

Financial Statements

For the year ended 31 March 2026



Company registration number: 04015633
Registered provider number: L4389
Registered charity number: 1108779
Registered office: 100 Hatherton Street, Walsall WS1 1AB

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Board, Executive Directors and Advisors

Board	Appointed	Left
Gary Moreton (Chair)		
Gary Fulford (Chair of Admin Coterminous Board)		
Guy Weston (Chair of the Audit and Assurance Committee)		31 October 2025
Akshay Parikh		31 October 2025
Ian Shapiro		
Craig Varian		
Natalia Hill		31 October 2025
Katie Kershaw (Chair of Commercial Coterminous Board)		
Deborah Walthorne		
Parminder Kaur		
Nicola Pease		
Rebecca Clarke	1 June 2025	
Aaron John	1 November 2025	
Nicola McGowan (Chair of the Audit and Assurance Committee)	1 November 2025	
Richard Woolley	1 November 2025	
Company Secretary		
Dawn Hendon		

Board, Executive Directors and Advisors

Executive Directors		
Gary Fulford	Group Chief Executive	
Sangita Surridge	Corporate Director of Finance	
Dawn Hendon	Corporate Director of Governance, Compliance and Communications	
Lisa Wallis	Corporate Director of People and Culture	
Robert Gilham	Corporate Director of Strategy, Assets and Transformation	
Fay Shanahan	Corporate Director of Operations and IT	
Rebecca Bennett Casserly	Corporate Director of Development	
Statutory Auditor	Internal Auditor	Principal Banker
Menzies LLP One Express 1 George Leigh Street Manchester M4 5DL	KPMG LLP St Nicholas House 31 Park Row Nottingham NG1 6FQ	Lloyds Bank plc The Bridge Walsall WS1 1LU



Chief Executive Forward

I am delighted to introduce our 2025/26 Annual Report and Accounts.

As we look back on 2025/26, it is clear that we are operating in a period of significant and accelerating change. Economic uncertainty, shifting political priorities and the rapid emergence of technologies such as artificial intelligence are reshaping how organisations operate and how services are delivered. Against this backdrop, we have remained focused on strengthening our foundations while continuing to deliver for our customers and communities. This year we are delighted to have reached a major milestone, investing more than £1 billion in our existing homes and neighbourhoods across Walsall since we were formed.

I am pleased to report that our latest regulatory judgement reaffirms this position. Following a stability check, we retained the highest possible ratings of G1 for Governance and V1 for Viability, alongside our C1 Consumer grade. This provides strong assurance that we are financially resilient, well governed and able to deliver our strategic priorities that directly benefit our customers and communities.

This year marks a continued focus on delivery against Our 2030 Plan. We are making tangible progress across our priorities, from improving services and strengthening data-led decision making, to investing in sustainable homes and supporting our communities. We have also seen encouraging improvements in customer experience, with sustained improved performance across our Tenant Satisfaction Measures ('TSMs').

We have continued to invest in both new and existing homes. The completion of Nightingale House, with the final apartments delivered at the former Royal Hospital in Wolverhampton, is a key milestone in the delivery of Our 2030 plan. At the same time, our retrofit programmes are improving the quality and sustainability of our homes. In Dudley Fields, we are leading a flagship Net Zero Neighbourhood project, while our partnership with E.ON has already improved the energy efficiency of 250 homes across Walsall, helping customers reduce energy costs and live more comfortably.

Looking ahead, we are entering a pivotal year as we explore a potential merger, creating an opportunity to strengthen our long-term impact and resilience. We also welcome the Government's renewed focus on rent certainty and investment in affordable housing, which provides greater confidence for the sector.

While there is more to do, I remain confident in our direction and our ability to deliver. My thanks go to our colleagues, customers, partners and stakeholders for their continued support as we progress our ambitions and make a lasting difference to the communities we serve.



Gary Fulford
Group Chief Executive

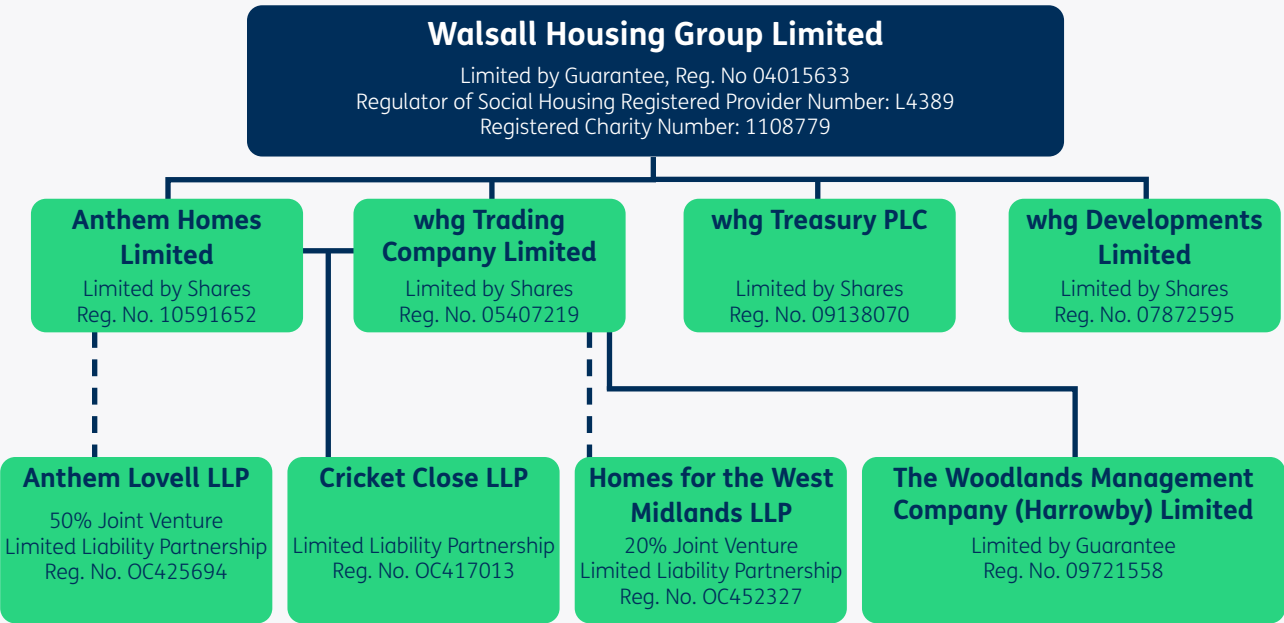


Strategic Report

Principal Activities

The Group is a not-for-profit, social housing business whose principal activities include the development and management of affordable housing across the Midlands and investing in our local communities. Services include shared ownership homes and the development of homes for rent and outright sale. During 2025/26 the Group continued to expand

outside of Walsall and owns and manages homes in 21 local authorities in the Midlands. The Group, as of 31 March 2026, owns and/or manages 23,019 homes. The Company, its subsidiaries and its joint ventures are shown in the diagram below for the year ended 31 March 2026.



Walsall Housing Group Ltd (‘whg’, ‘the Company’, ‘the Group’):

This is the registered provider of the Group that provides homes for rent and maintenance services. It also owns the newly developed homes for rent and shared ownership and borrows from banks and whg Treasury PLC to fund its development programme.

whg Treasury PLC:

This company was set up to issue a public bond to raise funds for investment in our development programme via Walsall Housing Group Limited.

whg Developments Ltd:

This company carries out design and build services for any land-led sites. This helps to deliver efficiencies within professional fees incurred for these sites and therefore contributes towards the ongoing value for money drive.

whg Trading Company Ltd:

This company holds our non-housing related commercial activity and generates profits to help subsidise our affordable homes new development programme.

Anthem Homes Ltd:

This company invests in joint ventures to build homes for outright sale. Profits generated from this activity are used to help subsidise our affordable homes new development programme.

Anthem Lovell LLP:

This is one of our outright sales joint ventures which Anthem Homes owns a 50% investment in, with Lovell owning the other 50%.

Cricket Close LLP:

This is another partnership which Anthem Homes holds in conjunction with whg Trading Company Ltd. It previously owned land for development but at the year end, sold it to whg for the purposes of developing affordable homes.

Homes for the West Midlands LLP:

This joint venture aims to promote the development of affordable homes, which whg Trading Ltd owns a 20% investment in with four other local registered providers all owing an equal share.

The Woodlands Management (Harrowby) Company Ltd:

This company’s principal activity is residential property management.



Our mission

‘Dedicated to the success of our people and places’

Our ambition

We will provide safe and secure homes and deliver high-quality services. Our communities will be empowered to thrive and we will always do the best for our customers.

Our values

Our culture is built on our strong values, with diversity, inclusivity and support to our customers at the heart of our work. Our values set out a clear expectation of ‘how we do things around here’. They are our core beliefs which inform our decision-making and help shape our organisation.



Trustworthy

You can rely on us. We are honest in everything we do.



Accountable

Taking responsibility for our actions and owning the delivery of our promises.



Excellent

Striving to be the best and delivering the best outcomes for customers and the organisation.



Respectful

Valuing people and treating everyone with empathy and fairness.



Collaborative

Achieving great things by working together.

To deliver our ambitions we need to be a strong business. We have seven foundations which will underpin our work and support us to deliver on our 2030 plan.

Our foundations

- 1. Understanding our customers
- 2. Great customer service
- 3. Effective communication
- 4. Strong governance
- 5. Managing our risks
- 6. Technology and digitalisation
- 7. Strong and effective partnerships

Our foundations help to ensure we deliver services of real value, using customer insights to inform our services, evidenced by continuous improvement in our customer satisfaction outcomes. Our governance structure guarantees the customer voice is heard – influencing our decision-making.

We manage risk effectively to ensure the safety of customers and colleagues. Our Board has established clear parameters for risk appetite, focusing on areas like health and safety, cybersecurity and building safety. Regular reviews and a dynamic risk register empower informed decision-making and strategic planning.

We continue to invest in technology so we can provide high-quality digital solutions, create operational efficiencies and deliver a first-class customer experience. We also work with our partners to address digital exclusion in our communities.

Continued cuts to public services mean a clearly defined service offer is more important than ever. Working in collaboration on shared objectives with our partners means we achieve more. We remain within the boundaries of our offer to customers and continue to develop close and effective partnerships for handover where our services end. This will help direct customers so they can access the right service, through the right provider, at the right time, leading to higher standards of support, greater trust and a positive customer experience with whg.

Strong finances and value for money

Ensuring we remain in a strong financial position is vital to ensure all our customers have a safe and secure place to call home. We invest our surplus income back into the business to support our communities, improve our homes and build more affordable housing.

2025/26 Strategic Progress



G1/C1/V1 Regulatory Judgement



Rated A2 by Moody's



Annual Turnover
£147.4m



Operating Surplus
£48.5m

The 2025/26 financial year was a challenging year for us but despite economic uncertainty, rising costs, changing regulations, and higher customer expectations, we have maintained our strong position. Following an Inspection in 2024/25 from the Regulator of Social Housing ('RSH'), reaffirmed through the stability check process in 2025/26, we achieved:

- + G1 which reflects our strong governance framework.
- + V1 which reflects our strong historic and medium term forward looking financial forecasts. This this is also evidenced by our A2 credit rating from Moody's.
- + C1 reflecting the quality of services and engagement of our customers in service design. Key to this achievement was our proactive approach to regulatory compliance. The inspectors recognised our cohesive and collaborative board and how we incorporate customer voice into our decision-making right through the organisation.

We have continued to move forward with the delivery of our six transformational programmes set out in Our 2030 Plan. These programmes are the key areas of focus for the business for the period up to 2030. Together, they are guiding our response to sector-wide challenges, from addressing the housing crisis to advancing net-zero ambitions. Some key highlights are shown against each programme theme below.



Data driven decisions



Reduced arrears levels from 2.23% to 1.97%



10,000 HomeSight Property Condition surveys completed



3,681 stock condition surveys and 2,455 EPC surveys completed



100% compliance across all six building safety statutory areas



Achieved Cyber Essentials Plus certification

Introducing predictive income analytics

During 2025/26 we introduced Voicescape Caseload Manager, bringing machine-learning capability into our rent arrears management processes. Using behavioural science, the system helps us better understand customer circumstances and predict when support may be needed, enabling earlier, more targeted interventions.

This has supported an exceptionally strong income collection performance. Rent arrears reduced to 1.97% – the lowest level recorded for this service.

This has been achieved against the backdrop of Universal Credit managed migration, including the final cohort of customers transferring from legacy benefits, many of whom were among the most vulnerable. Delivering this performance during this period is a significant achievement.

This success reflects both the commitment of our teams and the value of investing in innovative, data-led tools that help us act sooner and support customers more effectively. Our commitment not to evict customers into homelessness also continues, with eviction levels remaining very low at 0.05%.

Introducing HomeSight to strengthen stock insight

During the year we introduced HomeSight, a simple digital survey tool that enables colleagues to capture property condition data during routine visits. The tool supports a more consistent and proactive approach to understanding the condition of our homes, with around 10,000 surveys completed to date. HomeSight complements existing processes, allowing colleagues to report issues based on what they observe without adding additional burden to visits.

The insight gathered is helping us identify emerging issues earlier, prioritise interventions and make better-informed decisions about how we manage, maintain and invest in our homes. It also supports our regular stock condition survey process and therefore strengthens our understanding of stock condition in line with regulatory expectations, embedding a more data-driven approach to asset management and service delivery.

Strengthening building safety through Compliance 365

During the year we began the phased rollout of Compliance 365, a cloud-based system designed to bring together building safety and compliance information into a single, accessible platform. Alongside this, we introduced a new operating model for delivering compliance, including a dedicated Fire Safety Team, to strengthen oversight and delivery across our homes.

These changes support a more joined-up and proactive approach to managing risk. We remain 100% compliant across all six statutory compliance areas, with improved data and systems helping us identify risks, track actions and demonstrate compliance more effectively. As rollout continues, Compliance 365 will further enhance visibility and support more informed decision-making across our building safety services.

Strengthening cyber resilience

As our digital services continue to expand, maintaining strong cyber security remains a priority. During the year we strengthened our cyber resilience and worked towards achieving Cyber Essentials Plus certification. We are pleased to report we were awarded the accreditation in July 2026. This government-backed accreditation independently verifies key security controls including secure configuration, access management and vulnerability protection. Achieving certification provides assurance that our systems and data are protected, reduces the risk of disruption to services and strengthens trust with customers, partners and funders.





Forward-thinking services



9,000+ households received direct and targeted support through Community Housing



98.9% emergency repairs and 84.8% non emergency repairs completed within timescales



Achieved recurring savings of £2.4m



Finalists in two 2 national awards for digital customer services



Digital assistant chat bot launched to support customer enquiries

Supporting customers through our Community Housing Service

Our Community Housing Service continues to play a key role in supporting customers, strengthening neighbourhoods and maintaining a visible presence in our communities. During the year, the service had direct contact with customers in over 9,000 households, working with them to resolve tenancy issues, address neighbourhood concerns and connect them to wider support.

This reflects targeted, one-to-one support where it is most needed, alongside wider engagement with all customers through our communications and access to services. More than half of customers say they know who their Community Housing Officer is, demonstrating the visibility of the service and the strong local relationships being built.

Satisfaction with the service continues to improve, with around 70% of customers reporting they are satisfied. This is underpinned by our focus on early intervention, clear communication and being present in the places we serve.

During the year, we also achieved HouseMark accreditation for our approach to tackling antisocial behaviour. The independent assessment recognised our service as high performing and victim-centred, highlighting our consistent approach to early action, partnership working and supporting those affected.

This accreditation provides further assurance that we are delivering a high-quality service in an area that is key to customer confidence and satisfaction.

Following an external review in 2024/25, we completed a restructure of our Neighbourhoods Service to better align teams with Community Housing locations. This change enables closer collaboration between teams and helps colleagues respond more effectively to neighbourhood issues. The transition was supported by strong colleague engagement, with 83% of colleagues recommending whg as a place to work.

Our TSMs continue to perform strongly with positive contribution to neighbourhoods’ maintaining above-target performance at nearly 70%.

Improving repairs and maintenance services

Improving the performance of our Home Maintenance Service remained a key priority during 2025/26. During the year we embedded changes introduced through the service remodel, including dedicated teams aligned to repair priorities and improvements to the voids service, supported by additional recruitment across repairs, planning and voids. We also strengthened our use of data to better align resources with demand and support ongoing service improvement.

Tenant Satisfaction Measures	24/25 whg Performance	25/26 whg performance	Trajectory	24/25 Average (Median) Scores Published by the Regulator	24/25 Peer Group Average Scores
TP02: If yes, how satisfied or dissatisfied are you with the overall repairs service from your landlord over the last 12 months?	79.6%	84.1%	↑	76.1%	84%
TP03: If yes, how satisfied or dissatisfied are you with the time taken to complete your most recent repair after you reported it?	70.8%	73.9%	↑	70.8%	77%
RP02: Percentage of repairs within the target time set for themselves - Emergency Repairs in time	99.7%	98.9%	↓	95.2%	98.2%
RP02: Percentage of repairs within the target time set for themselves - Non-Emergency Repairs in time	81.9%	84.8%	↑	81.3%	90.3%

Note: 24/25 is rated green (better than sector median)- 25/26 benchmark data for TSMs not yet available.

Service performance has improved for non-emergency repairs completed within target timescales and satisfaction with the service improving by 4.5% to 84.1%. These improvements are helping us deliver a more consistent and responsive service for customers. Whilst there has been a slight decline in our emergency repairs completed within timescales performance, we are ahead of the sector and peer group median.

The building safety team place customer safety, continuous improvement and customer satisfaction at the heart of their service. The team has delivered a significant programme of operational improvement, focused on reducing avoidable cost, increasing productivity, improving compliance outcomes and creating more efficient ways of working.

Performance Measures	24/25 Actual	25/26 Actual	Target
% of properties with a valid gas safety certificate	99.96%	100%	100%
% of properties with an electrical condition report	99.99%	100%	100%

Note: 25/26 is rated as ‘green’ (equal to or better than internally set targets) for 25/26.

Key achievements include reduced job completion times, lower follow-on work, improved workforce utilisation, reduced waiting times, stronger customer outcomes and improved value for money.

