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Meeting	Affordable Housing and Communities Ltd BOARD
Date and Time	1st April 2026
Title	**Annual Compliance Report**
Author	Grace Robinson
Purpose	To provide the Board with assurance of compliance with the regulatory framework, The Housing Ombudsman's Complaint Handling Code, the NHF Code of Governance and Homes England's Capital Funding Guide.
Recommendations	The Board is asked to NOTE the contents of the report and appendices; and APPROVE the following statement for publication in the AHCL Annual Report. "The Board certifies that AHCL complies with the material aspects of the regulatory framework."
Authority for Decision	AHCL Board Terms of Reference
Executive Summary	This report provides an overview of compliance with the Regulator of Social Housing's (RSH) Governance and Viability Standard; the NHF Code of Governance (the Code); Value for Money Standard; the Safety and Quality Standard; Transparency, Influence and Accountability Standard; Neighbourhood and Community Standard; and the Homes England (HE) Capital Funding Guide (CFG) and The Housing Ombudsman's Complaint Handling Code.
Risks	- Reputational damage - Breach of legislation - Non-compliant governance grading from the Regulator of Social Housing - Non-compliance with Home England Capital Funding Guide
Opportunities	- Good relations with stakeholders - Enhanced reputation
Related reports and supporting information	
Appendices	1. RSH Governance and viability standard 2. NHF Code of Governance 3. RSH Value for money standard- Board approved 17/03/26 4. RSH Safety and Quality standard- Board approved 17/03/26 5. RSH Transparency, Influence and Accountability standard-- Board approved 17/03/26 6. RSH Neighbourhood and Community standard- Board approved 17/03/26 7.Annual Ombudsman Complaints Report and Service Improvement Report- Board approved 16/03/26 8. Complaints Handling Code Self-Assessment- Board approved 16/03/26 9. Resident Satisfaction Survey Results and Report

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1.0 Introduction

1.1 All Registered Providers (RPs) must comply with the Regulator of Social Housing's (RSH) updated Regulatory Framework, which came into effect in April 2024. The revised framework places a greater emphasis on transparency, accountability, and tenant experience, and includes four new consumer standards:

1. Safety and Quality
2. Transparency, Influence and Accountability
3. Neighbourhood and Community
4. Tenancy

1.2 These standards set clear expectations for how providers must deliver safe, well-maintained homes, involve tenants meaningfully in decision-making, and operate fairly and transparently. The RSH has also strengthened its proactive consumer regulation role, including regular inspections and greater enforcement powers. All RPs are required to ensure robust governance, effective internal controls, and timely self-reporting of any material non-compliance.

1.3 The purpose of the Annual Compliance Report is to provide assurance to the Board of the extent of compliance with the Regulatory Framework (https://www.gov.uk/guidance/regulatory-standards), the NHF Code of Governance (https://www.housing.org.uk/nhf_catalog/publications/code-of-governance-2020/)

Homes England's Capital Funding Guide (https://www.gov.uk/guidance/capital-funding-guide/1-help-to-buy-shared-ownership) for the 2025/26 period and bring to the Board's attention any actions which need to be taken to improve the compliance position. The report also includes a self assessment against The Housing Ombudsman's Complaint Handling Code and a Complaints and Service Improvement Report, and the annual Resident Satisfaction Survey. Both of which must be published on our website.

1.3 A self-assessment of compliance has been undertaken by the Company Secretary against each of the following standards and these are attached as appendices:

- 1. RSH Governance and viability standard
- 2. NHF Code of Governance
- 3. RSH Value for money standard
- 4. RSH Safety and Quality standard
- 5. RSH Transparency, Influence and Accountability standard
- 6. RSH Neighbourhood and community standard

Compliance with the HE Capital Funding Guide is reported below.

1.4 The size and maturity of AHCL has been taken into consideration when forming a view as to the degree of compliance with the regulatory framework and the code of governance.

