properties may be purchased (stair-cased) by the leaseholder at any time at the pro-rata market rate. Ongoing lease payments will be adjusted according to the share of ownership retained by the Group. Certain properties are available to purchase via right to buy by the existing tenant. Shared ownership property purchases and those by rent to buy may reduce the future lease payments.

28. Contingent liabilities

The Group receives financial assistance from the Homes England and GLA. These government grants are accounted for as deferred income in the Statement of Financial Position and are amortised annually to the Statement of Comprehensive Income, based on the life of the build structure which is 100 years. The amount amortised represents a contingent liability to the entity and will be recognised as a liability when the associated properties funded by the relevant government grant are either disposed of or cease to be used for social housing purposes.

Below is the analysis of the assistance from government sources in the form of government grants:

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Government funding received	1,535,893	1,426,739	1,467,393	1,358,140
Grants amortised to date (contingent liabilities)	(213,946)	(202,571)	(198,575)	(188,018)
Net grant (note 23)	**1,321,947**	**1,224,168**	**1,268,818**	**1,170,122**

Notes to the financial statements

29. Business combinations

On 31 October 2024, the group acquired TStar Pinnacle Ltd and its subsidiaries (as listed in note 30) ("Pinnacle") through the purchase of 100% of the share capital. The total consideration of £71.0m includes the repayment of a loan from the previous shareholder of £15.5m and £2.4m of direct transaction costs, all were settled in cash. The transaction has been accounted for as a business combination in accordance with FRS 102 Section 19. Pinnacle provides services including tenancy and leasehold management, income collection, property management, reactive repairs and planned lifecycle works, cleaning and security services. Pinnacle has a range of clients including central government and public authorities, schools, institutional investors, housing associations, housebuilders and other private sector businesses. As a result of the acquisition, the group expects to strengthen its position and increase its service offering to customers across these markets.

The fair value of identifiable net assets at the date of acquisition comprised the following after adjustments to ensure consistency of accounting policies:

	Pinnacle acquisition £'000
Fixed assets (including intangibles)	11,345
Retirement benefit asset	1,723
Trade and other receivables	37,519
Cash and cash equivalents	4,856
Trade and other payables	(22,669)
Long term borrowings	(559)
Provisions	(75)
Identifiable net assets	**32,140**
Consideration paid	71,001
Goodwill	38,861

The nature of intangibles included within the goodwill recognised in the business combination is the ongoing management contracts held within Pinnacle. The estimated useful life of the goodwill is seven years, which reflects the average lifespan of the contracts held by Pinnacle at the date of acquisition. The amortization period is based on the average life of these contracts, as they represent the major source of revenue for the acquired business. From the date of acquisition to the reporting date, Pinnacle contributed revenue of £86.4m and £5.5m to the operating surplus of the Hyde Group (prior to amortisation charges from business combination assets).

Notes to the financial statements

30. Related parties

Related undertaking name	Principal Activity	Interest*	Legal status
Hyde subsidiaries[1]			
Martlet Homes Limited (PRP)	Registered provider of social housing based in Chichester	Wholly owned subsidiary	Co-operative and Community Benefit Society
Hyde Southbank Homes Limited (PRP)	Registered provider of social housing based in South London	Wholly owned subsidiary	Co-operative and Community Benefit Society
Hillside Housing Trust Limited (PRP)	Registered provider of social housing based in South London	Wholly owned subsidiary	Co-operative and Community Benefit Society
Hyde Vale Limited	Development and investment company	Wholly owned subsidiary	Limited Company
Brent Co-Efficient Limited	Delivery of a PFI project in the London Borough of Brent	Wholly owned subsidiary	Limited Company
Rochester Riverside Managing Agent Limited	Managing agent activities within Rochester	Wholly owned subsidiary	Limited Company
Hyde New Build Limited	Design and build	Wholly owned subsidiary	Limited Company
Hyde Charitable Trust	A charity that supports Hyde's residents and communities	Wholly owned subsidiary	Charity and Limited Company
Hyde Investment Holdco Limited	Holding company	Wholly owned subsidiary	Limited Company
Hyde Investment Leibniz Limited	Holding company	Wholly owned subsidiary	Limited Company
Hyde Development Housing Limited (formerly Devco 2 Limited)	Design and build	Wholly owned subsidiary	Limited Company
Hyde Newton Limited	Holding company	Wholly owned subsidiary	Limited Company
Hyde Holdco Limited	Holding company	Wholly owned subsidiary	Limited Company
Hyde Halesworth Limited	Holding company	Wholly owned subsidiary	Limited Company
The Kent Homebuilding Partnership LLP	Property development in Kent	Wholly owned subsidiary	Limited Liability Partnership
London Homebuilding Partnership LLP	Property development in London	Wholly owned subsidiary	Limited Liability Partnership
Bilsham Road Development LLP	Property development in West Sussex	Wholly owned subsidiary	Limited Liability Partnership
Hyde Development Management Services Limited	Development management services	Wholly owned subsidiary	Limited Company
Hyde Management Services Limited	Management services	Wholly owned subsidiary	Limited Company