The highest-impact quantified efficiency savings are:

- 1. **Emergency lighting:** £130 to £55 per light
- 2. **Electrical certification time reduction:** 45 minutes to 15 minutes
- 3. **Electrical job time reduction:** 4+ hours to under 2.5 hours
- 4. **Repairs follow-ups reduced:** 40% to less than 1%
- 5. **Follow-up works reduced:** 33% to less than 2%
- 6. **Shower replacement time reduced by 60%**
- 7. **Work in Progress (jobs outstanding) reduced by 75%**
- 8. **Portable Appliance Testing moved from annual to 5-year cycle**
- 9. **Digital certification access for our customers planned efficiency saving in postage costs**
- 10. **Re-procured lift maintenance contractor – efficiency saving of 50%**
- 11. **Revised asbestos waste disposal arrangements- efficiency saving of 59.7%**

Our commitment to delivering efficiencies via cost reduction

As detailed in the VFM self-assessment, during year one of our cost reduction plan, we have delivered combined efficiency savings of £2.4m, key areas being a £1m reduction in colleague posts to fund colleague growth in areas critical to delivery of Our 2030 plan, £1m saving in repairs and maintenance costs as a result of the new fleet acquisition, £0.2m on income collection methods and £0.2m from other initiatives. This enables whg to invest money in other areas to improve our customer experience.

Finalists in two national awards for digital customer services

During the year whg was shortlisted for two national awards. We were shortlisted at the UK Customer Satisfaction Award for our customer service improvements, and we were shortlisted for best application of technology at the Housing Technology awards.

Improving how customers contact us

Customer Services continued its improvement journey during 2025/26, building on the transformation work delivered in previous years. Customers can now contact us through a wider range of channels including telephone, live chat, video call escalation and digital messaging.

In January 2026 we launched Dora, a pilot intelligent chat assistant. Dora enables customers to resolve common enquiries digitally or move seamlessly to live chat with an advisor where additional support is needed.

These improvements make it easier for customers to access support when they need it. As a result, calls are now answered quickly, with customers waiting an average of just one minute and 12 seconds to speak with an advisor.



Sustainable futures



Ritterwald Front Runner status retained for third year



Partnerships expanded to improve green spaces and biodiversity



18% of colleagues formally accredited as carbon literate



Green Open Spaces Strategy implemented



94% of new homes built rated EPC A or B



9.6% reduction in gross carbon emissions from 2,083 to 1,884 tCO₂e

Retaining sustainability leadership

Our sustainability work continues to be recognised internationally. During 2025/26 we retained the Ritterwald Certified Sustainable Housing Label for the third consecutive year, maintaining Front Runner status in the Social Dimension category. This independent accreditation recognises organisations demonstrating strong performance across environmental, social and governance areas and reflects our continued commitment to building healthier homes and stronger communities.

Building carbon literacy across our organisation

During the year we continued to embed sustainability through our Carbon Literacy training programme, helping colleagues understand climate change and their role in tackling it. 18% of colleagues have completed the training, as well as Board members, with 94% recommending it to others, reflecting strong engagement and a top-down strategic commitment to fostering the culture we want to create. The programme is helping colleagues make more sustainable choices in their day-to-day roles and build confidence to take action both at work and beyond. This has supported the retention of our Carbon Literate Organisation Bronze accreditation, demonstrating our commitment to creating a low-carbon culture across the organisation.

Expanding partnerships to tackle neighbourhood environmental challenges

We continue to tackle fly-tipping to build neighbourhoods our customers can be proud of, contributing to waste removal costs increasing by 79% this year. To address this we are developing neighbourhood improvement plans that focus on block refreshes, improved waste management and increased customer engagement. We continue

to work closely with partners including Walsall Council, Birmingham and Black Country Wildlife Trust and Natural England to address environmental challenges and enhance local green spaces.

Green open spaces strategy

During the year we delivered the Milton Place Wellbeing Garden, the first pilot under our Green Open Spaces Strategy, transforming underused land into a space that supports both people and nature. The site, previously affected by fly-tipping and anti-social behaviour, has been co-created with customers to provide a welcoming environment for community use, including raised beds and shared green space.

Delivered through collaboration across services, the project has already achieved a 45% increase in biodiversity net gain and created over 1,200m² of land contributing to nature recovery. We are also measuring the impact on customer wellbeing, with the space already being used for community activity and social connection.

Delivering homes that are affordable to live in

During 2025/26, 94% of new builds were rated EPC A or B. We are committed to delivering energy efficient homes that are more affordable for our customers to heat. We are striving to deliver all our new homes in our current programme at a minimum of EPC B.

Our Commitment to the Environment

We are pleased to report a 9.6% reduction in gross carbon emissions from 2,083 to 1,884 tCO₂e. In 2025/26 we also approved a pilot EV scheme for our first electric fleet vehicles which will be delivered in 2026/27.



Making places



New Development and Regeneration Strategy launched



270 new homes delivered



51 shared ownership homes sold



13 sites under construction (302 homes)



£51.9 million invested on development, with £13.4m grant being received

Launching our Development and Regeneration Strategy

During the year we launched our Development and Regeneration Strategy, setting out our ambition to deliver more than 2,000 new affordable homes by 2030 and strengthen our pipeline of regeneration projects across the Midlands. We are on track to deliver a minimum of 2,000 new homes in our plan; our current forecasts show we may achieve 2,500 new homes with new grant and driving down our net cost per home.

The strategy prioritises the delivery of high-quality, energy-efficient homes that respond to local housing need, with a strong focus on increasing the supply of social rent homes while also supporting mixed-tenure communities. It further outlines how we will unlock development through regeneration, land acquisition and the repurposing of underused commercial assets, working closely with partners including Homes England, the West Midlands Combined Authority and local authorities to maximise impact and grant funding.

Delivering new affordable homes

We continue to invest in the delivery of new homes to help meet housing need while creating high-quality places where people can thrive. During the year we delivered 270 new homes, investing £51.9m across 20 sites to build safe, energy-efficient and affordable homes. We have a further 13 sites under construction which will provide 302 homes in subsequent years. These developments include a mix of affordable rent, social rent and shared ownership homes designed to support a range of housing needs, helping more local people access stable and affordable housing.

During the year we completed the final phase of Nightingale House, delivering an additional 10 ground-floor apartments and bringing the wellbeing scheme fully into operation. The scheme now provides 48 one and two-bedroom homes designed to support customers aged over 55 to live independently in high-quality, accessible accommodation. The apartments sit alongside shared facilities including a library, cinema and residents' lounges, helping create opportunities for social connection and community activity. The scheme is supporting customers with a wide range of needs, with 26% of residents previously homeless and 82% living with a long-term illness or disability.

Our innovative Small Sites Programme continues to transform redundant and difficult-to-develop parcels of land in our ownership into new homes that contribute positively to local neighbourhoods.

During the year we progressed phase 3 of the programme, which will deliver a further 23 new homes for social rent across eight sites in Walsall. Many of these sites are former garage courts owned by whg, alongside parcels of land brought forward through partnership working with Walsall Council. Work is already progressing on future phases 4, 5 and 6, which will bring forward around 60 additional homes across 20 locations, creating a pipeline capable of unlocking many more underused small sites in the years ahead.

Shared Ownership Sales

We have a highly effective sales team with a strong track record of ensuring our shared ownership homes are sold, in the majority of cases this is within three months of handover. During 2025/26 we sold 51 homes, 11 more than budget, generating sales of £5.3m with £0.3m more gross profit than budget to reinvest in future new builds.



Work and workplace of the future



New People and Culture Strategies launched



91% of colleagues felt that they had a sense of belonging



83% of colleagues were proud to work at whg



Retained our Living Wage Foundation accreditation



Recognised as a top employer in the Sunday Times Best Places to Work 2025



Retained our Disability Confident Leader Status

Launching our People and Culture strategies

We launched four People and Culture strategies – the Diversity and Inclusion Strategy, People Strategy, Colleague Development Strategy and Colleague Wellbeing Strategy – supporting delivery of our Work and workplace of the future transformational programme. Developed through consultation with the Board, Executive team and colleagues, the strategies set out clear priorities, actions and success measures aligned to organisational goals. Performance indicators have been embedded within our reporting frameworks to track progress and ensure accountability. Early performance across these areas has been positive, providing a strong foundation for building capability, resilience, supporting wellbeing and creating an inclusive, high-performing workplace.

Recognition for being a great place to work

We continued to invest in colleague wellbeing and culture, ensuring we have a supportive and inclusive workplace that enables colleagues to thrive. 91% of our colleagues felt that they had a sense of belonging and 83% are proud to work for whg. We renewed our commitment to paying people a fair wage and we were once again accredited by the Living Wage Foundation.

Our second independent culture audit assessed whg as “between mature and high performing”, recognising a well-embedded culture supported by strong measurement and monitoring.

We expanded our wellbeing offer through initiatives including a comprehensive ‘lunch and learn’ programme, enhanced financial wellbeing support and the introduction of colleague-led groups such as the menopause network.

Engagement has also been strengthened through Colleague Connect, with members actively involved in shaping services and wellbeing initiatives. Workforce stability remains strong, with low turnover, reduced sickness absence during 2026/27 and high levels of performance, providing a solid foundation for delivering consistent, high-quality services, effectively maximising organisational resources.

We are proud that whg has been recognised again by the Sunday Times in 2025 as one of the best places to work. This has been reaffirmed in May 2026.

Strengthening workforce capability and leadership

We continued to invest in workforce planning and leadership development to ensure we have the skills and capacity needed to deliver Our 2030 Plan. Our Leadership Development Programme (Optimising High Performance) has now been delivered to all Executive Directors and the wider Leadership Team, alongside our Managing for Success programme, which has supported over 130 line managers to strengthen their leadership capability. We completed the pilot phase of the Professionalising Housing qualification and expanded our digital learning offer through enhanced e-learning, including video, podcasts and bite-sized microlearning modules.

Narrowing the gaps: Diversity and inclusion

During the year we continued to strengthen our approach to diversity and inclusion with a focus on improving data, representation and colleague engagement. Work has commenced on a new colleague D&I dashboard to provide better insight into workforce demographics and support more informed, evidence-based decision-making.

We have expanded colleague involvement through our new colleague engagement group, Colleague Connect, with D&I Champions now established and leading activity across the organisation, supported by a new learning framework and calendar of events. This has included awareness campaigns and engagement activities throughout the year. We also completed an Inclusive Hiring Review, providing assurance on our recruitment approach, and were re-accredited as a Disability Confident Leader. Together, these actions are helping us build a more inclusive culture and make progress towards narrowing gaps across our workforce.

During the year we continued to focus on improving equality, diversity and inclusion across our workforce, including addressing our gender and ethnicity pay gaps. Our latest reporting shows a mean gender pay gap of 6.1% (2025: 5.6%) and a median gap of 14.7% (2025: 13.5%), with several factors influencing this, including the distribution of roles across the organisation.

While the gender pay gap has widened slightly, we have clear actions in place to address this, including strengthening pathways for women into senior roles and continuing to develop our leadership and talent management approach. We recognise that further work is needed to improve the accuracy of our ethnicity pay gap data. We are actively increasing colleague data disclosure to support a more robust analysis and targeted action.



Social justice – transforming lives



Transforming Lives Strategy launched



2,800+ customers supported through Stronger Communities work



352 customers supported into employment



£594k additional funding secured for community programmes



£58.7m social value generated through community programmes

Launching the Transforming Lives Social Justice strategy

During 2025/26 we launched our Social Justice Strategy ‘Transforming Lives’, strengthening our commitment to tackling inequality and supporting customers to thrive. Our approach continues to attract national recognition as best practice in addressing the social challenges faced by many housing communities.

Building Stronger Communities by Improving skills and wellbeing

Through the programme, more than 2,800 customers received support. The Children’s Champion programme, funded by the Department for Education, helps families access early years support. Our Youth Trailblazer programme, Young People Matter, funded through Walsall Council, supports young people who are not in education, employment or training. These new programmes have enabled us to engage an additional 200 customers.

Our five-step Transforming Lives programme supports customers to improve their confidence, skills and wellbeing. Between April 2025 and February 2026, 1,150 customers took part, receiving support with digital skills, financial capability, life skills and pre-employment development. The programme focuses on building the foundations needed for long-term independence and opportunity. Over 90% of participants reported improvements in confidence, skills and wellbeing through their involvement in the programme.

Supporting customers into work

Helping customers access employment remains a key priority. Through our Work Matters programme,

352 customers received employment support, with 77% progressing into sustainable jobs. Each successful employment outcome generates significant social value for individuals and communities, with an estimated £20,653 of social value created per job outcome.

External recognition for our work

The value of our work is recognised by our external partners which enables us to extend the reach of our social justice work. We secured £594k of additional external investment, exceeding our funding target by 118%. This funding has enabled us to launch two new programmes supporting children, young people and families.

Delivering Social Value

Our VFM assessment demonstrates our non-cashable Equity and Ethics gains of £58.7m generated by delivering our Transforming Lives strategy. Activities which produce these gains are our health and wellbeing work, customer voice work, our money advice service (including housing benefit advice), jobs, training and employment support.

Supporting customers to maintain financial stability remains a key part of our work. Our Money Advice service continues to help customers maximise their income and manage financial pressures. This support helps customers meet essential living costs, reduce financial stress and sustain their tenancies.

The service has also received strong external assurance. Our most recent HQN Maximising Income Sustaining Tenancies (MIST) audit confirmed high levels of performance, recognising the organisation’s strong customer focus and effective partnerships that help sustain successful tenancies.

Performance Reporting

We set and monitor our own internal key performance indicators as well as the RSH’s TSMs to ensure we maintain our focus on the areas relevant to our business and Our 2030 Plan. The table below is our suite of performance indicators. The performance is RAG rated, ‘red’ being outside of target and ‘green’ being within target.

Performance Measures	24/25 Actual	25/26 Actual	Target	Comments
% of TSMs meeting their target	New measure for 2025/26	91.67%	76%	This is a new aggregate measure to track how we are meeting our TSM targets in aggregate. As our performance report shows, we have delivered improvement across most of our services areas, improving value for money and quality of service provision for customers.
TSM TP02 Customer satisfaction with repairs %	79.6%	83.9%	73%	We have continued to invest into our repairs service. Through our budget setting process we increased spend by £1.9m and a further £1.3m mid year to drive down the volume of outstanding repairs and to complete our repairs more timely. This investment directly translates into improved customer satisfaction with the service.
Emergency repairs completed within timescales %	99.9%	100%	98.7%	We are proud to report that we have achieved 100% of emergency repairs completed within target as a result of the extra investment in our services. The average days to complete an emergency repair is 0.11 days (2025 0.21 days) demonstrating our efficient turnaround from initial customer report to final completion of the repair.
Urgent repairs completed within timescales %	98.4%	99.5%	87.9%	Our performance has improved since last year across urgent, routine and programmed repairs. Urgent has improved from 4.65 days to 2 days to complete. Routine has improved from 31.06 days to 20 days to complete and programmed has improved from 83.61 days to 40 days to complete. This is as a result of the additional investment in the services of £3.2m for additional trades colleagues and sub-contractors to support with volume. We have also actively moved labour between services to meet demand more effectively. During the year, we implemented an IT taskforce to deliver system improvements, allowing our scheduling team to allocate jobs more efficiently. We also launched a ‘call on route’ function which has resulted in lower missed appointments/ no access, enabling us to complete more jobs and provide a better customer experience. Next year we plan to launch a ‘driver on route’ function to allow our customers to track their trade operative, aimed to further improve the customer experience and drive down missed appointments/ no access. For programmed repairs, we have implemented a new service standard for fencing which is providing more clarity for customers and is reducing the volume of repairs requested, aligning our approach with other registered providers.
Routine repairs completed within timescales %	92.6%	93.8%	80.2%	
Programmed repairs completed within timescales %	86.8%	93.8%	80.2%	
TSM TP12 % of customers satisfied with landlord’s handling of anti-social behaviour	57.3%	61.5%	61%	During the year, we have implemented our improvement plan for the ASB service which was developed last year in consultation with customers. Our performance improvement plan included raising the profile of our service with customers and ensuring our service was easily accessible, we also introduced a new triage and risk assessment approach for all reported ASB cases, together with a new duty officer system so that customers can speak to someone quickly. We have introduced a new Community Housing Dashboard which enables us to track ASB themes, locations and task allocation and we use our demographic and vulnerability flags to inform operational prioritisation and resourcing. We have secured independent, third party, accreditation for our ASB service, providing reassurance to our customers that we are doing everything that we should be doing to investigate, manage and respond to reports of ASB appropriately.