1.5 This report will highlight, by exception, areas of non-compliance or where compliance could be strengthened.

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2.0 RSH's Governance and Viability Standard – BROADLY COMPLIANT

2.1 Attached at appendix 1 is the compliance self-assessment against the RSH Governance and Viability standard. AHCL, is broadly compliant with the standard and received a 'medium' assurance level overall, given its size and maturity.

This area received an overall medium assurance rating, as AHCL is broadly compliant with key requirements such as stress testing, business planning, and maintaining an asset register. While an asset register exists in database form, its usefulness could be significantly enhanced by incorporating stock condition data. FirstPort have undertaken extensive stock condition and component asset surveys, which will be incorporated into the register—making it a much more valuable tool for both valuation purposes and the strategic planning of future maintenance and repair. However, FirstPort have failed to complete the annual 100% unit / stock check. Further work is also needed to strengthen the liability register, particularly to provide clear assurance that social housing assets are not at risk—except where they are explicitly used as security to support the development of additional social housing. This is an ongoing / continuous piece of work which is being bridged and collated by AHC Operational Support Officer.

	Action	Owner	Date
1.	100 % Stock check	FirstPort	April 30th 2026
2.	To build upon existing Sales Force log to include title, lease version, % owned, any secured financing etc. Link the stock condition data collected by First Port to the asset database and liability register. So there is one register holding all this information rather than various excels and databases.	SC- Operational Support Officer	June 2026

2.3 Regulatory Standard reference 3.4, 3.5 – Separate legal entities

Profit-making registered providers are subject to two additional requirements under the regulatory standard, designed to safeguard social housing assets from undue risk or recourse. These requirements specify that any activities not related to the provision of social housing must:

(a) represent only a very minor part of the provider's overall operations; and
(b) not compromise the security of social housing assets, the integrity of social housing-related activities, or the financial viability of the provider.

These safeguards are in place to ensure that profit-making entities maintain a clear separation between their commercial interests and their responsibilities as registered social housing providers.

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2.4 As the Board is aware, AHCL operates as a subsidiary of the AHH Group and is therefore required to ensure that its non-social housing activities do not exceed 5% of its capital base. Legal advice has been sought from Trowers, who have provided a supportive opinion confirming that AHCL's delivery of shared ownership units under the Platinum Skies Shared Ownership (PSSO) leases—despite not being supported by Homes England grant funding—can appropriately be classified as affordable housing. All shared ownership homes are reported as affordable in AHCL's Statistical Data Return, submitted to the Regulator on an annual basis. Current overall PPSO stock levels are 4.7%.

3.0 NHF Code of Governance – BROADLY COMPLIANT

3.1 The Board adopted the revised NHF Code of Governance (2020) in 2021, recognising that achieving full compliance would be ambitious for a smaller registered provider. An action plan was put in place to support delivery against the Code's requirements. Substantial progress has been made in meeting the minimum compliance standards across all four principles.

Non compliances & actions:

	Non compliance	Action	Owner & Date
1.	Publishing information with regards to AHC's commitments and objectives and progress made	Once the updated corporate strategy is approved the AHC website will be updated to publish AHC's commitments , objectives and progress made	GR- 30th April 2026
2.	Establishing, overseeing and regularly reviewing a framework of delegation to committees and staff.	Scheme of delegation	DH- June 30th 2026
3.	There is a dedicated senior board member with duties that include appraisal of the chair and assisting the chair to ensure board effectiveness.	Scheduled to be completed at the June board effectiveness review.	DH – June 30th 2026
4.	A member who has left the board has not been re-appointed for at least 3 years	No action - We are not compliant here however, to address a skill gap, to add diversity and sector knowledge this outweighed this recommendation. As a comply or explain code, this is been sufficiently explained.	
5.	The Chair of the audit committee is a member of the board and regularly reports to it	At present the chair of the audit committee is Mike Tanninbaum who is not on the AHCL Board. However Loretta Leberknight is on the audit committee and AHH Group board. It may be	DH – June 30th 2026

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		proposed that one member is moved to the AHC board.	
6.	Business continuity plan	There is no business continuity plan in place for AHC at present. This is an action for 2026 to have this in place and approved by the board at the July 2026 board meeting.	DH- June 30th 2026

3.2 The Code of Governance is presented on a comply or explain basis and it is not proposed that any explanations are required where compliance could be enhanced.