* All subsidiaries are incorporated in the UK

1. Registered offices: 30 Park Street, SE1 9EQ

Notes to the financial statements

30. Related parties (continued)

Related undertaking name	Principal Activity	Interest*	Legal status
Pinnacle group entities[8]			
Hyde Pinnacle Limited	Holding Company	Wholly owned subsidiary	Limited Company
Pinnacle Group Limited	Holding Company	Wholly owned subsidiary	Limited Company
Pinnacle PSG Holdings Limited	Holding company	Wholly owned subsidiary	Limited Company
Pinnacle People Limited	Recruitment services	Wholly owned subsidiary	Limited Company
UKPIM Holdco Limited	Holding company	Wholly owned subsidiary	Limited Company
Pinnacle Spaces Limited	Social housing provider	Wholly owned subsidiary	Limited Company
Pinnacle Placemaking Limited	Pinnacle Placemaking Limited	Wholly owned subsidiary	Limited Company
Regenter Limited	Housing project bids	Wholly owned subsidiary	Limited Company
Regenter Management Services Limited	Housing project bids	Wholly owned subsidiary	Limited Company
Pinnacle Recruitment (Services) Limited	Recruitment services	Wholly owned subsidiary	Limited Company
Pulse Social Enterprises Community Interest Company	Recruitment services	Wholly owned subsidiary	Limited Company
Pinnacle PSG Limited	Holding company	Wholly owned subsidiary	Limited Company
Pinnacle FM Limited	Facilities management	Wholly owned subsidiary	Limited Company
Pinnacle Connect Limited	Call centre services	Wholly owned subsidiary	Limited Company
Pinnacle Housing Limited	Housing management	Wholly owned subsidiary	Limited Company
Woking Housing Partnership Limited	Housing management	Wholly owned subsidiary	Limited Company
Pinnacle (O&S) Limited	Residential letting	Wholly owned subsidiary	Limited Company
Pinnacle Affordable Homes	Provision and management	Wholly owned subsidiary	Limited Company
Pinnacle (Bromley) Limited	Residential letting	Wholly owned subsidiary	Limited Company
Pinnacle B2B Holdings Limited	Cleaning and security services	Wholly owned subsidiary	Limited Company
Pinnacle B2B Group Limited	Cleaning and security services	Wholly owned subsidiary	Limited Company
Pinnacle Fund Management Limited	Fund management	89.5% owned subsidiary	Limited Company