Performance Measures	24/25 Actual	25/26 Actual	Target	Comments
TSM TP04 % customer satisfaction that the home is well maintained	76.5%	78%	73%	Whilst we have not seen a material improvement on this measure since last year, we are pleased to report that our satisfaction scores with our three main contractors who deliver our major home improvement works have ended the year at an average of 98% (2025 93%).
TSM TP05 - % of customers satisfied their landlord provides a home that is safe	82.7%	84.2%	79%	Our safety scores are monitored consistently throughout the year and they have maintained 100% compliance throughout. Where gas safety and electrical safety is showing as below 100% in the previous year, this is due to no access to customer homes and compliance with court processes to gain access has been needed.
% of properties with a valid gas safety certificate	99.96%	100%	100%	We delivered a targeted and measurable improvement in landlord compliance by repurposing an existing Gas Engineer post into a dedicated Compliance No Access Officer role. This change created a focused resource to manage difficult-to-access properties through proactive customer engagement, daily intervention, site visits, legal notice support and closer coordination with Building Safety Managers and planners.
% of properties with an electrical condition report	99.99%	100%	100%	
% of planned asbestos inspections carried out in communal areas	100%	100%	100%	
% of planned water hygiene risk assessments completed	100%	100%	100%	As a result of this appointment, we have now achieved 100% compliance, demonstrating the effectiveness of reallocating existing resources to address a key compliance risk. The role has also delivered an operational cost saving by reducing the need to send qualified gas engineers to properties where access is unlikely to be gained, ensuring specialist engineering resource is deployed more efficiently on productive appointments and essential safety work.
% of communal areas with an FRA	100%	100%	100%	
Decent Homes Standard compliance	99.92%	99.94%	100%	We are currently 99.83% compliant to a 5 year EICR programme, and 100% compliant with regulation.
				This represents a practical improvement measure that has strengthened statutory compliance assurance, reduced avoidable operational inefficiency and improved our ability to manage access-related compliance risk in a more targeted and cost-effective way.
% of homes with an EPC rating of C or above	67.1%	62.3%	72%	As at 31 March 2026, there are 13 homes that didn’t meet the Decent Homes Standard. These homes are either undergoing improvement works, not yet complete at year end or are in a programme to complete in 2026/27.
Voluntary labour turnover	5.84%	5.46%	11%	Our EPC C performance declined in 2025/26 as a result of the Government introducing SAP10, a new methodology for measuring energy efficiency. The change resulted in a number of homes moving from a C to a D and also adversely impacted on our plans to improve 1,200 EPC D homes that only previously required minor measures which now require more substantive works. We continue to target 100% homes at EPC C by 2030 and have secured grant funding of £11m for 2026/27 and 2027/28 to support our journey.
Contracted hours lost due to sickness	4.1%	4.3%	4.5%	We continue to drive down our colleague turnover rate, indicating a more stable workforce which creates efficiencies and consistency in service delivery, contributing to our positive customer experience.
Colleague engagement	78%	80%	75%	Whilst this measure is within target, there is a slight increase in hours lost to sickness which can impact front line services. We have strengthened our approach to managing sick leave through our performance management framework and a dedicated resource in HR to proactively monitor levels and take action where needed.
Colleague empowerment	77%	79%	75%	
Employee net promoter score	38	46	30	

Performance Measures	24/25 Actual	25/26 Actual	Target	Comments
RIDDOR frequency rate	New measure for 2025/26	0.55	0.9	Regulations require us to keep records of all work related incidents (accidents, injuries and dangerous occurrences) that have the potential to cause harm. We operate a transparent approach to Health and Safety, encouraging a culture of openness in reporting. With every report, we seek to learn and improve our environment, ensuring colleagues and customers feel safe. We report to Board on a quarterly basis covering aspects such as RIDDOR, Near Misses, Acts of violence and aggression and environmental incidents. Health and safety is embedded in our risk management framework.
Forecast spend on colleague development against budget	New measure for 2025/26	£484k	£506k	Whilst the budget was £22k underspent in this area, all planned statutory and mandatory learning was delivered as required. Other key colleague development initiatives delivered in the year include leadership training, line manager fundamentals, business partnering training and supporting colleagues with ongoing professional training. We believe investment in our colleagues contributes to strong colleague engagement, maintaining low colleague turnover and strengthening our workforce resilience.
New home handovers	467	270	269	Our new development handovers were 270 this year, completing year 2 of our 6 year development strategy period to 2030. Our value for money principles are deeply embedded within our development strategy, ensuring we deliver homes that are fit for purpose at the right price. As a result of this, our financial envelope for new development is expected to deliver 2,400 homes during the strategy period, exceeding original expectations.
Homes started on site	222	182	180	Starts on site as at 31 March are ahead of target and further schemes are in the pipeline to start next year. We expect annual completions to increase significantly towards the last three years of the strategy period.
Sales income against budget	£10.30m	£5.33m	£3.780m	We regularly set a prudent budget for shared ownership sales, in line with our financial risk appetite so we expect to exceed budget in this area. We have sold 11 more than budget this year and we are on track to reach our target to deliver 30% of new builds as shared ownership over the strategy period to 2030.
Housing cost per unit	£4,455	£5,212	<£6,278	Our housing cost per home is below sector weighted average as expected. We have a high geographical concentration of general needs housing in Walsall and therefore benefit from efficiencies in management and we do not have issues with high rise buildings like many other providers, particularly larger providers, so we are able to keep our costs tightly controlled.
Void rent loss	0.97	1.28	0.99	Our teams remain committed to carrying out the established action plan aimed at lowering void rent loss. At 31 March 2026 the number of voids were close to target. Further investment has been approved in 2026/27 to support the action plan and void rent loss is now 0.96% at May 2026.
VFM Gains (millions)	£240m	£225m	£259m	The main driver for non-cashable VFM gains being lower than target is the £10m under-spend on new developments for the year. Whilst our start on sites and completions for the year were ahead of budget in terms of homes delivered, the timing of start on sites was later in the year than planned leading to a £10m under-spend. Spend is rolled forward to next financial year and we are still on track to complete at least 2,000 homes by 2030 in line with our development strategy.

Performance Measures	24/25 Actual	25/26 Actual	Target	Comments
Funding for asset investment (Government, contractors)	New measure for 2025/26	£495k	£5.075m	The main driver is timing of a £5m grant drawdown. This funding is fully secured however it cannot be drawn until the net zero neighbourhood homes on Dudley Fields are completed which is expected to be during 2026/27.
Funding secured for new development	New measure for 2025/26	£13.53m	£13.92m	The 2025/26 target included £7.5m for pipeline and strategy schemes and £6.4m for identified schemes. For the £6.4m identified we achieved £6.6m, as Nightingale House came in over budget by £0.2m. We achieved £6.9m against the pipeline and strategy target of £7.5m; we continue to secure funding opportunities which will deliver funding in future financial years.
External funding secured for stronger communities	New measure for 2025/26	£594k	£500k	whg is committed to generating external funding to extend the scope of our work in our communities. Despite a challenging environment we secured £94k more than budget. Additional grant funding was secured through the Youth Trailblazer programme, which commenced in September.
Transformational programmes on track	New measure for 2025/26	97.62%	100%	Five of the six programmes are Green and on track. Sustainable futures is amber, primarily reflecting our EPC C position. Following the implementation of revised SAP rating methodology (SAP 10), our expected March 2026 EPC C position moved from 77% reaching C or above to 62.3%. We continue to strive for all homes to be EPC C or above by 2030 and have £11m funding secured to support our investment plans in this area.



Value for Money Statement

The RSH published the Value for Money (VFM) Standard and the VFM Code of Practice in 2018. Both of these specify what registered providers are required to report in their statutory financial statements to comply with the VFM Standard. Our Board has the responsibility of ensuring that we meet the expectations set out in the VFM Standard. This VFM statement is divided into the following sections, as set out in the VFM Standard, to articulate how we comply with the Standard:

Section 1

Strategic approach to VFM and how we achieve VFM in meeting our strategic objectives

Section 2

Benchmarking to compare how we perform with others

Section 3

VFM gains achieved through consideration of alternative delivery structures

Section 1: Strategic approach to VFM

VFM Strategy

Our Board has set our VFM Strategy which identifies how we seek to deliver VFM for our customers and stakeholders. Our 2030 Plan sets out our vision and objectives. Underpinning the plan is a series of strategies defining how we will deliver our plan. Each strategy has within it a set of defined success measures which will be monitored and reported on in the VFM statement every year.

We have adopted the five Es as the guiding principles for our strategic approach to VFM, which are:

Guiding Principles



Economy

For us, this means minimising our costs while continuing to deliver quality homes and services to our customers.



Efficiency

We will seek to stretch our resources as far as possible without compromising quality.



Effectiveness

We will use our resources to achieve our six transformational programmes and the VFM measures embedded in our VFM Strategy.



Equity

We will ensure we use our resources to reduce inequality in our communities.



Ethics

We will use our resources with integrity, being open and accountable about our spending decisions.

We compare ourselves with both the sector and our peers using the RSH's Value for Money Metrics Benchmarking Tool: Group Data (consolidated) and using published TSM data.

We also undertake service reviews annually to ensure services are delivering value for money.

Creating value for money allows us to provide as many new homes as possible and increase investment in our existing homes, backed by high quality services. Our approach to VFM is embedded throughout the business both at a strategic level and an operational level across all business streams and is an integral part of our culture with colleagues fully aware of the importance.

Our board sets the strategic approach to VFM. Our Executive Team implements the VFM strategy and is supported by all colleagues who instil the guiding principles in operational planning and service delivery at individual business stream level. Our customers play a key part in informing our VFM work through various channels. Our customer voice strategy sets out a wide range of opportunities for our customers to influence and scrutinise our strategies, policies, and services. During 2025/26 we delivered 60 consultations, generating over 2,700 pieces of feedback that helped shape service delivery and standards. Examples are:

- **Repairs and Maintenance Improvements.** The Repairs and Maintenance Working Group reviewed repair waiting times and the impact these were having on customers. Feedback from customers helped shape discussions around service capacity and resourcing. As a result, whg recruited 18

additional trade colleagues and three surveyors to increase capacity. This investment has helped reduce waiting times, improve responsiveness and provide a better customer experience.

- **Improving the Complaints Process.** The Service Improvement Group (SIG) carried out a scrutiny review of the complaints process. Customers identified opportunities to improve accessibility and make it easier to track progress via the portal. Working with the IT team, recommendations were implemented. Customers can now report issues more easily and receive updates on progress without needing to make repeated contact with whg.

Our approach to consultation is embedded into all customer-facing policies and forms part of our governance arrangements for approval and fulfils the requirements of the RSH's Consumer Standards. The Customer Service Oversight Committee oversees the outcomes of customer involvement in key areas of work, reporting this to the Board. 62 Customer Service Assessors are conducting regular inspections across key areas, 29 block champions regularly assess high/low rise homes to assess building safety; and, our Asset Management Group (AMG), made up of 47 members, works collaboratively to review performance, provide customer insight, and help shape improvements across repairs, maintenance, and asset services. The Service Improvement Group (SIG) has also been established consisting of 10 members to provide oversight and evaluation by customers of the services we provide.

We strive to make the optimum use of our resources and assets and use the returns they generate to help us increase investment in our existing homes and build new ones, as explained throughout this statement. We demonstrate our **efficiency** by generating a strong operating margin whilst delivering high quality services and we demonstrate our **effectiveness** by building many more new homes that people need, investment in existing homes and striving towards high levels of customer satisfaction with our services and neighbourhoods. We demonstrate our **economy** by tight budgetary control and controlled procurement activity; ensuring, where possible, costs are in line with or below our peers and driving down our outliers. These three VFM principles are measured through our performance against the value for money metrics set by the RSH and delivery against our own value for money targets.

Our optimal use of resources includes our approach to remuneration and employment costs. We regularly benchmark our salaries and strive to make them both competitive and in line with sector averages. This helps us to deliver good quality services for our customers by attracting the right talent.

Equity and **Ethics** principles underpin our approach to creating social and environmental value for our customers and communities. Our social justice transformational programme includes VFM targets specifically aimed at delivering outcomes for health and wellbeing, employment and training and supporting those in hardship.

Section 2: Regulator of Social Housing VFM Metrics

In comparing our performance we look at two specific comparisons, firstly in relation to the sector weighted average and secondly the performance of our peer group.

Our most representative peer group, taken from the Regulator’s database of all registered providers, comprises providers with between 20,000 to 35,000 homes, where at least 50% of their homes of are general needs and at least 30% of their homes are in the East Midlands or West Midlands. LSVTs and Traditional providers are grouped in this peer group.

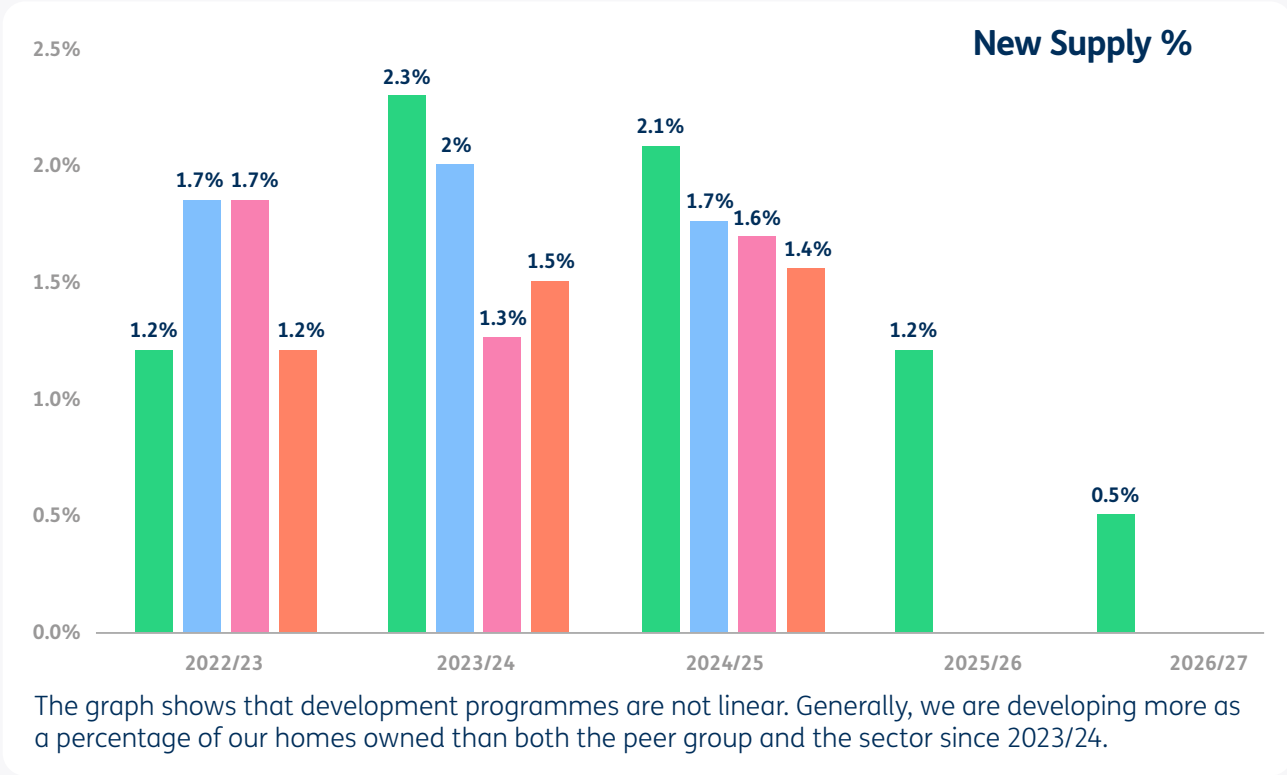
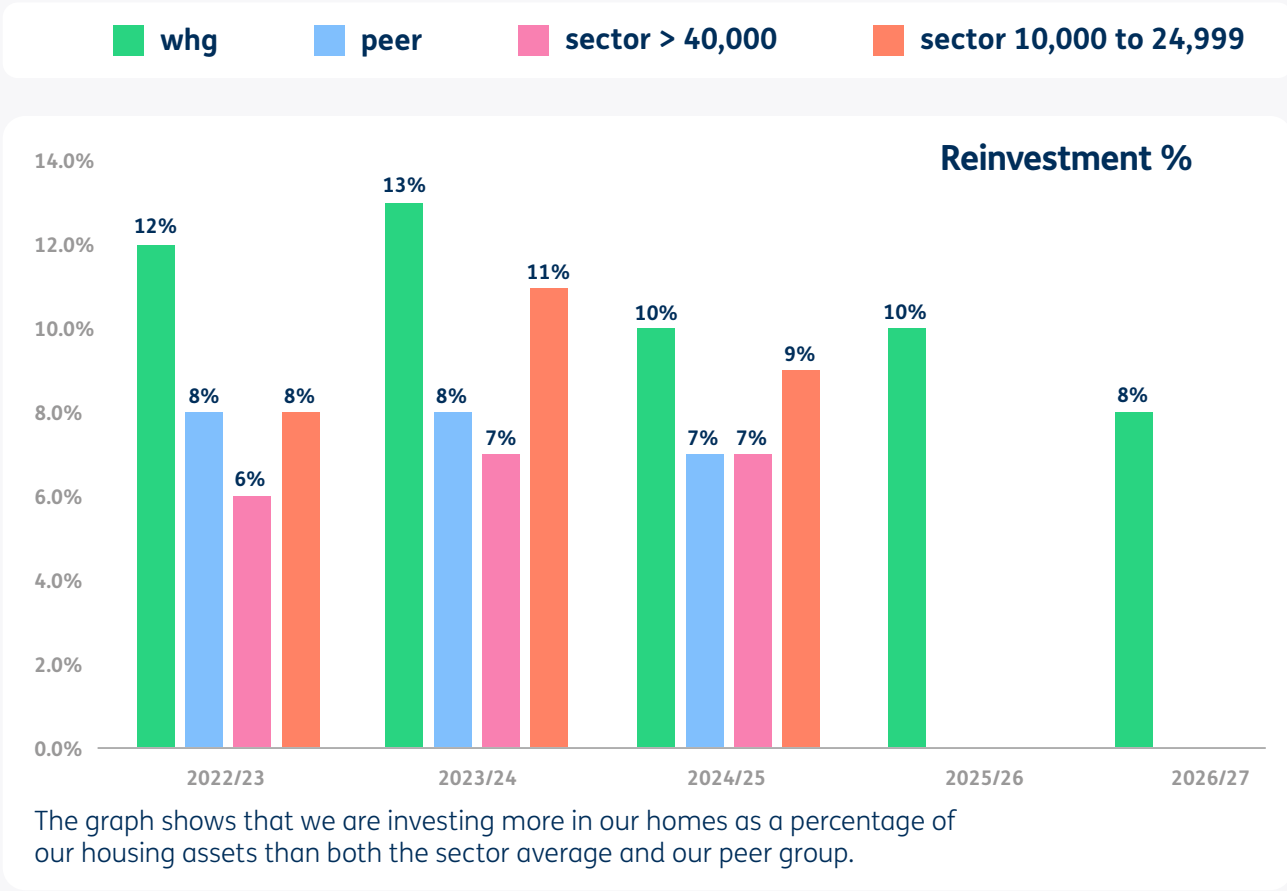
The following charts compare our performance (green) with our peer group (blue), providers with more than 40,000 homes (pink) and providers with between 10,000 and 24,999 homes (orange). The sector and peer comparison data for 2025/26 is not yet published by the Regulator so will be included in next year’s statements. The 2026/27 budget for whg has also been included.

