

# Hyde Group Tax Strategy

This Group Tax Strategy (the “Strategy”) was reviewed and approved by the Hyde Housing Association Group Board and sets out the Hyde Group’s policy and approach to tax risk management. The Board will review the Strategy, and management’s adherence to it, on an annual basis.

Through the publication of this Strategy, Hyde Housing Association Limited is in compliance with its duty under Paragraph 16(2) Schedule 19 of Finance Act 2016 in respect of its financial year ending 31 March 2025.

## Introduction

### Hyde Group

This Strategy applies to the 51% group of companies headed by Hyde Housing Association Limited (the “Hyde Group”) as defined in paragraph 8 of Schedule 19 of the Finance Act 2016.

The Hyde Group comprised Hyde Housing Association Limited and subsidiaries undertakings and investments including charitable entities, design and build companies, development vehicles, property management, facilities management and repair & maintenance services and interests in joint ventures with third parties held through limited liability partnerships.

### Tax Roles, Responsibilities and Governance

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.

The ultimate decision-making responsibility for the Hyde Group’s tax position remains with the Board of Directors. There is a further layer of responsibility within Pinnacle Group, with the Pinnacle Executive Committee being their Group’s ultimate decision makers before feeding into the Hyde Group.

As delegated by the Hyde Group Board, the Financial Reporting Director and Chief Financial & Resources Officer, have overall responsibility for the Hyde Group’s financial accounting arrangements, including tax. As delegated by the Pinnacle ExCom, there is a further layer of responsibility within Pinnacle Group with Pinnacle’s Chief Financial Officer having overall responsibility for Pinnacle Group’s financial accounting arrangements, including tax.

The day-to-day management of Hyde Group’s tax position is delegated to the Group Tax Manager. Day to day management of employment taxes is delegated to the HR and Payroll Manager. Oversight and review is provided by the Financial Reporting Director and Chief Financial & Resources Officer.

Within the Pinnacle Group, the day-to-day management of the Group’s tax position is delegated to Pinnacle’s Group Reporting Manager and System & Management Accountant. Day to day management of employment taxes is delegated to Pinnacle’s group HR Director. Oversight and review is provided by the Group Financial Controller and the Chief Financial Officer of Pinnacle Group.

The Hyde Group consults external advisors as and when required, in particular to advise on any area of uncertainty or significant complexity.

The Hyde Group has adopted the National Housing Federation's Code of Governance 2020 and is committed to the pursuit of proper corporate governance throughout its businesses and services and establishing the principles and practices by which this can be achieved. Accordingly, tax management activities will be undertaken with openness and transparency, honesty, integrity and accountability.

The Hyde Group falls within the Senior Accounting Officer regime which requires our Chief Financial & Resources Officer as Senior Accounting Officer to provide annual certification to HMRC over our tax accounting arrangements.

## **Tax Risk Management**

The Hyde Group identifies, assesses and manages tax risks. There are processes and controls in place to ensure that the Hyde Group's tax liabilities are calculated accurately in all material respects.

When reviewing the tax risks associated with a commercial decision, consideration is given to:

- Transaction risk: The Hyde Group ensures that the risks are properly assessed and transactions are signed off by the Group Tax Manager. Within the Pinnacle Group, transactions are signed off by the Group Financial Controller or Chief Finance Officer. Advice will be taken from external advisors for complex transactions with significant tax risk. All significant transactions are subject to approval by the relevant Group governance committee. All significant transactions within the Pinnacle Group are subject to approval by the Pinnacle Investment Committee.
- Operational risk: The Hyde Group manages the risks of applying UK tax legislation to routine everyday business operations. Controls and processes are in place to mitigate operational risks.
- Compliance risk: Risks associated with meeting tax compliance obligations are mitigated by ensuring that processes are based on up-to-date knowledge of tax law and practice, and incorporate proper and efficient use of technology. Reviews are carried out within the team to reduce the risk of errors. External advisors are engaged to assist and review where required. The Hyde Group uses external software where required to meet HMRC's online filing requirements.
- Management risk: The Hyde Group ensures that those responsible for managing and reviewing tax have the required skills, ability and qualifications to do so. External advisors are also consulted to advise on any area of uncertainty or significant complexity.
- Reputational risk: The Hyde Group does not undertake tax planning that would harm its reputation. The Hyde Group's corporate and social responsibilities are taken into account when assessing tax initiatives.

## **Attitude to tax planning and level of risk**

The Hyde Group strives to comply with all relevant UK legislation, including paying the right amount of tax in accordance with UK tax legislation and guidance issued by HMRC, and ensuring all returns and payments are accurate and submitted on a timely basis.

The Hyde Group engages in transactions that support our day-to-day operations and ensure that appropriate tax compliance is in place that is consistent with relevant tax laws. The Hyde Group utilises available tax exemptions and incentives in the manner intended by the tax authorities and legislation to support the Group's charitable purpose and vision of a great home for everyone.

The Hyde Group only undertakes transactions driven by our mission, to provide homes and communities that people are proud of. All decisions undertaken by The Hyde Group consider relevant laws, regulations and the commercial substance of any transaction. The Hyde Group are committed to complying with tax laws and have an open relationship with HMRC.

Where there is any uncertainty or complexity as to the tax treatment of a particular transaction, the Group seek advice from suitably qualified external advisors and only proceed based on the response received.

## **Relationship with HMRC**

In line with our values, we're open, honest and fair in our interactions with HMRC.

The Hyde Group seeks to work collaboratively with HMRC to resolve any queries in a timely fashion. The Hyde Group does not take positions that would cause reputational damage or negatively its relationship with HMRC.

The Hyde Group has been appointed a Customer Compliance Manager (CCM) by HMRC and engages in regular dialogue with our CCM and other relevant tax specialists within HMRC on any areas of uncertainty and to keep HMRC informed in real time of significant business developments and transactions that may have tax implications.