* All subsidiaries are incorporated in the UK

8. Registered offices: 8th Floor, Holborn Tower, 137-144 High Holborn, London, England, WC1V 6PL

Notes to the financial statements

30. Related parties (continued)

Related undertaking name	Principal Activity	Interest*	Legal status
Joint ventures and associates			
Halesworth Limited[1]	A for profit registered provider of social housing	50% Joint Venture	Limited Company
Packington Square LLP[2]	Property development on the Packington Estate	50% Joint Venture	Limited Liability Partnership
51 College Road LLP[3]	Property development in Harrow	50% Joint Venture	Limited Liability Partnership
Harrow View LLP[3]	Property development in Harrow	50% Joint Venture	Limited Liability Partnership
Homes for the City of Brighton & Hove LLP[4]	Property development in Brighton	50% Joint Venture	Limited Liability Partnership
Mount Anvil Hyde Regeneration LLP[5]	Property development in London	50% Joint Venture	Limited Liability Partnership
Grange Lane (Littleport) LLP[6]	Property development in Cambridgeshire and Peterborough	25% Joint Venture	Limited Liability Partnership
Greenwich Partnership LLP[7]	Property development in Harrow	50% Joint Venture	Limited Liability Partnership
Newton Development Partners Limited[1]	Property development	25% Associate	Limited Company
MY8 Development LLP[8]	Operation of Lambeth development project	50% Joint Venture	Limited Liability Partnership
Pinnacle Higgins LLP[8]	Regeneration projects	50% Joint Venture	Limited Liability Partnership
Pinnacle Fund LLP[8]	Dormant	50% Joint Venture	Limited Liability Partnership
Pinnacle Investment (Holdings) Limited[8]	Investment holding entity	25% Associate	Limited Company
Armadillo Analytics Limited[9]	Software publishing and development	27.7% Associate	Limited Company

* All subsidiaries are incorporated in the UK

1. Registered offices: 30 Park Street, SE1 9EQ
2. Luxford Place, Lower Road, East Sussex, RH18 5HE
3. Barratt House Cartwright Way, Coalville, LE67 1UF
4. Hove Town Hall, Norton Road, Hove, BN3 3BQ
5. 140 Aldersgate Street, London, EC1A 4HY
6. 1 Crown Court, Crown Way, Rushden, NN10 6BS
7. Suite 201 The Spirella Building, Bridge Road, Letchworth Garden City, SG6 4ET
8. 8th Floor, Holborn Tower, 137-144 High Holborn, London, England, WC1V 6PL
9. 3rd Floor 86-90 Paul Street, London, Greater London, United Kingdom, EC2A 4NE

Notes to the financial statements

30. Related parties (continued)

Related undertaking name	Principal Activity	Interest*	Legal status
Dormant entities			
Hyde Development Sales Limited (formerly Hyde Devco 1 Limited)[1]		Wholly owned subsidiary	Limited Company
New England Square Management Limited[1]		51% owned subsidiary	Limited Company
Pinnacle Homecare Limited[8]		Wholly owned subsidiary	Limited Company
Pinnacle Regeneration Group Limited[8]		Wholly owned subsidiary	Limited Company
Social Housing Regeneration Partnerships Limited[8]		80.5% owned subsidiary	Limited Company
Pinnacle Regeneration Limited[8]		Wholly owned subsidiary	Limited Company
Pinnacle Places Limited[8]		Wholly owned subsidiary	Limited Company
Pinnacle NZ (Holdings) Limited[8]		Wholly owned subsidiary	Limited Company
Hyde Harlescott Limited[1]		Wholly owned subsidiary	Co-operative and Community Benefit Society
Hyde Heathwood Limited[1]		Wholly owned subsidiary	Co-operative and Community Benefit Society
Hyde Holland Limited[1]		Wholly owned subsidiary	Co-operative and Community Benefit Society
Hyde Humber Limited[1]		Wholly owned subsidiary	Co-operative and Community Benefit Society
Hyde Property Maintenance Services Limited[1]		Wholly owned subsidiary	Co-operative and Community Benefit Society

* All subsidiaries are incorporated in the UK

1. Registered offices: 30 Park Street, SE1 9EQ

8. 8th Floor, Holborn Tower, 137-144 High Holborn, London, England, WC1V 6PL

Notes to the financial statements

30. Related parties (continued)

The Group has a robust declarations of interest procedure in place to ensure conflicts, perceived or actual, are appropriately managed. These are discussed with other parties, including but not limited to those disclosed as related parties. No members of staff, designated as key management personnel or otherwise, have delegated authority to enter into transactions with related parties. Where an actual or perceived conflict is identified, appropriate safeguards are put in place. These include any conflicted individuals being removed from the decision-making process and/or ensuring additional oversight by independence governance arrangements. The other relationships identified through the declaration process do not meet the definition of being related parties.