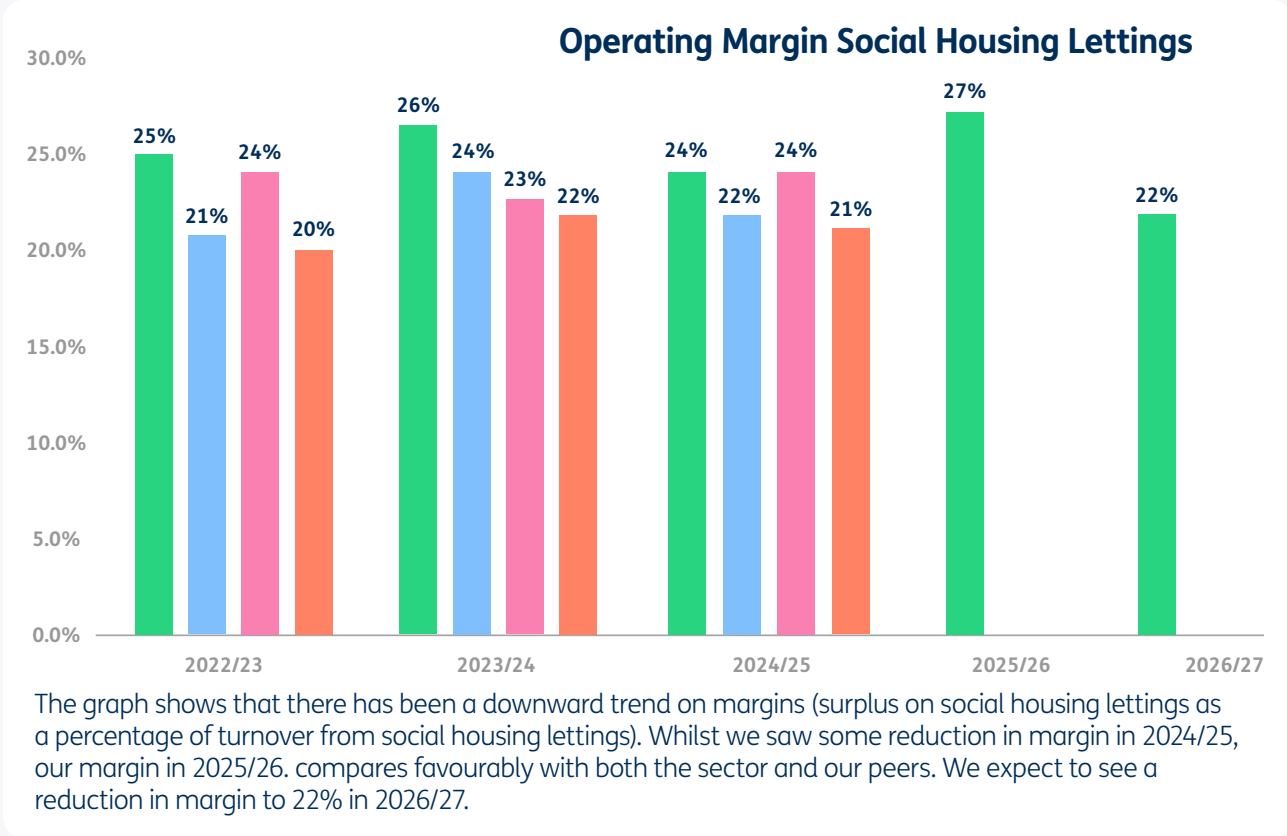
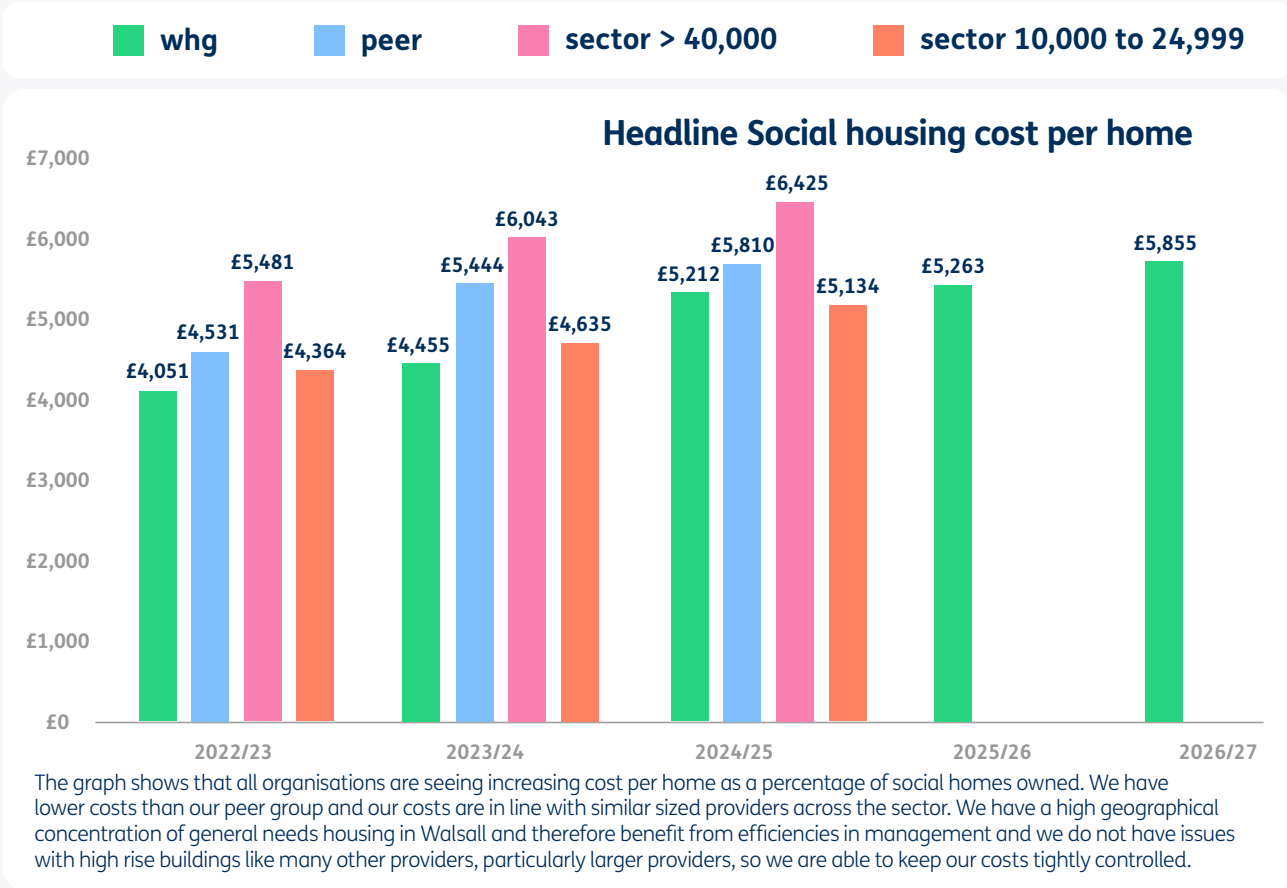
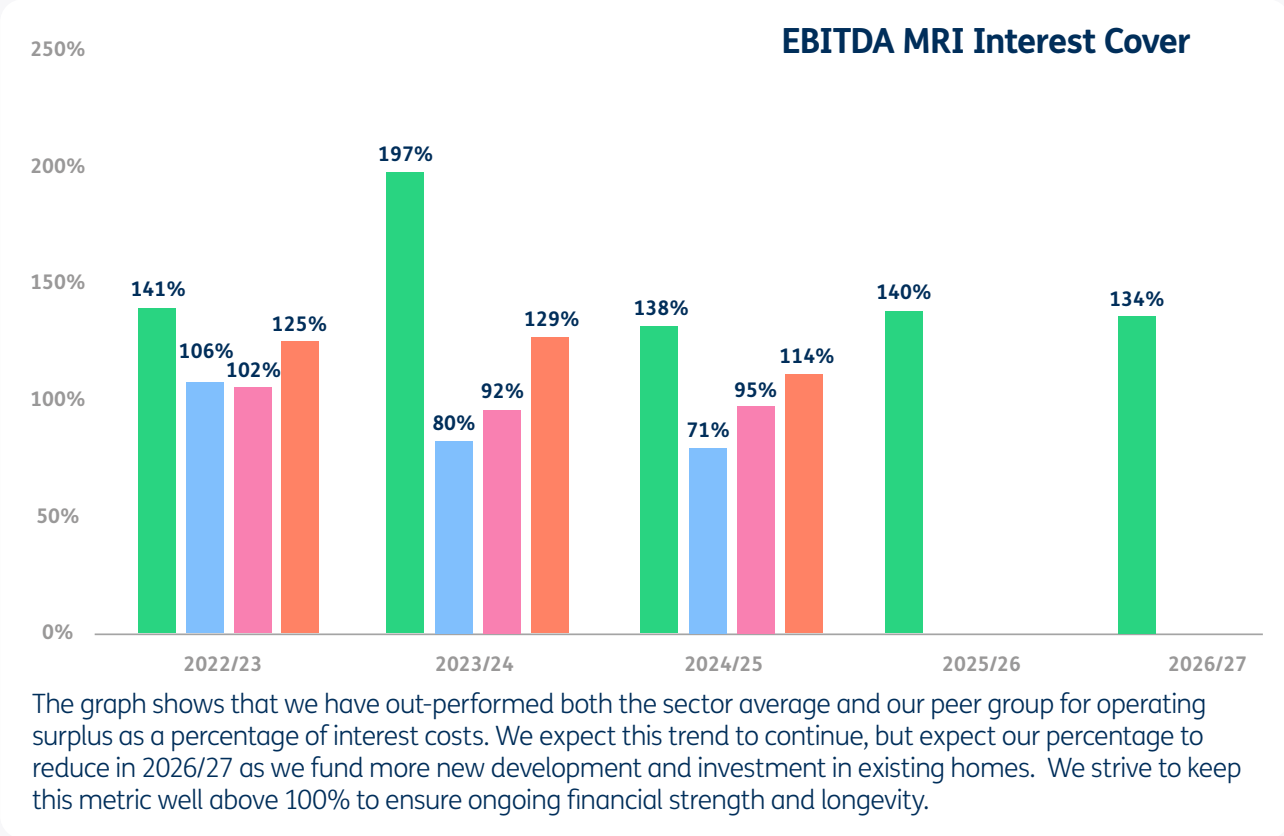
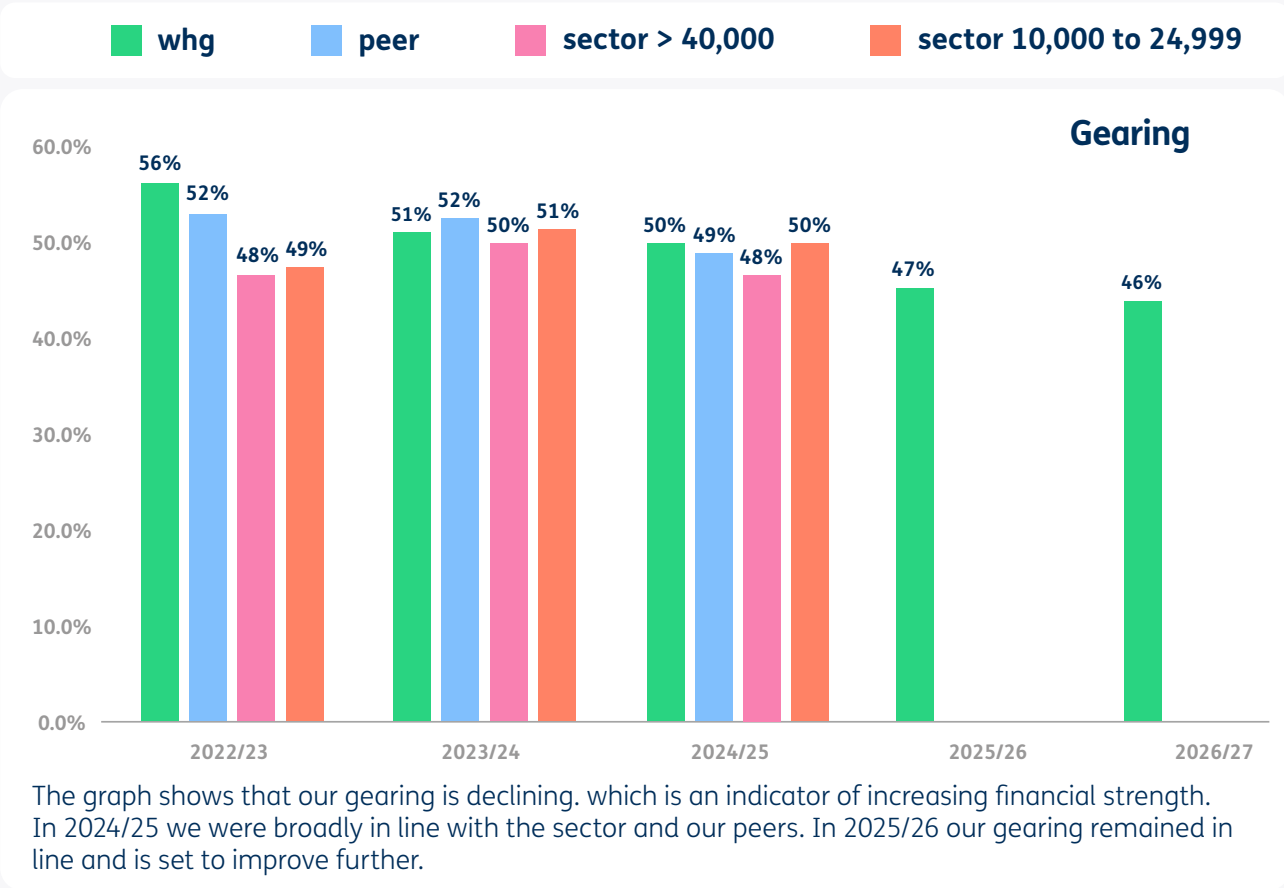
Equity and Ethics also underpins our approach to Work and the Workplace of the Future, which drives our practice in relation to how we attract and retain high quality people.

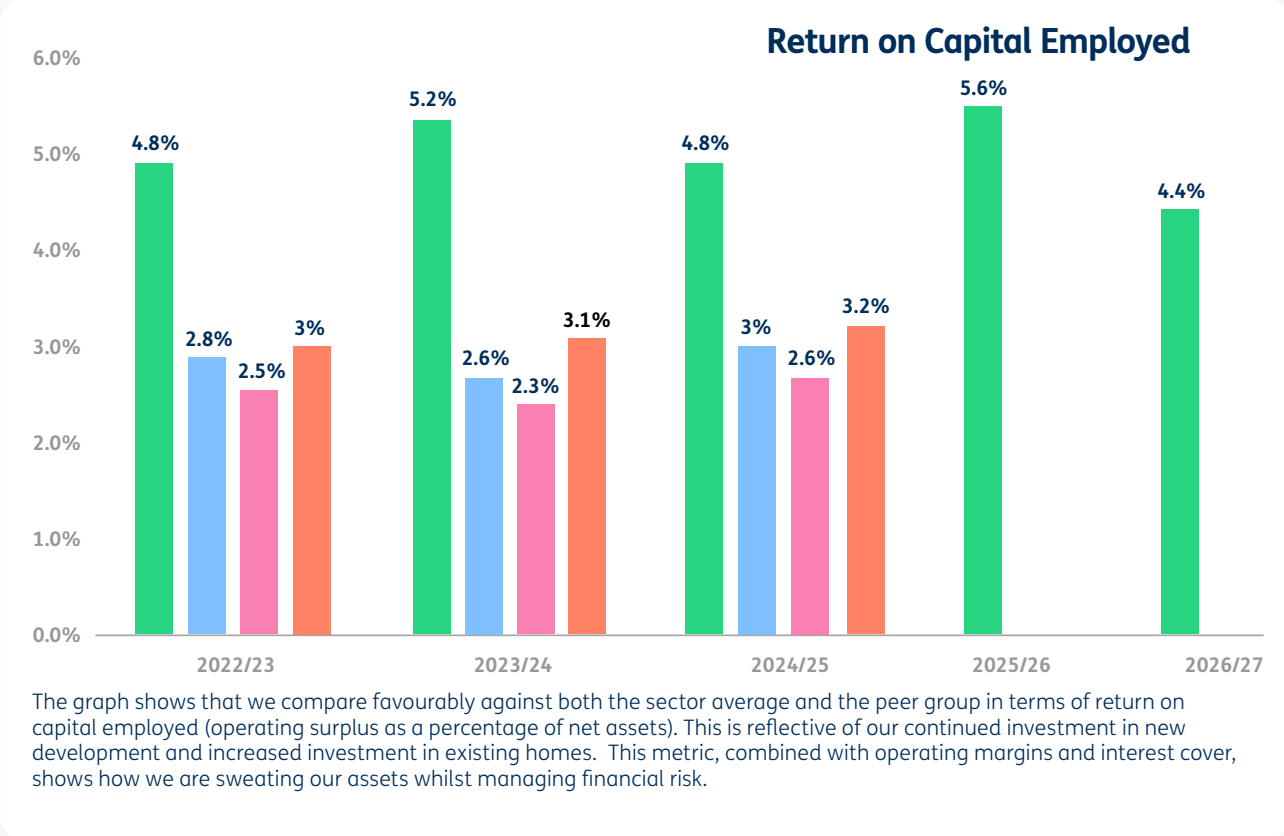
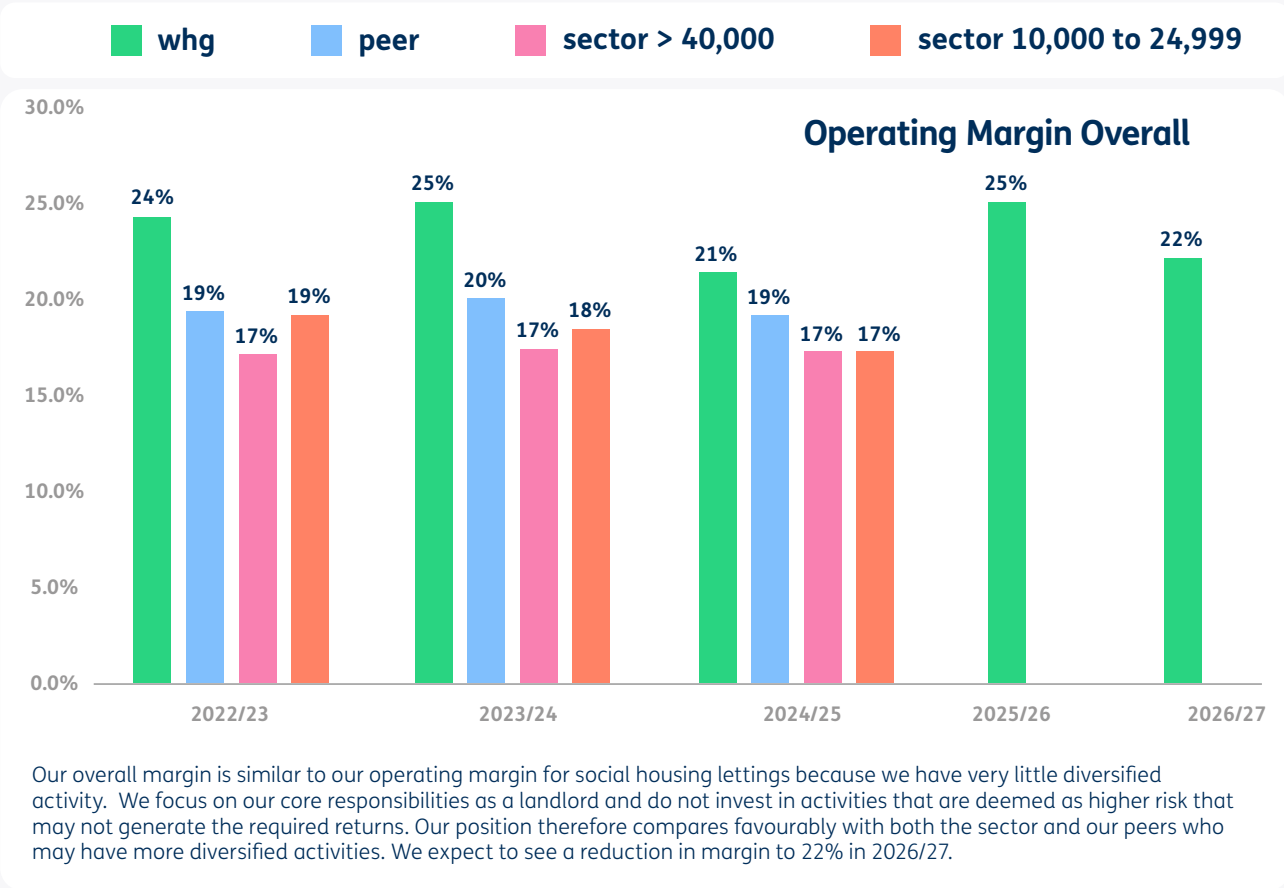
We develop policies and practices that deliver a culture where colleagues feel engaged, treated fairly and are committed to delivering our ambitions. As we develop our approach to sustainability in the future, both from a corporate perspective and from the point of view of our customers’ homes, we will seek to deliver ambitions that are not underpinned by financial outcomes but by ethical outcomes, such as working towards net zero carbon aims for our homes, resulting in a reduction in energy costs for our customers’ and reducing our corporate carbon footprint.