3.3 The Code compliance checklist is at Appendix 2 which demonstrates broad compliance with all four principles.

4.0 RSH's Value for Money (VFM) Standard – COMPLIANT

4.1 As a privately owned for-profit registered provider, AHCL differs from much of the sector in that its parent company, AHH, places a strong emphasis on quality, efficiency, and profitability—principles that can be seen as aligned with the concept of value for money (VfM). An assessment against the VfM Standard has been undertaken, confirming that AHCL is broadly compliant, and it currently reports against the Regulator's prescribed key performance indicators, which are published in its annual report.

4.2 As AHCL continues to grow and establish its operational maturity, it is recommended that the Board develop a tailored set of VfM indicators aligned with its corporate strategy, to support more meaningful performance monitoring and strategic oversight.

5.0 RSH's Safety and Quality Standard – COMPLIANT

5.1 The spirit of the Home Standard in the context of shared ownership is to ensure that shared owners and leaseholders live in safe, well-maintained homes of a decent standard, and that landlords uphold their responsibilities for maintaining communal areas and shared infrastructure. It reflects a commitment to safety, building quality, and responsive management, with a focus on delivering clear communication, timely repairs to landlord-retained areas, and long-term asset management. The standard supports a housing experience where homeowners feel confident in the quality and security of their investment, and where homes remain sustainable and affordable over time.

5.2 In accordance with the standard, the health and safety of our homeowners and the quality of accommodation and planned repairs and maintenance meet the Home Standard.

6.0 RSH's Transparency, Influence and Accountability Standard - COMPLIANT

6.1 The spirit of the Transparency, Influence and Accountability Standard is to ensure that tenants are informed, empowered, and heard. It promotes a culture where registered providers are open about their performance and decisions, actively seek and act on tenant feedback, and are accountable for the quality of the services they deliver. At its core, the

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standard is about building trust and mutual respect—giving tenants a meaningful voice in how their homes and communities are managed, and holding providers to account through transparent communication and accessible information.

6.2 A proportionate assessment against this standard was undertaken to focus on the ways residents can become involved and the communication channels available to all residents via the landlord, community management and estates team.

7.0 Tenant Satisfaction Measures

7.1 For small registered providers (those with fewer than 1,000 social housing homes), the Tenant Satisfaction Measures (TSMs) requirements under the Regulator of Social Housing are tailored to reflect their scale while still promoting transparency and accountability.

Key Requirements for Small Providers (TSMs):

- Frequency of Collection:
  Small providers are required to collect tenant perception measures at least once every two years (biennially), rather than annually as required for larger providers. Even though collection is biennial, providers must still submit TSM data annually to RSH (using the most recent survey results)However AHCL has adopted to do this annually to help drive continuous improvement.

7.2 The satisfaction survey of residents using the tenant satisfaction measures was circulated to residents in February 2026. The results from the survey are included in this board pack.

8.0 RSH's Neighbourhood and Community Standard - COMPLIANT

8.1 Given the breadth of the sector and the various tenures to which this standard applies, a view has been taken which is proportionate to AHCL's provision of purpose-built communities for the over 55s. The communities are designed to be congruent with independent living which tackles loneliness and social exclusion with social spaces and activity areas; all of which are maintained to the highest quality standards.

8.2 AHCL is compliant with the standard, and an 'Anti-social behaviour' policy is in place for FirstPort's adoption on site where appropriate.