Group Board members can also be residents of Group entities. These tenancies are on the same terms and conditions and managed on the same basis as other residents of the Group. Total rent charged while residents were members of the Group Board was £9,929. Their account was in a credit position of £209 at 31 March 2025.

Intra-group transactions and year-end balances between Hyde Housing Association Limited and its non-regulated subsidiaries are summarised as follows:

	2025 £'000	2024 £'000
Loans from Hyde Housing Association		
Brent Co-efficient Limited – Loan balance	35,881	36,307
Brent Co-efficient Limited – intercompany creditors	120,344	122,115
Brent Co-efficient Limited – interest receivable	2,507	2,385
Hyde New Build Limited – interest receivable	22	99
Hyde New Build Limited – interest receivable	187	-
Sales and construction services		
Hyde New Build Limited	95,118	46,208
Hyde Development Housing Limited	79,295	29,560
The Kent Homebuilding Partnership LLP	26,308	38,727
Bilsham Road LLP	64,210	14,255
Hyde Vale Limited	-	7,912
Hyde Housing Association Defined Benefit Pension Scheme		
Contributions	638	10,555
Other transactions		
Recharges to Brent Co-efficient Limited	1,458	1,427
Total gift aid received from Hyde New Build Limited, Hyde Vale Limited and Hyde Holdco Limited	2,260	3,366

Intra-group transactions between Hyde Housing Association Limited and its non-regulated joint ventures are summarised as follows:

	Association	
	2025 £'000	2024 £'000
Purchase of housing properties		
Harrow View LLP	8,530	6,992
Homes for the City of Brighton & Hove LLP	309	5,734

Notes to the financial statements

31. Pension schemes

The pensions of employees of the Hyde Group are administered through four schemes which provide defined benefits relating to pay and service and a fifth scheme which is a defined contribution scheme.

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Contributions by employer:				
Defined benefit schemes:				
Hyde Housing Association Limited Defined Benefit Pension Scheme	638	10,555	638	10,555
West Sussex County Council Pension Fund	331	328	-	-
The Pensions Trust Social Housing Pension Scheme	-	176	-	176
Citrus pension scheme	241	-	-	-
Defined contribution schemes:				
Hyde Housing Association Limited Defined Contribution Scheme	4,864	4,545	3,841	3,851
Total	**6,074**	**15,604**	**4,479**	**14,582**
Net interest expense:				
Defined benefit schemes:				
Hyde Housing Association Limited Defined Benefit Pension Scheme	5	233	5	233
The Pensions Trust Social Housing Pension Scheme	-	(37)	-	(37)
West Sussex County Council Pension Fund	1,216	1,005	-	-
Total	**1,221**	**1,201**	**5**	**196**

Defined benefit schemes

Hyde Housing Association Limited Defined Benefit Pension Scheme (HHALPAS)

Hyde Housing Association Limited operates a funded defined benefit scheme that closed to new members on 1 July 2004 and to future accrual on 31 October 2018. The assets of the scheme are held in a separate trustee administered fund. The funding plan is for the scheme to hold assets equal to the value of the benefits earned by current and former employees, based on a set of assumptions used for funding. The funding assumptions differ from the assumptions used to calculate the figures for accounting purposes, and therefore produce different results.

The data used for the initial results of the ongoing actuarial valuation as at 31 March 2022 has been used to update results of this valuation to the accounting date by an independent qualified actuary in accordance with FRS102, allowing for contributions paid, benefit payments made and changes in market conditions.

During the year, the trustees of the scheme entered into a further buy in transaction meaning that the liabilities of the scheme are now fully insured. The impact of that transaction has been recognised as an actuarial loss outside of profit or loss. This means that while Hyde is legally responsible for funding the scheme, the normal funding and investment risks have been removed from the balance sheet.

West Sussex County Council Pension Fund (WSCCPF)

Martlet Homes Limited is an admitted member of the Local Government Pension Scheme. Contributions are made to the West Sussex County Council Pension Fund which is administered by Hampshire County Council. It is a defined benefit pension scheme providing benefits held separately from the assets of the Association.