Transparency and accountability are important to us and we have appropriate performance monitoring and reporting systems in place which encompass all aspects of our VFM principles. Our social value ambitions are articulated throughout the relevant aims of Our 2030 Plan. In addition, our strategic report includes information on ESG and Sustainability.

The following sections demonstrate how we have delivered VFM against our strategic aims for the financial year ending 2025/26.







TSM Comparisons and Strategic Foresight

Our Tenant Satisfaction Measures are reported quarterly to our Customer Services Oversight Committee. We aim to perform better than the sector average (median) on our measures as we strive to deliver a good service, particularly in those areas that are most important to our customers.

We will channel future available investment capacity into those areas that need improving the most. Due to the nature of our areas of operation, predominantly Walsall, nearly 90% of our homes are in the top 30% of the poorest neighbourhoods in England, and 46% are in the top 10%. This is much higher than the national social housing average.

All TSM measures marked as ‘green’ show that we already perform better than the sector average in many areas. ‘Red’ indicates below sector average performance with plans in place to improve

performance. The trajectory indicator shows the performance trend; upwards arrows indicate improvement, downwards arrows indicate decline in performance and side arrows indicate performance has stayed the same. In almost all cases the trend indicates an improvement in performance for 2025/26. Note that for ‘satisfaction/ dissatisfaction measures such as TP06, a higher percentage indicates higher satisfaction scores. TSM definitions are not all the same as our internal key performance indicator (‘KPI’) definitions shown in the performance reporting section of these statements. For example, for internal KPIs, where a customer has agreed an emergency repair appointment can take place outside of policy timescales, the repair is categorised as “in time”, however the TSM methodology excludes this and would be classed out of time.

Tenant Satisfaction Measures	24/25 whg performance	25/26 whg performance	Trajectory	24/25 Average (Median) Scores Published by the Regulator	24/25 Peer Group Average Scores
TP01: Taking everything into account, how satisfied or dissatisfied are you with the service provided by your landlord?	77.2%	80.3%	↑	75.4%	80%
TP02: If yes, how satisfied or dissatisfied are you with the overall repairs service from your landlord over the last 12 months?	79.6%	84.1%	↑	76.1%	84%
TP03: If yes, how satisfied or dissatisfied are you with the time taken to complete your most recent repair after you reported it?	70.8%	73.9%	↑	70.8%	77%
TP04: How satisfied or dissatisfied are you that your landlord provides a home that is well-maintained?	76.5%	78.0%	↑	75%	80.8%
TP05: Thinking about the condition of the property or building you live in, how satisfied or dissatisfied are you that your landlord provides a home that is safe?	82.4%	83.9%	↑	80.3%	84.5%
TP06: How satisfied or dissatisfied are you that your landlord listens to your views and acts upon them?	63.5%	67.5%	↑	65.7%	70%
TP07: How satisfied or dissatisfied are you that your landlord keeps you informed about things that matter to you?	71.9%	77.1%	↑	74.4%	78%
TP08: To what extent do you agree or disagree with the following? “My landlord treats me fairly and with respect.”	84.3%	85.9%	↑	80.4%	85.2%
TP09: If yes, how satisfied or dissatisfied are you with your landlord’s approach to complaints handling?	35.6%	51.1%	↑	38.8%	43.2%

Tenant Satisfaction Measures	24/25 whg performance	25/26 whg performance	Trajectory	24/25 Average (Median) Scores Published by the Regulator	24/25 Peer Group Average Scores
TP10: If yes, how satisfied or dissatisfied are you that your landlord keeps these communal areas clean and well-maintained	62.8%	65.9%	↑	68.8%	68.1%
TP11: How satisfied or dissatisfied are you that your landlord makes a positive contribution to your neighbourhood?	68.7%	69.7%	↑	67.2%	69.2%
TP12: How satisfied or dissatisfied are you with your landlord's approach to handling anti-social behaviour?	58.9%	62.9%	↑	63.4%	62.2%
RP01: Proportion of homes that do not meet the Decent Homes Standard	0.08%	0.06%	↑	0.10%	0.02%
RP02: Percentage of repairs within the target time set for themselves - Emergency Repairs in time	99.7%	98.9%	↓	95.2%	98.2%
RP02: Percentage of repairs within the target time set for themselves - Non-Emergency Repairs in time	81.9%	84.8%	↑	81.3%	90.3%
BS01: Proportion of homes for which all required gas safety checks have been carried out	100%	100%	↔	100%	100%
BS02: Proportion of homes for which all required fire risk assessments have been carried out	100%	100%	↔	100%	100%
BS03: Proportion of homes for which all required asbestos surveys have been carried out	100%	100%	↔	100%	100%
BS04: Proportion of homes for which all required legionella risk assessments have been carried out	100%	100%	↔	100%	100%
BS05: Proportion of homes for which all required communal lift safety checks have been carried out	100%	100%	↔	100%	100%
NM01: Anti-social behaviour cases relative to the size of the landlord - total cases per 1,000 homes	55	50	↑	35	33
NM01: Anti-social behaviour cases relative to the size of the landlord - total cases involving hate crime per 1,000 homes	2.0	2.1	↓	0.7	1.1
CH01: Complaints received relative to the size of the landlord - total stage 1 complaints per 1,000 homes	32	48	↓	59	52
CH01: Complaints received relative to the size of the landlord - total stage 2 complaints per 1,000 homes	8	12	↓	9	8
CH02: Complaints responded to within Complaint Handling Timescales - Stage 1	97.2%	99.4%	↑	93.9%	91.0%
CH02: Complaints responded to within Complaint Handling Timescales - Stage 2	98.1%	98.4%	↑	93.8%	90.2%

As shown by our TSMs, we have made significant improvement this year on a number of our measures, which is due to a combination of enhanced levels of investment and improved processes. Some examples of plans we have successfully implemented to deliver these improvements are:

- +

TP01: Overall Satisfaction. Our improvement in customer satisfaction is the combined result of all of the initiatives we have undertaken over recent years to continually improve.

The implementation of digital enhancements, such as 8x8 call centre technology which consolidates all inbound communications into a single channel, has significantly improved call handling, reducing average wait times from 8m 33s in quarter 4 2024/25 to 1m 12s in quarter 4 2025/26, and call abandonment from 30% to 4.3%. Redesigned training, the introduction of a new “first point of contact” (FPOC) KPI, and streamlined access to specialist teams increased FPOC resolution from 79.5% (June 2024) to an average of 95.6% in 2025/26. Satisfaction with customer services is at 94% and the team was shortlisted as finalists for two awards for our new communications platform at the Housing Digital and UK Customer Services awards.

Improved technology has increased visibility and demand management; clearer wallboards, improved Interactive Voice Responses, and a shift from call-waiting to call-backs reduced call demand by over 26,000 calls year-on-year between 2024/25 and 2025/26
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TP02, RP02: Improving our repairs service.

In line with the rest of the sector we have experienced increased demand for our repairs services. We have invested both time and resources to improve our services by reducing the backlog of repairs and by ensuring repairs are performed in a timely manner. Our repairs performance is scrutinised in detail by our Asset Investment Panel to ensure the best possible service to customers.

In addition, as stated above our Asset Management Group (AMG), is made up of 47 customers and colleagues, and works collaboratively to review performance, provide customer insight, and help shape improvements across repairs, maintenance, and asset services.
- Further work is required in some areas as explained below:
- +

TP06, TP07: Listening to our customers and keeping our customers informed about things that matter to them. Our results in this area are improving and are close to the sector average for both measures. We continue to review our communication methods and we are now seeing the impact of the work of the customer voice team. As set out in our guiding principles section,

ongoing delivery of our customer voice strategy such as customer consultations, customer feedback and establishment of our Service Improvement Group has continued to strengthen our engagement with customers.

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TP09: Complaints handling. Significant effort has been made to improve our approach to complaint handling. Our satisfaction has improved from 35.6% to 51.1% and shows further improvement for 2025/26. We have invested in increased FTEs in the complaints team so we have more dedicated resource to deliver a more effective service.

+

TP10: Keeping our communal areas clean and well maintained. We mobilised new contracts for both grounds maintenance and cleaning in 2025/26. Following the initial implementation, we are now seeing positive results. In 2026/27 we are committing a further investment of £2.1m to redecorate a significant number of communal areas, targeting areas where customer dissatisfaction is highest.

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TP12, NM01, CH01: Improving our approach to the handling of anti-social behaviour. As the NM01 measure shows, our communities have a higher number of anti-social behaviour cases each year than the sector average. With the majority of our homes in Walsall, an area of high deprivation, our customers continue to experience some very serious incidents of crime and antisocial behaviour (ASB), which has directly affected how safe people feel in their communities. We continue to work closely and effectively with our statutory partners, such as the police, to respond to these incidents. We also continue to actively encourage customers to report ASB to us as part of our ASB Improvement Plan, and experiencing an increase in the number of ASB reports, is seen as a positive indicator. We are clear about the boundaries and limitations of our service and focus our resources on the needs of our customers. We work strategically, through Community Safety Partnerships, where we feel additional resources from partners is needed in order to remedy a problem in our communities.

As reported in 2024/25, we commissioned a deep dive into our ASB handling TSM score, including engaging customers who have had experience of our service, in order to understand where we needed to improve. To support our customers with this exercise, TPAS (Tenant Participation Advisory Service) were engaged to provide independent advice and guidance.

With the help of our customers, we created an improvement plan, which has been available for all of our customers via our website. During the year we have been actively implementing that plan and satisfaction has increased from 58.9% to 62.9% for 2025/26. This indicates that the service improvement plan is working.

Our new Customers and Communities Strategy 2025-2028 recognises the importance of ASB to our customers. A central part of this strategy was to seek accreditation for our approach to tackling ASB. We are pleased to report that during

the year, we achieved HouseMark accreditation following an independent assessment, which recognised our service as high performing and victim centred.

Our Customer Services Oversight Committee regularly monitors our ASB and Complaints performance with appropriate challenge and scrutiny of our actions plans.

Wherever possible, we will channel future investment into those areas that need improving the most.

Section 3: VFM gains achieved through consideration of alternative delivery structures

There are a number of activities in place across the business to implement new ways of working through alternative commercial, organisational and delivery structures. A number of VFM gains have been made over the past few years and further gains are forecast for the future.

The tables below summarise the VFM gains. As shown, we have a successful track record in delivering cashable VFM gains. Cashable gains in 2025/26 are £27.6m; all of these gains are reinvested in our business so we can deploy more resources directly to our frontline services or new development programme.

VFM Summary	2024/25 £000s		2025/26 £000s		2026/27 £000s	2027/28 £000s	2028/29 £000s	2029/30 £000s
	Target	Actual	Target	Actual	Target	Target	Target	Target
Total Cashable	12,900	19,058	25,391	27,649	20,159	17,182	11,957	13,692
Total Non-Cashable	255,778	223,827	268,147	224,813	167,443	348,936	321,294	386,703
Grand Total	268,678	242,885	293,538	252,462	187,602	366,118	333,251	400,395

Economy	2024/25 £000s		2025/26 £000s		2026/27 £000s	2027/28 £000s	2027/28 £000s	2028/29 £000s
Paying the lowest possible price to achieve the desired quality	Target	Actual	Target	Actual	Target	Target	Target	Target
Asset Management - Grants	75	2,392	5,075	600	6,121	2,474	-	-
Asset Management - Eco Funding	-	-	-	893	1,000	-	-	-
Asset Management	-	58	11	24	11	18	18	18
Treasury - Debt Restructure	641	641	641	641	641	641	641	641
Treasury - Liquidity Restructure	-	-	-	88	458	458	458	-
Treasury - Investments	100	100	48	48	38	38	38	38

Communications	-	-	28	28	-	-	-	-
Construction Skills Funding	-	-	350	350	-	-	-	-
Vacancy Review	-	-	1,000	1,000	-	-	-	-
Project Benefits	107	107	-	-	-	-	-	-
IT	49	49	-	-	-	-	-	-
Waste Management	-	21	-	-	-	-	-	-
Total VFM Savings	972	3,368	7,153	3,672	8,269	3,629	1,155	697
Cashable	972	3,368	7,153	3,672	8,269	3,629	1,155	697
Non Cashable	-	-	-	-	-	-	-	-

Efficiency	2024/25 £000s		2025/26 £000s		2026/27 £000s	2027/28 £000s	2028/29 £000s	2029/30 £000s
Getting the most out of the resources put in	Target	Actual	Target	Actual	Target	Target	Target	Target
Procurement	313	911	565	1,271	740	762	785	809
Vat Recovery (Partial exemption)	75	82	75	84	75	77	80	82
Vat Recovery (whg Developments)	37	100	28	88	84	87	89	92
Vat Recovery (Components)	1,556	1,180	1,136	2,021	1,367	1,000	750	500
Universal Credit BOT	10	10	15	15	17	18	18	19
Energy Analysis Service	-	-	10	12	-	-	-	-
Vehicle costs	-	-	828	230	110	-	-	-
Development grant	4,709	6,658	13,917	13,294	5,231	1,788	-	-
Profit on property sales	4,260	5,132	1,630	7,073	4,172	9,728	8,988	11,403
Market rent surpluses	229	347	-	348	372	387	402	418
Board and Committee Recruitment	-	31	-	-	284	-	-	-
Marginal Gains	-	-	-	72	-	-	-	-
Income from commercial activity	-	1,515	-	-	-	-	-	-
Project Benefits	346	226	-	-	239	239	239	239
Joint Venture profits	332	144	-	-	-	-	-	-
Total VFM Savings	11,867	16,336	18,204	24,508	12,691	14,086	11,351	13,562
Cashable	11,198	15,158	17,624	23,150	11,411	13,067	10,309	12,495
Non Cashable	669	1,178	580	1,358	1,280	1,019	1,042	1,067

Effectiveness	2024/25 £000s		2025/26 £000s		2026/27 £000s	2027/28 £000s	2028/29 £000s	2029/30 £000s
Using our resources to achieve our aims and social purpose	Target	Actual	Target	Actual	Target	Target	Target	Target
Insurance	54	222	55	343	282	282	282	282
Housing Disrepair	-	305	55	1,008	656	656	656	656
Project Benefits	3	3	-	-	-	-	-	-
People Services	-	137	-	-	-	-	-	-
Total VFM Savings	57	667	110	1,351	938	938	938	938
Cashable	-	-	-	-	-	-	-	-
Non Cashable	57	667	110	1,351	938	938	938	938

Ethics	2024/25 £000s		2025/26 £000s		2026/27 £000s	2027/28 £000s	2028/29 £000s	2029/30 £000s
Use our resources with integrity in our communities	Target	Actual	Target	Actual	Target	Target	Target	Target
Health & Wellbeing Outcomes	7,188	6,499	14,705	20,458	14,705	15,146	15,601	16,069
Customer Voice	5,593	7,745	4,912	6,013	4,913	5,060	5,212	5,368
Housing Benefit Bill Savings	9,545	8,395	6,000	6,022	6,000	6,180	6,365	6,556
External Funding	460	286	344	594	249	249	249	249
Donations	-	5	-	4	-	-	-	-
Solar PV Panels	230	210	200	216	210	216	223	229
Renewable Heat Incentive	40	31	70	13	20	21	21	22
EPC C energy bill savings	-	119	990	46	65	67	69	71
Total VFM Savings	23,056	23,290	27,221	33,366	26,162	26,939	27,740	28,564
Cashable	730	532	614	827	479	486	493	500
Non Cashable	22,325	22,758	26,607	32,539	25,683	26,453	27,247	28,064

Equity	2024/25 £000s		2025/26 £000s		2026/27 £000s	2027/28 £000s	2028/29 £000s	2029/30 £000s
Use our resources to reduce inequality	Target	Actual	Target	Actual	Target	Target	Target	Target
Money Advice Service	19,251	25,768	18,534	22,284	18,534	19,090	19,663	20,253
Employment & Training	4,584	4,997	4,386	3,062	4,386	4,517	4,653	4,792
Development	208,891	168,459	217,930	164,219	116,622	296,919	267,751	331,589
Total VFM Savings	232,726	199,224	240,850	189,565	139,542	320,526	292,067	356,634
Cashable	-	-	-	-	-	-	-	-
Non Cashable	232,726	199,224	240,850	189,565	139,542	320,526	292,067	356,634

How we use our gains

Our cashable gains have all helped to build capacity and strength in our financial plans to allow us to do more, for more customers, for a longer period of time.