9.0 HE's Capital Funding Guide

9.1 The Capital Funding Guide (CFG) sets out the rules and procedures for all providers delivering affordable housing through Homes England's Affordable Homes Programmes. To date, AHCL has delivered older persons shared ownership homes under the 2016–2021 Affordable Housing Programme (AHP) and is currently subject to the updated conditions introduced under the 2021–2026 programme for Pincents Manor. AHCL continues to report compliance with the relevant shared ownership requirements set out in the CFG.

9.2 The provisions within the shared ownership sections which are being reported against are broken down into:

- General – valuations; notifications to the regulator
- Applicant eligibility
- Rents and service charges
- Leases

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- Affordability

9.3 **General - COMPLIANT**

In line with relevant guidance, AHCL has obtained valuations from a RICS-qualified and registered valuer at the point of initial sale of each Shared Ownership home. These valuations have been conducted by an external valuer, as defined in the RICS Red Book, ensuring independence from the grant recipient. Initial sales are based on the property's full market value, assessed as the price the leasehold interest would reasonably achieve if sold on the open market.

9.4 **Applicant Eligibility - COMPLIANT**

AHCL is compliant with the following OPSO eligibility criteria when selling its properties and every applicant undertakes an affordability assessment in accordance with the guidance.

- OPSO is only available for people aged 55 or over
- OPSO applicants who are currently homeowners will need to sell their existing property before buying using OPSO, though they will not require a local authority nomination in order to be approved as eligible.
- OPSO applicants may need to retain a higher level of savings or investments than other applicants to provide ongoing income (in which case it should be taken account of in the headline eligibility check) to cover ongoing living and care costs. There is no cap on the level of savings or investments that an applicant can retain for this purpose. The provider should make a judgement on this on a case-by-case basis, according to the individual circumstances of the applicant, but the overall expectation remains that OPSO applicants will use the majority of their capital to fund the purchase of the property.

9.5 **Rents and service charges – COMPLIANT**

This year, AHCL continues to ensure that rents and service charges are reasonable, aligned with the terms set out in each lease, and fully compliant with the Landlord and Tenant Act 1985 and the Homes England Capital Funding Guide (CFG). While shared ownership homes are not subject to the Regulator's Rent Standard, AHCL maintains compliance with the CFG by setting the initial rent at 3% on our existing communities, this is now 2.75% on any new stock, of the unsold equity value at the point of first sale. This remains within the permitted threshold, as the CFG specifies that the initial rent must not exceed 3%, although it may be set lower. Common practice is around 2.65 %-2.75 % of unsold equity on grant funded schemes.

'Initial sale' continues to be defined as the first sale of a newly built Shared Ownership property, and does not apply to subsequent resales to new shared owners.

Following the action taken last year, AHCL has upheld its commitment to lease compliance by continuing to issue new leases without estate fee or ground rent clauses, in line with the amended Homes England guidance issued ahead of the Leasehold Reform (Ground Rent) Act 2022. In response to the Homes England enquiry, all legacy leases were varied to remove these clauses, and previously paid amounts were refunded in full with interest calculated daily.

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Service charges remain set in accordance with the Landlord and Tenant Act 1985, ensuring that only reasonable costs are recoverable. AHCL, via FirstPort continues to meet its consultation and transparency obligations, ensuring residents are kept informed and engaged in line with statutory requirements.

9.6 **Affordability Criteria - COMPLIANT**

The guidance relating to independent assessments of affordability has changed under the Homes England Capital Funding Guide (CFG):

- Affordability assessments are still required for all buyers, including cash purchasers, to ensure the home is being sold to someone in housing need and that the purchase is sustainable.
- However, cash buyers are not required to pay for an independent financial assessment conducted by a third party (such as TMP or an IFA).
  Instead, the provider (or its sales agent) may conduct an in-house affordability check, provided it is robust, documented, and meets the principles of Homes England's affordability guidance.
- The key remains that cash buyers must not be purchasing more than they need, and the provider must be satisfied that the purchaser:
  - Cannot afford a suitable property on the open market,
  - Can sustain the costs of the Shared Ownership home (e.g. rent, service charge),
  - Is not using the scheme as a form of investment or convenience.
- This approach removes an unnecessary cost burden on the buyer while still preserving the intent of the programme: targeted, sustainable, affordable homeownership.