The pension contribution cost, which includes liability for pension increases, has been determined in accordance with the advice of professionally qualified consulting actuaries based on the roll forward from the 31 March 2022 funding valuation using approximate valuation methods. This approach allows for certain elements of experience since the funding valuation date, such as actual investment return, contributions paid, estimated benefit outgo, actual early retirements and actual outsourcings/bulk transfers. Martlet Homes Limited provides up to date employee information to account for these assumption factors.

Notes to the financial statements

31. Pension schemes (continued)

Citrus Pension Plan

The Plan is a registered defined benefit final salary scheme subject to the UK regulatory framework for pensions, including the Scheme Specific Funding requirements. The Plan is operated under trust and as such, the trustees of the Plan are responsible for operating the Plan and they have a statutory responsibility to act in accordance with the Plan's Trust Deed and Rules, in the best interest of the beneficiaries of the Plan, and UK legislation (including Trust law). The Trustee and the Company have the joint power to set the contributions that are paid to the Plan.

The defined benefit pension scheme is a section of the Citrus Pension Plan, a multi-employer scheme. The constitution of the Citrus Pension Plan restricts the obligations of each participating employer to the provision of pensions and other Plan benefits to those members of its unitised section.

The Pensions Trust Social Housing Pension Scheme (SHPS)

Until 31 July 2023, Hyde participated in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers.

As at 31 July 2023, Hyde triggered cessation in the Scheme. Deficit contributions were made to that date, and a cessation payment of £6.8m was accrued in the financial statements to 31 March 2024.

Amounts recognised in the Statement of Comprehensive Income with respect to the defined benefit schemes include:

	HHALPAS	SHPS	Association Total	Citrus	WSCCPF	Group Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 31 March 2025						
Administrative costs	(424)	-	**(424)**	(108)	(269)	**(801)**
Interest income	5	-	**5**	83	1,216	**1,304**
Cessation cost	-	-	**-**	-	-	**-**
At 31 March 2024						
Administrative costs	(532)	(5)	**(537)**	-	(295)	**(832)**
Interest income/(expense)	233	(37)	**196**	-	1,005	**1,201**
Cessation cost	-	4,334	**4,334**	-	-	**4,334**

Notes to the financial statements

31. Pension schemes (continued)

A summary of the movement in pension assets and liabilities for the Group's defined benefit pension funds is shown below:

	HHALPAS £'000	Association Total £'000	Citrus £'000	WSCCPF £'000	Group Total £'000
Net position in the Statement of Financial Position at 31 March 2024					
Present value of defined benefit obligations	(62,461)	**(62,461)**	(5,985)	(29,703)	**(98,149)**
Fair value of fund assets	63,609	**63,609**	8,456	59,546	**131,611**
Scheme surplus not recognised	(1,148)	**(1,148)**	-	(29,843)	**(30,991)**
Net position in the Statement of Financial Position at 31 March 2025	**-**	**-**	**2,471**	**-**	**2,471**
Movements in present value of defined benefit obligation					
Opening defined benefit obligation at 1 April 2024	69,981	**69,981**	-	34,321	**104,302**
Additional obligations through business combinations	-	**-**	7,211	-	**7,211**
Current service cost	424	**424**	108	269	**801**
Interest cost	3,300	**3,300**	337	1,639	**5,276**
Contributions by members	-	**-**	16	103	**119**
Actuarial (gain)	(8,734)	**(8,734)**	(1,272)	(5,250)	**(15,256)**
Cessation	-	**-**	-	-	**-**
Benefits paid	(2,510)	**(2,510)**	(415)	(1,379)	**(4,304)**
Closing defined benefit obligation at 31 March 2025	**62,461**	**62,461**	**5,985**	**29,703**	**98,149**
Movements in fair value of plan assets					
Opening fair value of employer assets at 1 April 2024	70,783	**70,783**	-	59,370	**130,153**
Additional plan asset through business combinations	-	**-**	8,822	-	**8,822**
Interest on plan assets	3,343	**3,343**	420	2,855	**6,618**
Contributions by members	-	**-**	16	103	**119**
Contributions by employer	638	**638**	241	331	**1,210**
Actuarial (loss)	(8,645)	**(8,645)**	(628)	(1,735)	**(11,008)**
Cessation	-	**-**	**-**	-	**-**
Benefits paid and other outgoings (including expenses)	(2,510)	**(2,510)**	(415)	(1,378)	**(4,303)**
Closing fair value of scheme assets at 31 March 2025	**63,609**	**63,609**	**8,456**	**59,546**	**131,611**
Scheme surplus	**1,148**	**1,148**	**2,471**	**29,843**	**33,462**
Scheme surplus not recognised	**(1,148)**	**(1,148)**	**-**	**(29,843)**	**(30,991)**
Recognised scheme position	**-**	**-**	**2,471**	**-**	**2,471**