To support our VFM gains, our income collection performance has remained strong with year end arrears of 1.97% and evictions at 0.05%, saving on court costs and rent loss. This has been helped by successful implementation of Caseload Manager which uses behavioural science and AI to anticipate rent arrears, supporting the Income Collection team to take proactive action.

Unlocking growth

Central to Our 2030 Plan is our development programme, so that we can house as many people as possible. Our original ambition was to deliver at least 2,000 new homes over the period April 2024 to March 2030. As we have successfully embedded our value for money principles into our Development Strategy, we have enabled our funds to stretch further to at least 2,400 homes. This has been achieved through a combination of robust procurement activity, optimal house type mixes per scheme, and our stock disposal programme where we are recycling sales receipts from poor performing homes into new build. Our strong credit rating and recent debt restructures have also helped us reduce our debt servicing costs which increases our ability to continue developing new homes for longer.

Our future Treasury Strategy focuses on how we can unlock further, currently unutilised, financial capacity from our business plan. We regularly engage with our Board and our Treasury Advisers to debate and update our strategic financing options. Our Board takes a long-term view on financial capacity. As our current strategic ambitions are fully funded, the timing of future capacity release through re-financing activity can be carefully planned to ensure whg does not become disadvantaged by any unfavourable market conditions impacting borrowing rates.

Our Board also remains open to considering alternative funding mechanisms and vehicles, provided these fit within whg’s financial risk appetite. We have yet to raise debt via these types of arrangements. Our primary driver when seeking new debt is to minimise the all-in cost of funds to protect our business plan viability.

We currently have a 4.2% weighted average cost of capital and seek to maintain this level as much as possible.

We have prudent business plan assumptions, particularly with regards to future rent increases, which can restrict financial capacity in the business plan. Over time, capacity gets released and this is deployed directly into our new build programme at the time and existing homes investment.

Mergers

During 2025/26 whg and Aspire Housing began exploring a potential merger of the two organisations to create a new housing association with 32,000 homes across the Midlands. The merger would bring clear benefits for customers and communities, combining the best from both organisations. In terms of value for money, it would enable the new entity to make a step change in efficiency of service delivery, central services and infrastructure costs. By generating efficiency savings, capacity would increase for both entities to enable the delivery of more new homes, more investment in existing homes and more investment in support services for customers.

Asset rationalisation

Asset rationalisation within whg is currently limited to the targeted disposal of void properties where these are identified as uneconomic to repair or bring up to EPC-C, difficult to let, or misaligned with demand. Each potential disposal is subject to an options appraisal, balancing the costs of investment against expected rental income, ongoing maintenance liabilities, and wider strategic value. While the scale of disposals is modest, this approach ensures that resources are not disproportionately invested in low-performing assets, and that receipts are recycled into delivery of new homes or improvement of existing stock. This focused, evidence-based process supports our Value for Money objectives by maintaining a sustainable and efficient asset base aligned to our strategic priorities.

Empty homes

The 2025/26 financial year has been challenging in terms of void rent loss; we ended the year at 1.28%, a loss of £1.76m. Further investment of £2.4m was made during the year into sub-contracting arrangements to deal with the unexpected volume which brought our closing number of void properties to within an acceptable tolerance level. Further investment will be made in 2026/27 to enable this position to continue to improve.

Treasury

The Treasury service achieved cashable value for money gains of £777k, against a target of £689k. During 2025/26, we changed our £200m liquidity structure. While the total facilities remain at £200m, we deployed a different mix of funding products to drive down our non-utilisation fees. Our A2 credit rating has also helped us to secure lower margins. These changes have generated savings of £88k in 2025/26, with further annual savings of £428k, assuming we draw these facilities over the next five years.

We also continue to benefit from a £641k annual saving from debt restructuring carried out in previous financial years and these savings will continue for a number of years.

We have also continued to utilise Money Market Funds, enabling us to earn higher interest on our cash investments and increase returns by 0.5%.

Neighbourhoods Service delivery models

In response to an independent review of the Neighbourhoods Services conducted in 2024 the service was redesigned in 2025. The key benefits being delivered are:

- + A redefined service offer so that customers and colleagues understand the purpose and boundaries of the service.
- + Greater alignment to our Community Housing Service to enhance our offer in communities, leading to truly local services that respond to community needs and priorities.
- + Improved systems and technology designed to remove manual processes, driving efficiency and building capacity within the team.

- + Enhanced ability to monitor communal services contract performance, in turn impacting customer satisfaction with this area of the service.

Cost reduction plan

During 2024/25 we developed a cost reduction plan and delivered:

- + £1m reduction in headcount to fund £1m of new posts achieved in 2025/26 in line with target.
- + £0.2m recurring efficiency savings on income collection methods achieved in 2025/26, one year ahead of schedule. A further £0.04m recurring efficiency saving is targeted for next year to get to the target.
- + LED lighting upgrade programme has commenced and £0.03m efficiency saving achieved ahead of target.
- + £0.06m recurring efficiency saving and £0.03m one-off efficiency saving achieved ahead of target in 2025/26 by out-sourcing customer contents insurance.
- + £1m recurring efficiency savings achieved in 2025/26 against a target of £0.8m from the fleet acquisition, reducing maintenance and repair costs.
- + Re-procurement of corporate energy generated efficiency savings of £0.05m.
- + £0.05m per annum has been achieved in 2025/26 by changes to the customer magazine.
- + The implementation of C365 (Building Safety System) is underway and has achieved efficiency savings of one admin post (£0.03m) in 2025/26 and is on track to deliver subcontractor efficiency savings next year.

Building Safety

During 2025/26, we strengthened our building safety framework through a combination of improved regulatory assurance and the introduction of additional tools to support proportionate risk management for vulnerable residents. We entered into a Primary Authority partnership for fire safety advice with the West Midlands Fire Service, providing consistent, authoritative guidance to support confident and compliant decision making. This reduces the risk of misinterpretation, rework

and disproportionate spend, helping ensure that building safety investment is targeted and delivers value for money. In parallel, as part of the phased development of our residential PEEPs (RPEEPs) approach, we have procured personal fire suppression systems to form part of our escalation toolkit for a small number of highly vulnerable residents. These systems are intended for use where risks cannot be sufficiently mitigated through standard or management controls alone, such as for customers who are bed bound and unable to self evacuate. By having these systems available for deployment where appropriate, we are better positioned to respond proportionately to individual risk, supporting safer independent living while avoiding reliance on reactive or emergency led solutions.

Technological innovation and making better use of data

During 2025/26, we prioritised strengthening our data foundations to enable more effective, evidence-based decision making across the organisation. Through the implementation of a structured data quality management approach, we cleansed and standardised over 20,000 customer correspondence records, addressing long-standing data inconsistencies and introducing automated controls to prevent recurrence. This has improved the accuracy of customer communications and reduced avoidable failure demand, particularly in income collection and statutory notifications, and reduced ‘no access’ rates for repairs visits. Alongside this, we expanded our use of business intelligence tools to provide consistent, organisation-wide reporting, enabling operational teams to identify performance issues earlier and take targeted action. These improvements have increased efficiency, reduced rework, and strengthened the reliability of management information used for decision-making.

We have continued to invest in targeted digital and technology enhancements to improve service delivery and colleague productivity. During the year, we enhanced our omnichannel customer contact capabilities, including the expansion of digital channels and improved integration with back-office systems. This has enabled quicker resolution of customer enquiries, reduced reliance on manual processes, and improved accessibility for customers. In parallel, we have begun embedding advanced analytics and automation into operational processes, using insight from service demand and performance data to identify high-volume activities

and streamline workflows. This has supported more efficient use of resources, improved response times, and enabled colleagues to focus on higher-value activity, contributing to improved overall service effectiveness.

During 2025/26, we began piloting new approaches to building safety delivery, focused on improving customer outcomes while securing longer term value for money. A key theme of this work has been testing how technology and data can support a shift away from reactive, cyclical inspection models toward earlier risk identification, preventative intervention and more targeted use of resources. Pilots commenced during the year include intelligent lift monitoring systems, self testing emergency lighting in low rise buildings and the use of environmental sensors to support earlier identification of damp and mould risks. These pilots are designed to strengthen safety assurance, reduce avoidable system failures and inform future service models that are both more effective and more cost efficient.

For lift systems in particular, we have piloted alternative delivery models that challenge traditional approaches to planned and reactive maintenance. AI enabled lift monitoring systems are being trialled across a number of sites, learning the normal operating behaviour of individual lifts and alerting us when performance falls outside expected parameters. This supports earlier intervention, improves reliability for residents and reduces the likelihood of high cost reactive call outs. Environmental sensors provide real time insight into building conditions, enabling earlier and more proportionate responses to damp and mould. This work is supported by our participation in a Cambridge University led research project, helping to ensure these data driven approaches are applied in the most effective way. Alongside this, self testing emergency lighting pilots provide continuous assurance between statutory checks, strengthening compliance while reducing manual inspection burden. Collectively, these pilots are informing future service design choices, with the potential to deliver safer buildings and demonstrably better value for money for customers. A number of these improvements have facilitated a reduction in service charges for customers for 2026/27.

Contract management and underperformance

£1.3m cashable savings have been generated through procurement and contract management activity in the year. Our approach is to prioritise quality over price, proactive supplier management, and performance monitoring to maximise benefits. We also consider social and environmental factors and build these elements into relevant procurements.

There have been procurement savings during the year on a number of contracts. Some larger examples include; Utilities (£126k), sourcing alternative suppliers for Electrical Testing and Inspections (£122k), asbestos removal (£100k), cloud hosting (£154k) and using optimal procurement routes (£441k).

whg Social Justice Strategy 2025/26 - Life Matters Programme

At whg our commitment to addressing economic and social inequalities is always at the heart of our work. Creating social value is central to our purpose. Through safe homes and high-quality services, we aim to make a positive difference for our customers and communities.

In 2025/26 whg delivered social value by sustaining tenancies, preventing homelessness, improving homes to cut fuel bills, and supporting customers with money advice, health and wellbeing programmes and skills and training support. We work with strategic partners to tackle the inequalities that affect health, income and opportunity.

Our 2025/26 highlights are: - 2,341 customers engaged in meaningful activity as part of whg’s Life Matters Programme. This programme has several different support pathways as shown below: including:

Pathway	No.	Support Provided
Social Prescribing	95	Customers signed up to the whg social prescribing programme to address loneliness and isolation and to connect them to local services to improve health outcomes.
whg ACEing Asthma Programme	55	Customers received support from whg’s Acing Asthma programme to connect them to asthma clinical pathways and deliver support to help them manage their children’s asthma.
whg Young Persons Accommodation Programme	59	Vulnerable young people were assisted (for example, care leavers and homeless young people) in moving into their first home, which included intensive housing support to sustain their tenancy and to make a successful transition into adulthood.
Children Champions Programme	213	Customers engaged with whg’s Children Champions peer support programme to increase access to support services directly linked to pregnancy and early years services.
Work 4 Programme - Work Matters	397	Customers were enrolled and supported through whg’s Work 4 Programme to improve their employment prospects and to take part in activities to improve their skills. These programmes included customers participating in financial and digital literacy training with customers achieving a minimum of a level one qualification which moves them nearer to employment. Customers gained meaningful employment through expanded Work4 initiatives in partnerships with local businesses including 13 whg customers who have been employed by whg as part of upscaling support programmes to customers.
Young People Matter (Youth Trailblazer)	55	Young people supported to move from NEET into employment, education or training.
Heath Matters (Wellbeing schemes)	247	Customers who live within a Wellbeing scheme (55+) were supported to maintain independence, good health and wellbeing, reduce loneliness and isolation and increase access to services which collectively supports customers to age well.
Aids & Adaptations	1,220	Customers received minor and major adaptations so that they can continue to live independently. There were 70 major adaptation works requests in excess of whg’s £1,500 financial contribution threshold, meaning a total of £212,260 additional funding for whg customers was secured via joint funding arrangements with Walsall Council.
Total	2,341	

In addition, 2,527 customers were provided with money and debt advice support.

Service	No.	Support Provided
Money and Debt Advice	2,527	Case files were opened for customers which involved maximising income, debt management and crisis help, benefits claims and advice, money management and budgeting resulting in £6.6m in financial gains for customers secured through the Money Advice Service.

We secured an additional investment of £594k in match funding and contributions in kind to upscale whg’s stronger communities programmes and support for customers. This included a grant of £140k from the Department of Education to deliver a Children’s Champion programme plus a grant of £130k from the UK government to deliver a Youth Trailblazer programme called Young People Matter. Both grants were allocated to whg by Walsall Council who are the accountable body.

We are proud to have generated £58.6m in social value. The Life Matters Programme has created a total of £45.7m in social value using the HACT UK Social Value Bank, through the whg Stronger Communities programme (£23.5m), Money Advice Service (£22.2m). Other customer initiatives have generated and additional £12.9m towards our overall social value.

By focusing on employment, health, and financial stability, we aim to create thriving, inclusive, and equitable communities where all our customers have the opportunity to succeed.



Principal Risks and Uncertainties

The environment in which we operate produces inherent risks that we face in our everyday operations, including economic challenges, government policy, technological and social change. The Board clearly sets out its appetite to risk, providing the setting for business operations. The Board’s overall risk appetite for whg is considered with regards to the strategic risks and thematic risk appetites, as well as whg’s values and purpose and corporate aims. The Board considers risk appetite in the context of regulatory requirements, the operating environment, whg’s positive culture, and financial capacity.

No business is without risk, and the Board recognises that risks undertaken must have an associated reward. Therefore, some risk appetites may carry more weight in decisions than others. The Board has a balanced overall risk appetite, which acknowledges the healthy strategic tension between some thematic appetites and recognises this tension as a driver for robust discussion and decision-making.

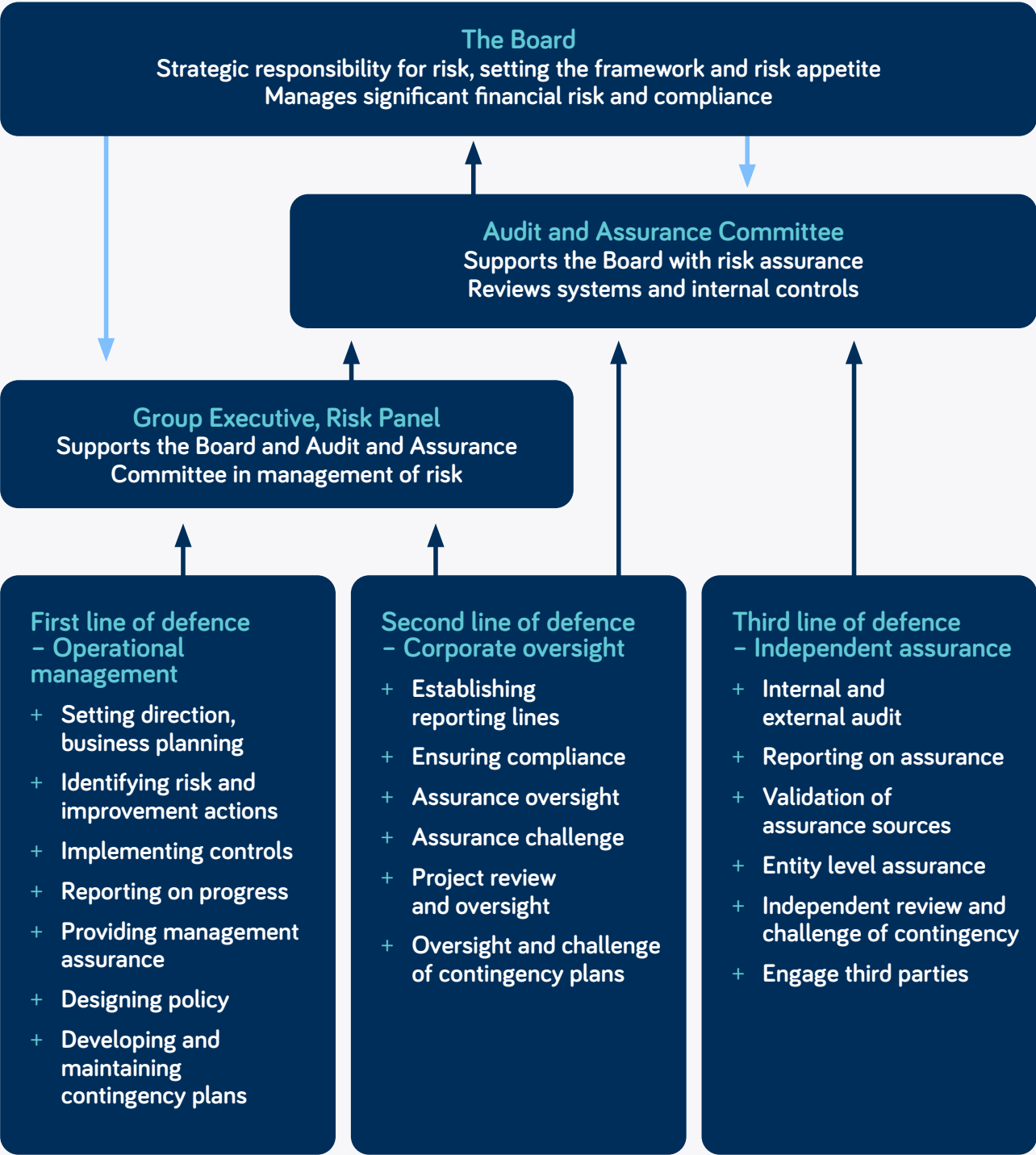
The Board’s thematic risk appetite is set out below:



We are not averse to taking on measured risk to deliver our objectives, but when taking these decisions, the Board fully appraises the risk to understand the potential impact. The Risk Management Framework, approved by the board, sets out the arrangements for identifying and managing risk as set out in the process below:

Step 1	Risk identification – against corporate and operational objectives
Step 2	Risk assessment – assessment of likelihood and impact of risk materialising, compared against risk appetite
Step 3	Risk mitigation – identification of control measures and agreement to treat, tolerate, transfer or terminate the risk
Step 4	Risk management – controls implementation, monitoring and reviewing effectiveness, identifying any required action
Step 5	Risk assurance – provision of assurance of risk mitigation, linked to level of risk and Board’s risk appetite, obtained externally (third line) or internally (second line)
Step 6	Reporting – operational risks to teams, Risk Panel, Audit and Assurance Committee; strategic risks to Risk Panel, Audit and Assurance Committee and Board, other Committees for risks relevant to remit

The Group has adopted the three lines of defence risk management model, which is designed so that assurance is obtained through the strength and source of controls and the Group’s reliance upon them. Regular reviews of risk and work set out in the Risk Management Framework are overseen by the Risk Panel, Executive Team and Audit and Assurance Committee, which is focused on mitigating risks at all levels in the business whilst the Board retains overall responsibility. This ensures effective controls are in place. This approach is central to putting us in a strong position to achieve our strategic aims and embrace opportunities as they may arise.