10.0 Housing Ombudsman – Statutory Compliance

10.1 As a registered provider of social housing, AHCL is automatically a member of the Housing Ombudsman Scheme. From 1 April 2024, it became a statutory requirement for all members to comply with the Housing Ombudsman's Complaint Handling Code.

10.2 In line with this requirement, we have prepared the Annual Complaints Report and a self-assessment against Complaints Handling Code, both appended for information. The Housing Ombudsman's guidance outlines several key components that must be included in this annual publication:

- Annual Self-Assessment
- Board Response
- Complaints Performance Analysis
- Ombudsman Reports and Findings
- Service Improvements

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11.0 Regulatory Returns via the NROSH system

11.1 The following returns have been submitted to the Regulator of Social Housing and Ministry of Housing, Communities and Local Government (MHCLG).

- Statistical Data Return (SDR) - Short Form – April 2025
- Fire Safety Remediation Survey Q2 24/25 – June 2025
- Fire Safety Remediation Survey Q3 24/25 – Sept 2025
- Fire Safety Remediation Survey Q2 24/25 – Dec 2025
- Fire Safety Remediation Survey Q2 24/25 – March 2026

11.2 The annual statistical data return will be submitted by the deadline of the end May 2026 and will report all low cost home ownership units.

12.0 Internal Controls Compliance reporting – Data Protection, Fraud and Money Laundering

12.1 There were no data protection, fraud, or money laundering incidents to report during the period. Accordingly, we will submit a fraud report with a nil return to the Regulator of Social Housing via NROSH alongside the annual financial statements in July 2026.

As part of the organisation's annual governance and regulatory assurance framework the Board is requested to approve the following on 01/04/2026:

1. **NHF Code of Governance self-assessment**
2. **Governance and Financial Viability assurance model**

Anthony Spotswood — DocuSigned by: 2BAE59FB0C96421...

Sahina Jada — Signed by: BDD215805F3D472...

Jon Bridgland — DocuSigned by: A334B39983A64CA...

Ian Metcalfe — Signed by: F694AE6100424C6...

David Hines — DocuSigned by: A78A65DCF0C84B7...

Document:	**ANNUAL COMPLIANCE REPORT 2025–26 — ACTIONS UPDATE**	
Published:	October 2026	
Relates to:	Annual Compliance Report, approved by the AHCL Board 1 April 2026	

This note accompanies the Annual Compliance Report dated 1 April 2026, which was approved by the AHCL board on that date and is published on our website in accordance with our obligations under the RSH Transparency, Influence and Accountability Standard and the Social Tenant Access to Information Requirements (STAIRs).

Since the report was approved by the board, the following actions have been completed:

1. Firstport — Annual Unit and Stock Check

The annual 100% unit and stock check, which was outstanding at the time of the report (Action 1, Section 2.1), has now been fully completed by Firstport. AHCL is satisfied that the stock register is accurate and up to date.

2. NHF Code of Governance — All Actions Complete

All actions identified under the NHF Code of Governance non-compliance table (Section 3.1) have now been completed. These included:

- **Publication of AHC's commitments, objectives and progress** — complete
- **Framework of delegation to committees and staff** — complete
- **Dedicated senior board member with responsibility for board effectiveness and chair appraisal** — complete
- **Board member re-appointment compliance** — addressed on a comply or explain basis as set out in the report
- **Chair of the audit committee** — complete
- **Business Continuity Plan** — complete

AHCL's overall position against the NHF Code of Governance 2020 is now Broadly Compliant with no outstanding actions.

The Annual Compliance Report itself remains unchanged. This update note is published alongside it to ensure residents and stakeholders have a current and accurate picture of AHCL's compliance position.

For further information please contact:

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www.platinumskies.co.uk/about/regulated-housing-provider