Notes to the financial statements

31. Pension schemes (continued)

A summary of the actuarial (loss)/gain in respect of pension schemes is shown below:

	HHALPAS £'000	Association Total £'000	Citrus £'000	WSCCPF £'000	Group Total £'000
Movements in present value of defined benefit obligation	8,734	**8,734**	1,272	5,250	**15,256**
Movements in fair value of fund assets	(8,607)	**(8,607)**	(628)	(1,735)	**(10,970)**
Movements in scheme surplus not recognised	(346)	**(346)**	-	(4,794)	**(5,140)**
Interest in scheme surplus not recognised	-	**-**	-	-	**-**
Net actuarial movements at 31 March 2025	**(219)**	**(219)**	**644**	**(1,279)**	**(854)**

Key information and assumptions for March 2025

The fair value of assets and the present value of liabilities in the schemes at each Statement of Financial Position date, along with the principal actuarial assumptions used were:

	HHALPAS Association £'000	Citrus £'000	WSCCPF £'000	Group Total £'000
At 31 March 2025				
The fair value of the assets:				
Equities	-	-	1,860	**1,860**
Property	-	-	4,973	**4,973**
Insurance policies	62,337	4,714	-	**67,051**
Pooled asset investment funds	-	2,802	52,467	**55,269**
Other	1,272	940	246	**2,458**
Total market value of assets	**63,609**	**8,456**	**59,546**	**131,611**

Principal actuarial assumptions at 31 March 2025	HHALPAS	Citrus	WSCCPF
Salary increases (first year)	N/A	3.78%	4.25%
Salary increases (long term)	N/A	2.80%	N/A
Pension increases in payment	N/A	N/A	2.75%
Discount rate	5.80%	5.80%	5.80%
Inflation (RPI)	3.10%	3.15%	N/A
Inflation (CPI)	2.70%	2.80%	N/A

Mortality assumptions at 31 March 2025	HHALPAS remaining years at 65	Citrus remaining years at 65	WSCCPF remaining years at 65
Current pensioners – males	21.0	20.1	21.5
Current pensioners – females	24.1	23.9	24.3
Future pensioners – males	22.7	21.4	22.1
Future pensioners – females	25.8	25.8	25.5

Notes to the financial statements

31. Pension schemes (continued)

Key information and assumptions for March 2024

	HHALPAS £'000	Citrus £'000	WSCCPF £'000	Group Total £'000
At 31 March 2024				
The fair value of the assets:				
Equities	-	-	1,773	**1,773**
Property	-	-	4,898	**4,898**
Insurance policies	69,981	-	-	**69,981**
Pooled asset investment funds	-	-	52,017	**52,017**
Other	802	-	682	**1,484**
Total market value of assets	**70,783**	**-**	**59,370**	**130,153**

Principal actuarial assumptions at 31 March 2024	HHALPAS	Citrus	WSCCPF
Salary increases	N/A	-	4.25%
Pension increases in payment	N/A	-	2.75%
Discount rate	4.8%	-	4.85%
Inflation (RPI)	3.2%	-	N/A
Inflation (CPI)	2.7%	-	N/A

Mortality assumptions at 31 March 2024	HHALPAS remaining years at 65	Citrus remaining years at 65	WSCCPF remaining years at 65
Current pensioners – males	21.0	-	21.6
Current pensioners – females	23.9	-	24.4
Future pensioners – males	22.6	-	22.2
Future pensioners – females	25.7	-	25.6