The Board, as part of its review of risk management, has identified its most significant Strategic Risks and uncertainties, together with the mitigating actions taken, in order to ensure that the risks are appropriately monitored and controlled. A summary of our Strategic Risk Register is set out below. Where risks are outside of the Board’s risk appetite, they are monitored and reviewed regularly by the Board and Audit and Assurance Committee, with actions progressed to further mitigate the risk where possible.

Key to Summary of Assurance	Substantial
	Moderate
	Limited

Strategic Risk Summary (risk category)	Risk Scores		Appetite/ Target risk score
	Gross (G)	Net (N)	
1. Serious H&S incident (not including landlord H&S or building safety)	21	18	Averse/3
OUTSIDE APPETITE	Summary of Assurance		
	First line	Second line	Third line
This risk includes the potential for safety issues linked to human error affecting colleagues, contractors and the public, with the potential impact of a serious incident, causing severe injury long-term illness, permanent disability, or death if not sufficiently mitigated. Robust controls include the H&S strategy and related policies, reporting and oversight, our H&S register of legal compliance, occupational health surveillance, sickness absence management system, and mandatory training. Work is progressing to strengthen other controls and assurance. This risk is therefore ‘treated’ with improvement actions in progress to further mitigate the risk and reduce the scores closer to the averse ‘health and safety’ risk appetite and agreed tolerance score of 9 (set to reflect the potential major impact of a serious incident resulting from human error).			

Strategic Risk Summary (risk category)	Risk Scores		Appetite/ Target risk score
	Gross (G)	Net (N)	
2. Information security resilience is inadequate	25	18	Minimal/8
OUTSIDE APPETITE	Summary of Assurance		
	First line	Second line	Third line
This risk relates to the potential for an information security breach disrupting critical services or compromising sensitive customer, colleague, or business information, and resulting in loss of trust, reputational damage, regulatory action under GDPR, and adverse impact on whg’s ability to deliver its strategic objectives. This risk is currently managed outside of the minimal ‘IT security and resilience’ risk appetite and target score, however controls are robust with the delivery of the Security and Stability programme in 2024/25, which included updating the system infrastructure and hardware. This risk is ‘treated’ with further control improvements in progress and Cyber Essentials Plus accreditation prepared for in quarter 1 of 2026/27, which will provide additional third line assurance. This will reduce the risk scores closer to the minimalist ‘IT security and resilience’ risk appetite and target score.			

Strategic Risk Summary (risk category)	Risk Scores		Appetite/ Target risk score
	Gross (G)	Net (N)	
3. Critical distress within the development programme	23	14	Open/17
WITHIN APPETITE	Summary of Assurance		
	First line	Second line	Third line

This risk is about distress in the development programme that is so significant and critical that it is potentially unrecoverable. This could be caused by a range of factors, including contractor insolvency, cost inflation, lack of funding or lack of site opportunities. Materialisation of this risk could have significant financial impact for whg and a failure to deliver the Development Strategy. It is managed within the open ‘growth – development’ risk appetite and target score, with controls including funding availability, robust governance, technically experienced teams, robust contractor/development partnership arrangements and appropriate due diligence around development opportunities and land acquisitions. The Development Strategy 2024-30 and investment in the senior leadership structure have strengthened the first line controls, with strong third line assurance from regular audits. This risk is classed as ‘treated’, as the controls mitigate the risk.

Strategic Risk Summary (risk category)	Risk Scores		Appetite/ Target risk score
	Gross (G)	Net (N)	
4. Severe flooding and/ or overheating of assets	20	17	Open/17
WITHIN APPETITE	Summary of Assurance		
	First line	Second line	Third line

This risk focuses on the impact of climate change resulting in flooding and/or overheating of whg’s homes, following a climate hazard screening assessment by external consultants. This is a longer-term risk, potentially materialising by mid-century. Controls include the Sustainability Strategy 2026-30, investment in existing stock and the ‘whg Standard’ for development of new homes. Mitigations including asset investment planning will be developed following further hazard screening work to identify properties at risk. This risk is managed within the open ‘Environment/zero carbon approach’ risk appetite and target score, and classed as ‘treated’ with work underway to strengthen the controls and further mitigate the risk. External assurance from the Ritterwald sustainable housing label remains in place.

Strategic Risk Summary (risk category)	Risk Scores		Appetite/ Target risk score
	Gross (G)	Net (N)	
5. Data integrity is inadequate	24	9	Minimal/8
OUTSIDE APPETITE	Summary of Assurance		
	First line	Second line	Third line

This risk focuses on the potential for data to be inaccurate, inconsistent, or not trusted due to weaknesses in governance, processes, systems, and data culture, limiting data reliability for decision-making and operations. This could result in poor insight, inefficiencies, regulatory non-compliance, and an inability to achieve a single, accurate view of customers and assets, ultimately impacting service delivery, performance, and organisational credibility. Existing controls include the stock condition database and strong income collection systems, as well as experienced colleagues and system and procedure training. This risk is currently managed outside the minimal risk appetite and target score, but is ‘treated’, with work in progress to strengthen controls and assurance, including the delivery of a strategic transformational programme to ensure data-driven decisions, envisaged to bring this risk to within risk appetite and target score.

Strategic Risk Summary (risk category)	Risk Scores		Appetite/ Target risk score
	Gross (G)	Net (N)	
6. Serious H&S incident due to breach of landlord H&S or building safety obligations	21	9	Averse/3
OUTSIDE APPETITE	Summary of Assurance		
	First line	Second line	Third line

This risk includes the potential for customer safety issues in their homes or buildings (building safety, gas, electrical, fire, water hygiene, asbestos, mechanical equipment). Internal controls are strong, including qualified colleagues and robust safety checking programmes, with detailed scrutiny of performance in this area, and strong external assurance from internal audit and accreditations. This risk has an agreed ‘tolerance’ score of 9, outside of the averse ‘health and safety’ risk appetite, due to the possibility of human error and the impact of a potential serious incident, but the controls and assurance demonstrate this risk is mitigated as far as it can be.

Strategic Risk Summary (risk category)	Risk Scores		Appetite/ Target risk score
	Gross (G)	Net (N)	
7. Deterioration or damage of assets (homes/blocks)	24	9	Open/17
WITHIN APPETITE	Summary of Assurance		
	First line	Second line	Third line

This risk considers the potential risk to customer homes and buildings due to insufficient asset investment, or accidental or deliberate damage. This risk is managed within the open ‘asset management and regeneration’ risk appetite and target score, with strong controls and assurance in place and is therefore classed as ‘treated’. Controls and assurance include the Asset Management Strategy, detailed stock condition data, funded investment programmes and continuously improving Home Maintenance Services, as well as robust scrutiny of risk reviews, performance and external assurance, including internal audit.

Strategic Risk Summary (risk category)	Risk Scores		Appetite/ Target risk score
	Gross (G)	Net (N)	
8. Ineffective services to customers	20	9	Open/15
WITHIN APPETITE	Summary of Assurance		
	First line	Second line	Third line

This risk covers the potential for service failure across any area of the business delivering front line services to customers. Controls such as the embedded Community Housing model, support services attracting external funding, and continuously improving Home Maintenance Services ensure this risk is managed well within the open ‘customer service’ risk appetite and target score, enabling ongoing support and excellent services for customers and communities. The December 2024 C1 Consumer Standards rating from the Regulator of Social Housing’s Inspection confirmed this risk is well-managed, and the controls and assurance in place mean this risk is classed as ‘treated’. Third line assurance includes internal audit and accreditations for income collection, sustaining tenancies and anti-social behaviour services.

Strategic Risk Summary (risk category)	Risk Scores		Appetite/ Target risk score
	Gross (G)	Net (N)	
9. Insufficient funding	17	9	Balanced/13
WITHIN APPETITE	Summary of Assurance		
	First line	Second line	Third line
Loan and grant funding, rental income, void rent loss, sale of outright sale and shared ownership homes are all identified as risk areas, but this risk is well controlled overall and managed within the balanced ‘finance’ risk appetite and target score, despite external political and economic factors. Strong controls are in place, including the Treasury Management Strategy, Golden Rules compliance and detailed and multivariant stress testing, as well as a range of external assurance. This includes the confirmation of the V1 rating from the Regulator of Social Housing in January 2026 and the A2 rating from Moody’s. This risk is therefore well managed and classed as ‘treated’.			

Strategic Risk Summary (risk category)	Risk Scores		Appetite/ Target risk score
	Gross (G)	Net (N)	
10. Insufficient colleague resource (capacity and capability)	13	8	Open/13
WITHIN APPETITE	Summary of Assurance		
	First line	Second line	Third line
This risk considers the impact of not having the right, sufficient or engaged colleagues on the delivery of Our 2030 Plan and operational demands. Challenges with recruiting and retaining the right people are generally limited to a small number of specialist roles. Controls include competitive pay and benefits, a robust recruitment process and performance management framework, and strong learning and development arrangements. Performance is strong against key indicators relevant to this risk, covering leadership capability and effectiveness, inclusivity, development and advancement, and productiveness of the workforce. The risk is managed below the open ‘people’ risk appetite and target score of 13, and is classed as ‘treated’, with the controls in place mitigating the risk.			

Strategic Risk Summary (risk category)	Risk Scores		Appetite/ Target risk score
	Gross (G)	Net (N)	
11. Inadequate governance arrangements	24	3	Minimal/8
WITHIN APPETITE	Summary of Assurance		
	First line	Second line	Third line
This risk covers the potential for governance failures across the Group, as well as non-compliance with legislation and regulation, including data protection. The many mitigating controls ‘treat’ the risk, ensuring it is managed within the minimal ‘legal and regulatory compliance’ risk appetite and target score. Controls include strong board, committee and intra-group arrangements which minimise the risk to whg as the parent, and its social housing assets, and protect its charitable status and objectives. A strong risk management framework and robust internal controls support the strong governance arrangements. Confirmation of the G1 rating from the Regulator of Social Housing’s 2024 regulatory inspection, for compliance with the Governance and Financial Viability Standard, provides assurance that this risk is well managed, with a January 2026 stability check confirming this position again.			

Sustainability, Net Zero and ESG (Environmental, Social and Governance)

Streamlined Energy and Carbon Reporting (SECR)

We use the Streamlined Energy and Carbon Reporting (SECR) guidance to measure and report on our carbon footprint. This policy was implemented on 1 April 2019, when the Companies (Directors’ Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 came into force. This will be the standard against which we can gauge energy and carbon performance across the whole organisation. It will also highlight what we need to change and where.

By tracking our energy and fuel consumption and the associated carbon emissions, we can see if our improvements are working and set ourselves targets to achieve which will help us reach our goal of becoming a net zero carbon organisation by 2050.

We have opted to use the Operational Control boundary definition to define our carbon footprint boundary. The reporting period for the compliance is 1 April 2025 – 31 March 2026. Included within that boundary are Scope 1 and 2 energy emissions, as well as Scope 3 emissions from business travel in the UK.

How is our Carbon Footprint measured?

The mandatory reporting requirements (for Companies registered under the Companies Act), under the SECR guidance include annual greenhouse gas (GHG) emissions from activities for which the company is responsible including combustion of fuel and operation of any facility. Carbon emission data is split into Scope 1, 2 and 3.

- + **Scope 1** relates to the direct emissions from gas and transport fuel combustion. For us this includes gas consumption from our offices, community centres, communal areas and plant

rooms, as well as transport fuel used for our company fleet.

- + **Scope 2** relates to the indirect emissions from electricity generation. For us this includes electricity consumption from our offices, communal areas, and plant rooms.
- + **Scope 3** relates to the indirect emissions associated with our value chain. The only mandatory reporting for Scope 3 is the emissions from business travel in employee-owned vehicles where the organisation is responsible for purchasing the fuel. The rest of Scope 3 is only optionally reported because it can be harder to track, and the boundaries are harder to define.

Methodology

The methodology used to calculate emissions followed the guidance from the revised edition of the GHG Protocol Corporate Accounting and the Reporting Standard and the UK Government Guidance on SECR.

For Scopes 1 and 2 we have used energy and fuel consumption data from our suppliers and partners and used the UK government department for Business, Energy and Industrial Strategy’s (BEIS) 2022 conversion factors to calculate the CO2e emissions. Business travel is recorded as mileage from the expenses system and are calculated using the BEIS conversion methodology.

In SECR reporting there are two reporting approaches: ‘location-based’ and ‘market-based’. Location-based reporting is the mandatory method and uses grid average figures (a mix of renewable and non-renewable fuels). A market-based reporting approach calculates the emissions associated with the energy sources or tariffs that the consumer has specifically chosen.

Carbon intensity ratios

Our Scope 1, 2 and 3 emissions are also measured against factors that indicate the size of the organisation. For our disclosure, we have used the number of full-time employees. This provides us with a ‘carbon intensity ratio’ that help us to understand our carbon footprint relative to our size. It means we can not only benchmark against future reports if we change size, we can also compare ourselves directly to other, similar organisations.

Energy efficiency actions

We have invested heavily over many years and continue to invest in our homes to improve their energy efficiency and move all homes to a minimum EPC band C rating over the next five years. We also have a clear commitment for our homes, commercial buildings and our business to achieve Net Zero by or before 2050.

Within the 2025/26 financial year, we completed 1,503 thermal or heating improvement measures as follows:

- + 458 Roof replacements
- + 478 boiler or full heating replacements and controls
- + 132 double glazed full window installations
- + 271 Solar PV Installations
- + 18 Loft Insulation Top ups
- + 11 External Wall Insulation
- + 135 cavity wall Insulation

From these energy efficiency improvement measures, it is expected that a significant amount of energy will be saved over the next five years.

Carbon Emissions Reporting

Emissions Calculations

The tables below provide a breakdown of our footprint for 2024/25, comparing both market and location based emissions, comparing our performance against the previous financial year.

Figure 1 – Market Based Emissions

Type of Emissions Activity	Activity	kWh	tCO2e	% of Total
Energy Generation	Solar PV Renewal Generation	405,878	0	0%
	Subtotal	405,878	0	0%
Direct (Scope 1)	Natural Gas	3,748,226	0	39%
	Company Fleet	2,209,190	539	23.1%
	Subtotal	5,957,416	539	90.1%
Indirect (Scope 2)	Electricity	3,330,414	0	0%
	Subtotal	3,330,414	0	0%
Indirect Other (Scope 3)	(kwh)	276,841	70	9.9%
	Subtotal	276,841	70	9.9%
Total Energy Use		(kWh)	9,564,671	
Total (Market-based*) Gross Emissions (tCO2e)		(tCO2e)	609	
Full Time Employed		FTE	843	
Tonnes of Gross CO2e per FTE		(tCO2e)	0.72	

The results show that our total energy use and total gross Green House Gas (GHG) emissions amounted to 9,564,671 kWh and 1,884 tonnes of CO2e (location-based) respectively in the 2025/26 financial year in the UK. This is a 4.4% reduction from the previous financial year.

As we purchase 100% green electricity and gas backed by REGOs and RGGOs respectively, our market-based emissions for the 2025/26 financial year are zero. Furthermore, we generated 405,878

kWh of electricity through solar panels saving 102 tCO2e; this is an increase from 343,589 kwh or 84 tCO2e in 2024/25.

We have chosen ‘Tonnes of CO2e per full time employee (FTE)’ as an intensity metric as this is an appropriate metric for the business. The FTE is the closing FTE position as at 31 March 2026. The intensity metric for the financial year 2025/26 was 2.23 tCO2e/FTE compared to 2.72 tCO2e/FTE in 2024/25.

Figure 2 – Year on Year analysis (2025/26 vs 2024/25)

Type of Emissions Activity	Units	2025/26	2024/25	YOY % Change
Energy Generation	(kwh)	405,878	343,589	18%
Direct (Scope 1)	(kwh)	5,957,416	6,482,284	-8%
	(tCO2e)	1,225	1,343	-9%
Indirect (Scope 2)	(kwh)	3,330,414	3,219,808	3%
	(tCO2e)	589	667	-12%
Indirect Other (Scope 3)	(kwh)	276,841	302,437	-8%
	(tCO2e)	70	73	-4%
Total Energy Use	(kWh)	9,564,671	10,004,929	-4.4%
Total Gross Emissions	(tCO2e)	1,884	2,083	-9.6%
Renewable Electricity	(tCO2e)	589	667	-11.7%
Total Net Emissions	(tCO2e)	609	740	-17.7%
Tonnes of Gross CO2e per FTE	(tCO2e)	2.23	2.72	-17.7%

The year-on-year analysis outlines that there has been a reduction of 4.4% in total energy usage (kWh) as well as a 9.6% reduction in total Gross (Location Based) emissions between the 2025/26 and 2024/25 financial year. This is equivalent to 199 tCO2e.

Sustainable Finance

The revolving credit facility (RCF) with Lloyds Plc is a sustainably linked loan and we have three measurable KPI targets for year ending 31 March 2026 of which one was met. The outcome of the three KPI’s are set out below.

- + **KPI 1:** we met the target to maintain our Ritterwald scores of Ambassador, Frontrunner and Ambassador for environment (E), social (S) and governance (G) respectively.
- + **KPI 2a:** we did not meet the target of 100% new developments in the year to be EPC B or above as 6% were EPC-C.

- + **KPI 2b:** we did not meet the target to deliver a minimum of 320 new homes by delivering 270 homes.
- + **KPI 3:** we did not meet the target to have at least 67% of our existing homes at EPC C or above.

The margin on the Lloyds RCF facility is 0.95% and this will be reduced by a maximum 0.05% on meeting or exceeding the three KPI’s, potentially saving on a fully drawn facility of £25k per annum. The adjustment reduces to 0.033% if two KPI’s are met, and 0.017% if only one KPI is achieved. If none are met, then there is no adjustment and no defaults are triggered. As the RCF is not currently drawn we are not benefiting from any discount.