32. Financial instruments and risk management

	GROUP		ASSOCIATION	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Derivative financial instruments: assets	26,010	24,085	25,821	24,056
Derivative financial instruments: liabilities	(6,255)	(8,101)	-	-

Notes to the financial statements

32. Financial instruments and risk management (continued)

	Group					
	Fair value through P&L 2025 £'000	Amortised cost 2025 £'000	Total 2025 £'000	Fair value through P&L 2024 £'000	Amortised cost 2024 £'000	Total 2024 £'000
Financial assets						
Derivative financial instruments: assets	26,010	-	**26,010**	24,085	-	**24,085**
Investments (unlisted), loans to subsidiaries and JVs	-	70,098	**70,098**	-	71,703	**71,703**
Debtors	-	73,268	**73,268**	-	51,712	**51,712**
Cash at bank and in hand	-	127,771	**127,771**	-	105,314	**105,314**
Other investments	21,056	-	**21,056**	11,858	-	**11,858**
Total	**47,066**	**271,137**	**318,203**	**35,943**	**228,729**	**264,672**
Financial liabilities						
Derivative financial instruments: liabilities	6,255	-	**6,255**	8,101	-	**8,101**
Loans	-	936,634	**936,634**	-	936,627	**936,627**
Bonds	-	779,179	**779,179**	-	643,641	**643,641**
Creditors	-	102,553	**102,553**	-	86,675	**86,675**
Other long-term creditors	-	2,418	**2,418**	-	4,997	**4,997**
Total	**6,255**	**1,820,784**	**1,827,039**	**8,101**	**1,671,940**	**1,680,041**

	Association					
	Fair value through P&L 2025 £'000	Amortised cost 2025 £'000	Total 2025 £'000	Fair value through P&L 2024 £'000	Amortised cost 2024 £'000	Total 2024 £'000
Financial assets						
Derivative financial instruments: assets	25,821	-	**25,821**	24,056	-	**24,056**
Investments (unlisted), loans to subsidiaries and JVs	-	753	**753**	-	6,167	**6,167**
Debtors	-	28,321	**28,321**	-	33,193	**33,193**
Cash at bank and in hand	-	81,061	**81,061**	-	85,330	**85,330**
Other investments	211	-	**211**	915	-	**915**
Total	**26,032**	**110,135**	**136,167**	**24,971**	**124,690**	**149,661**
Financial liabilities						
Derivative financial instruments: liabilities	-	-	**-**	-	-	**-**
Loans	-	542,552	**542,552**	-	542,711	**542,711**
Bonds	-	757,158	**757,158**	-	677,190	**677,190**
Creditors	-	85,633	**85,633**	-	73,219	**73,219**
Other long-term creditors	-	1,254	**1,254**	-	3,994	**3,994**
Total	**-**	**1,386,597**	**1,386,597**	**-**	**1,297,114**	**1,297,114**

Notes to the financial statements

32. Financial instruments and risk management (continued)

The Group's financing facilities include revolving credit facilities totalling £930.0m (2024: £805.0m); these have undrawn balances of £687.0m (2024: £712.0m). Commitment fees of between 0.3% and 0.6% (2024: between 0.3% and 0.6%) are charged on these undrawn facilities. Facilities are 83% fixed rate and 17% variable rate.

The Group manages interest rate risk to reduce volatility in cash flows and earnings. The Group uses a combination of 10 interest rate instruments, comprising seven vanilla interest rate swaps, one cancellable swap, and two RPI swaps with maturities ranging between 2025 and 2058.

33. Subsequent events

On 1 April 2025, Tower Hamlets Community Housing, a registered provider of social housing operating in London, and its subsidiary entity joined the Group. This transaction occurred after the balance sheet date and therefore has not been reflected in the financial statements for the year ended 31 March 2025. The financial effects of this transaction will be reported in the Group's financial statements for the year ending 31 March 2026. A full assessment of the fair value of assets and liabilities acquired will be completed in accordance with applicable accounting standards and disclosed in due course. Tower Hamlets Community Housing holds 3,223 units bringing the Hyde Group total to 121,131.


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Hyde Group

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