Corporate Director of Finance Financial Review

The 2025/26 financial year has been one of continued resilience for whg, set against a challenging economic backdrop characterised by persistent inflationary pressures, elevated interest rates, political and regulatory uncertainty and ongoing cost-of-living impacts on our customers.

Whilst operating in an uncertain environment, the Group has delivered a solid financial performance. Turnover has increased by £1.3m to £147.4m (2025: £146.1 million) despite a reduction in shared ownership sales income of £5.1m while our new development programme has contributed 270 extra homes to our income stream.

Operating surplus was £48.5m, representing an operating margin of 33%. Excluding sales, our operating margin is 25% (2025: 20%) which reflects our robust cost control whilst managing the impact of inflation on our management, services and repairs costs. This is also after accounting for increased investment of £3.2m in our home maintenance services to reduce our void loss and improve our repairs performance. Our strong margins continue to strengthen our capacity to invest in new homes and existing homes whilst we continue to deliver high quality services to customers, improving our TSMs in many areas since last year.

Our financial strength remains robust. At year end, the Group reported net assets of £323.7m (2025 £286m) and maintained strong liquidity, with £220.9m of available cash and undrawn facilities. Our tightest interest cover covenant remains resilient at 222% (140% EBITDA MRI Interest Cover RSH VFM metric) despite the higher interest rate environment which we have mitigated as our drawn debt is 100% fixed. Our gearing stands at 36% using our Funders’ covenants (47% RSH VFM metric) and

we continue to have high levels of security cover, demonstrating our capacity for future investment.

We have continued to prioritise investment in our homes and communities. During the year, we invested £81m in existing stock, including building safety, decarbonisation, and quality improvements, alongside £51.9m for the delivery of new homes. These investments are in line with our long-term asset investment strategy and development strategy and demonstrate our commitment to providing safe, sustainable, and affordable housing.

Arrears have improved at 1.97% (2025: 2.23%), reflecting the priority our customers place on their rent payments, the strength of our income management approach and the ongoing support provided to customers facing financial hardship. We continue to monitor this closely given the external economic environment.

Looking ahead, we continue to be ambitious as we do not want to compromise our future investment plans. The broader financial outlook remains challenging but we have set a balanced financial risk appetite framework to maintain financial headroom and resilience. Our extensive stress testing resilience plan provides assurance that we can withstand the impact of an adverse economic environment within our risk appetite. Inflationary pressures, regulatory requirements, and the need for significant ongoing investment in existing homes will continue to shape our financial strategy. We are currently exploring a merger with Aspire housing which will help both organisations unlock efficiency savings that we would otherwise not be able to access. Creating this additional capacity will enable funds to be reinvested into existing homes and more new homes to help meet the increasing demand for social rent homes. We also continue to

build on our relationships with key funding partners and maintain our positive reputation to ensure whg is well positioned.

Maintaining financial resilience and balancing long term viability aims will continue to be key priorities for us, underpinned by prudent treasury management, a clear strategic focus and embedded value for money principles. Being financially strong will enable us to continue supporting our customers and deliver sustainable growth for future customers.



Sangita Surridge
Corporate Director of Finance

Statement of Comprehensive Income (SOCI)

Five-year trend analysis of key financial ratios

	25/26 £m	24/25 £m	23/24 £m	22/23 £m	21/22 £m
Statement of comprehensive income					
Turnover	147.4	146.1	135.8	121.1	120.5
Operating expenditure	(110.3)	(115.2)	(101.6)	(91.9)	(88.5)
Gain on disposals of fixed assets	11.29	7.72	6.76	9.30	7.40
Movement in fair value of investment properties	0.07	0.03	0.60	0.30	1.10
Share in surplus from joint venture	0.02	0.14	0.32	0.41	0.00
Operating surplus	48.5	38.8	41.8	39.2	40.5
Operating margin	33%	27%	31%	32%	34%
Net margin	22%	17%	24%	18%	17%
EBITDA	56.3	48.7	50.2	45.2	46.5
EBITDA (MRI)	23.3	21.7	28.3	29.8	28.6
Statement of financial position					
Total assets less current liabilities	861.1	812.0	779.8	810.9	720.1
Long Term Debt	395.0	395.0	395.0	395.0	395.0
Deferred Grant	119.3	107.7	101.4	94.5	82.2
Other LT Creditors	21.4	21.4	21.9	22.8	22.8
Pension Provision	0.1	0.2	0.3	0.3	0.3
Other Provisions	1.6	1.8	0.9	1.2	0.5
Income and expenditure reserve	323.7	285.9	260.3	297.1	219.3
	861.1	812.0	779.8	810.9	720.1

Five-year trend analysis of key financial ratios (continued)

	25/26 £m	24/25 £m	23/24 £m	22/23 £m	21/22 £m
Funding metrics					
Interest cover covenant	222%	220%	310%	240%	210%
Weighted average cost of funds	4.2%	4.2%	4.2%	4.2%	4.7%
Gearing covenant (Housing Properties at Cost)	36%	38%	39%	38%	39%
Gearing covenant (net debt per unit)	-	-	-	-	14.8

Turnover: £147.4m (2025 £146.1m)

Social housing lettings contributed £138.4m (2025 £132.6m) to Group turnover for the year, an increase of £5.8m since the previous year. This increase is due to the annual rent increase of 4.8% (2025 2.7%) and 270 new homes developed and let for the first time. This is offset by lost income from 120 property disposals under the Right to Acquire, Right to Buy and Void sales to help subsidise our new development programme.

Other social housing contributed a further £6.6m (2025 £11.3m) to Group turnover for the year, a decrease of £4.8m since the previous year. £5.3m (2025 £10.4m) of this turnover is from the sale of shared ownership homes. £1.2m (2025 £893k) of this turnover was from other miscellaneous income such as revenue grants, VAT recovered and grants in respect of Right to Acquire sales.

Non-social housing contributed £2.4m (2025 £2.1m) to Group turnover for the year, an increase of £300k since the previous year, mainly as a result of overage receipts from the last phase of the Goscote scheme.

Our five year trend shows turnover consistently increasing for a number of reasons. We have in place a funded development programme to deliver more new homes for rent and shared ownership each year which increases both our rental income and property sales income. We also dispose of a number of homes each year, through Right to Buy, Right to Acquire, void sales, shared ownership first tranche sales and shared ownership staircasing sales, which increases sales income but decreases our future rental income stream. We have experienced growth in these types of sales year on year, contributing to growth in turnover. For our

existing homes, our rents have typically increased by September CPI plus 1% every year in line with government regulations, with the exception of the rent cap in 2023/24, which also contributes towards our turnover growth. We also strive to maximise revenue grants where possible for various activities such as investment in our existing homes or community investment initiatives. Whilst this income stream does not increase year on year necessarily, some years it has contributed to growth in turnover.

Operating expenditure £110.3m (2025 £115.2)

Social housing lettings contributed £101.4m (2025 £100.9m) to operating costs, increased by £530k since last year. This is largely due to increase in depreciation of £1.8m as we continue to invest in new homes and existing homes, increase in service charge costs (£533k) as we have more new homes in management and increased bad debt provision costs (£226k) again relating to the fact we have more homes in management. These increased costs are partly offset by a reduction in management costs of £1.78m, mainly as a result of our proactive management of our disrepair claims, which show a £1.6m improvement on the prior year. In addition, revenue repairs costs have reduced by £255k as a major project is near completion.

Other social housing costs contributed a further £7.4m (2025 £12.93m) to operating costs, reduced by £5.5m since last year. This is primarily due to a reduction in property cost of sales for shared ownership first tranche sales of £4.3m. In addition, the level of development costs impaired has reduced by £1.2m.

Non-social housing costs contributed a further £1.5m to operating costs, increased by £100k largely driven by inflation and costs associated with market rent homes such as repairs.

Our five year trend shows operating expenditure consistently increasing year on year as a result of high inflation and extra investment made in our services such as repairs and housing services to continually strive to improve services to customers. Investments have been in the form of increased trades colleagues, increased use of sub-contractors to support high volume of repairs, increased Community Housing Officers to support the growth of our homes across local authority areas, increased number of surveyors to support implementation of Awaab’s Law requirements, and increased colleagues in support services such as IT to deliver our transformation themes of Our 2030 Plan such as data driven decisions and forward thinking services.

Gain on disposals of fixed assets £11.29m (2025 £7.7m)

Gains on property sales continue to strengthen our business plan to enable us to reinvest in the new development programme. Income has increased this year by £3.6m as a result of more Right to Buy sales (£2.9m), more Right to Acquire sales (£389k), void sales (£394k) and staircasing shared ownership sales (£376k). Offsetting this is a reduction in surplus (£458k) on non-housing related sales such as vehicles.

Our five year trend on disposal of fixed assets shows a volatile pattern, which is expected within our risk appetite framework so we do not place reliance on sales income to meet loan covenants. Our voids disposals strategy was implemented in April 2024 to provide subsidy to develop new homes, and this strategy is yielding positive results both for future development capacity and reducing the risk of investing in non-viable homes. The Right to Buy discount changed in November 2024, which has led to a peak in sales which we expect to taper off next year.

Movement on fair value of investment properties £0.07m (2025 £0.03m)

Each year, our 101 market rent homes are revalued by qualified valuers and the £0.04m increase means

the capital value of these assets has improved since last year.

Our five year trend shows a year-on-year increase in the value of these homes however the level of increase each year can be volatile. We ensure we do not place reliance on these capital value increases for the calculation of working capital and loan covenants, though these amounts are immaterial.

Share in surplus from joint ventures £0.02m (2025 £0.14m)

This represents our share of profits from Anthem Lovell LLP. The scheme is now complete and we may get a further distribution of profit in the future once the retention period has ended. This income is not material.

Our five year trend shows these profits increase in some years and decrease in others, however these receipts are immaterial and therefore do not create risk to our financial viability.

Operating surplus £48.5m (2025 £38.8m). 33% operating margin (2025 27%)

For the reasons explained above, our increased turnover, reduced operating expenditure and increased surplus on disposal of fixed assets has strengthened our operating margin. Excluding disposal of fixed assets, our operating margin is 25% (2025 20%) and this demonstrates robust cost control in relation to our core activity. These strong margins allow us to effectively service additional debt for our development programme whilst still maintaining adequate headroom on financial covenants and operating within our balanced financial risk appetite. Our margins also contribute to our A2 Credit Rating (Moody’s).

Our five year trend shows consistently strong performance; this is as a result of our strong financial control framework, balanced financial risk appetite, collaborative approach to financial management and well embedded financial discipline across the organisation. Despite strong margins, we have continued to create capacity for investment into homes and services, which is showing a positive impact on customers through improved TSMs.

Net margin: 22% (2025 17%)

The net margin is after accounting for interest and financing costs of £16.4m (2025: £15.9m) and interest receivable £931k (2025: £1.5m). The margin has increased since last year for the aforementioned reasons. There has been a reduction in interest receivable of £0.6m as we are holding less cash. The increase in interest payable is due to less interest being capitalised during the year. As our debt is 100% fixed and no new loans have been drawn in the year, there is no increase to our underlying interest payable.

Our five-year trend on net margin is generally stable for all the reasons stated above. In addition, we have decreased our cash reserves steadily from £80m five years ago to £20.9m this year. This is due to spending the money raised from capital markets on developing new homes. We have therefore continued to receive less interest receivable on our deposits and investments over the years, though we have been successful in increasing our overall rate of return on cash by utilising AAA rated money market funds.

EBITDA £56.3m (2025 £48.7m)

Our Earnings Before Interest, Tax, Depreciation and Amortisation was £56.3m this year, £7.6m higher than the previous year. This measure is a good indication of how well our operating surplus converts to cash. This year, it converts £48.5m operating surplus to £56.3m cash surplus, an increase of £7.8m after eliminating noncash items from the SOCI. This is a decrease of £2m since last year whilst still a healthy position as it means 38.2% of our turnover converts to cash. This cash is used to fund investment activities in existing homes and borrowing costs incurred on debt used to fund building new homes. This investment shows in the growth of our ‘Total assets less current liabilities’.

Our five year trend shows that EBITDA remains strong; this measure is linked to our financial covenants, viability metrics, value for money metrics and ultimately our Regulatory Viability Grading and our A2 Credit Rating with Moody’s. This measure demonstrates strong levels of headroom for delivering future investment and strong performance when benchmarked with the sector.

EBITDA MRI £23.3m (2025 £21.7m)

Our Earnings before Interest, Tax, Depreciation and Amortisation, capital major repairs included, is similar to the metric above but takes off the cost incurred on existing homes capital investment. It has improved in 2025/26 but overall there is a downward trend over the past five years. The table below shows how our capital investment in existing homes has grown year on year as components are due for renewal as well as responding to changes in regulation on the quality and safety of our homes and the impact of high inflation periods. We have also commenced our journey for all homes to be at least EPC-C by 2030.

	25/26 £’000	24/25 £’000	23/24 £’000	22/23 £’000	21/22 £’000
Capital investment in existing homes	32,948	27,015	21,952	15,401	17,939

The above spend has increased by 84% over the past five years.

Statement of Financial Position

The Statement of Financial Position demonstrates the strength and capacity of the Group to continue to deliver our strategic objectives.

Total assets less current liabilities: £861.1m (2025 £812m)

This is a combination of fixed assets, net current liabilities (2025 net current assets) and the pension asset.

Fixed assets of £864.2m include capital expenditure during the year (set out in Notes 12 to 14 to the Financial Statements) of £32.95m in capitalised major works to existing properties and £42.7m in developing and acquiring new homes. This growth in value is offset by depreciation charged each year. The year-end fixed assets balance includes schemes that are already on site and will contribute to future completed home targets.

Net current liabilities of £6.4m (2025 net current assets £8m) shows a movement of £14.4m. This is due to a £9.4m reduction in cash and cash equivalents to fund continued expenditure on

new development and existing homes. As we have £200m fully secured undrawn facilities, we intentionally do not hold excessive cash in order to manage costs of carry such as interest costs. The other main movement is due to a reduction in trade and other debtors.

Pensions Asset of £3.3m (2025 £Nil) is new this year and is as a result of whg’s increased valuation of the West Midlands Local Government pension scheme. Our triannual valuation drives our employer contribution rate, issued in March 2026, showed a surplus of £112m. Our FRS102 valuation, issued in May 2026 based on the position as at 31 March 2026, showed a surplus of £121m. These two valuations are different because they use different actuarial assumptions. We have also received our asset ceiling report, which provides a valuation of the relevant asset or liability that an organisation can legitimately recognise on the SOFP. Again, this valuation uses different assumptions and results in an asset of £3.3m that we have recognised on the SOFP. In the prior year the asset ceiling report concluded that the net asset value was £Nil.

The five year trend shows that our asset base has continued to strengthen year on year with our investment activities in existing homes and new development.

Long Term debt: £395m (2025 £395m)

Our historic debt has not increased this year as we have used cash reserves to fund the new development programme. As cash reserves deplete, it is expected we will draw our secured RCFs in the near future.

Our five year trend shows we have not drawn any debt as we have had historic high cash reserves from a bLEND issue in 2021 and cash operating surpluses generated each year since then.

Deferred grant: £119.3m (2025 £107.7m)

The net increase of £11.6m during the year is as a result of securing Homes England Grant Funding for new development and Decarbonisation funding for EPC-C works. The increase is offset by amortisation charges to the SOCI, as grant is released to the SOCI over the life of the asset to which it relates.

Our five year trend shows a continued increase in grant income as we strive to maximise our income from various sources as part of our Value for

Money Strategy.

Other long term creditors: £21.4m (2025 £21.4m)

The overall position has remained unchanged. The amortisation of loan premium has been offset by an increase in recycled grant relating to disposals.

The five year trend shows this balance has reduced slightly and is broadly stable.

Pensions Provision: £0.1m (2025 £0.2m)

This balance relates to a provision for pension liability on our Social Housing Pension Scheme. The liability has reduced by £0.1m as a result of an increased discount rate applied to our fund value and future liabilities.

Our five year trend shows a reducing balance over the years due to the improved funding position of the scheme. Overall the provision is immaterial.

Other provisions £1.6m (2025 £1.8m)

These have reduced by £0.2m since last year, mainly due the provision for Section 11 Disrepair Claims reducing by £184k. This reflects our improved comprehensive and collaborative approach to managing this area. There is also an increase in the provision for insurance claims of £174k which is linked to an increase in the volume of claims. This is offset by a reduction of £206k for restructuring costs as there were no ongoing restructuring initiatives at the year end.

Our five year trend shows an increasing trajectory as a result of increased volume of disrepair claims which were previously not provided for on the basis of materiality, but as activity has significantly increased, provisioning is more appropriate moving forward. Claims in this area have stabilised.

Reserves: £323.7m (2025 £285.9m)

Reserves have increased by £37.8m reflecting the total comprehensive income for the year. Movement in the reserves balances is further shown in the Statement of Changes in Reserves.

Over the past five years, we have added £104.4m to our reserves. This capacity contributes to our financial resilience and is regularly assessed as part of our Treasury Strategy which underpins our future investment strategies. We are committed to

delivering EPC C by 2030 and building new homes. As we embed the impact of Decent Homes 2 regulations and MEES regulations, we will continue to re-assess our capacity to ensure the right balance is struck between investment and maintaining financial resilience.

Funding metrics

Interest cover remains fundamentally on an EBITDA MRI basis and is strong at 222% (2025 220%) however this metric is volatile as it incorporates sales income. Excluding sales income, our performance on interest cover would be 158% against a covenant of 110% times.

Our five year trend demonstrates this volatility; our sales income supports our future new development and investment programmes and our balanced financial risk appetite ensures our covenant compliance is not reliant on this income.

Weighted average cost of funds remains at 4.2%, consistent with the previous year as all of our borrowing during the year has remained 100% fixed with no new loans drawn, insulating us from interest rate fluctuation risks.

Our five year trend shows a reduction in 2022 from 4.7% to 4.2% and the rate has been consistent since then. This was as a result of refinancing exercises which included removing legacy fixed rate debt carrying disproportionately high borrowing rates.

Gearing has reduced to 36% (2025 38%) as a result of funding our new development programme and investment in existing homes programme from operating surpluses and cash reserves rather than

through increased borrowing. This approach is likely to change in the near future as our cash reserves are almost fully utilised.

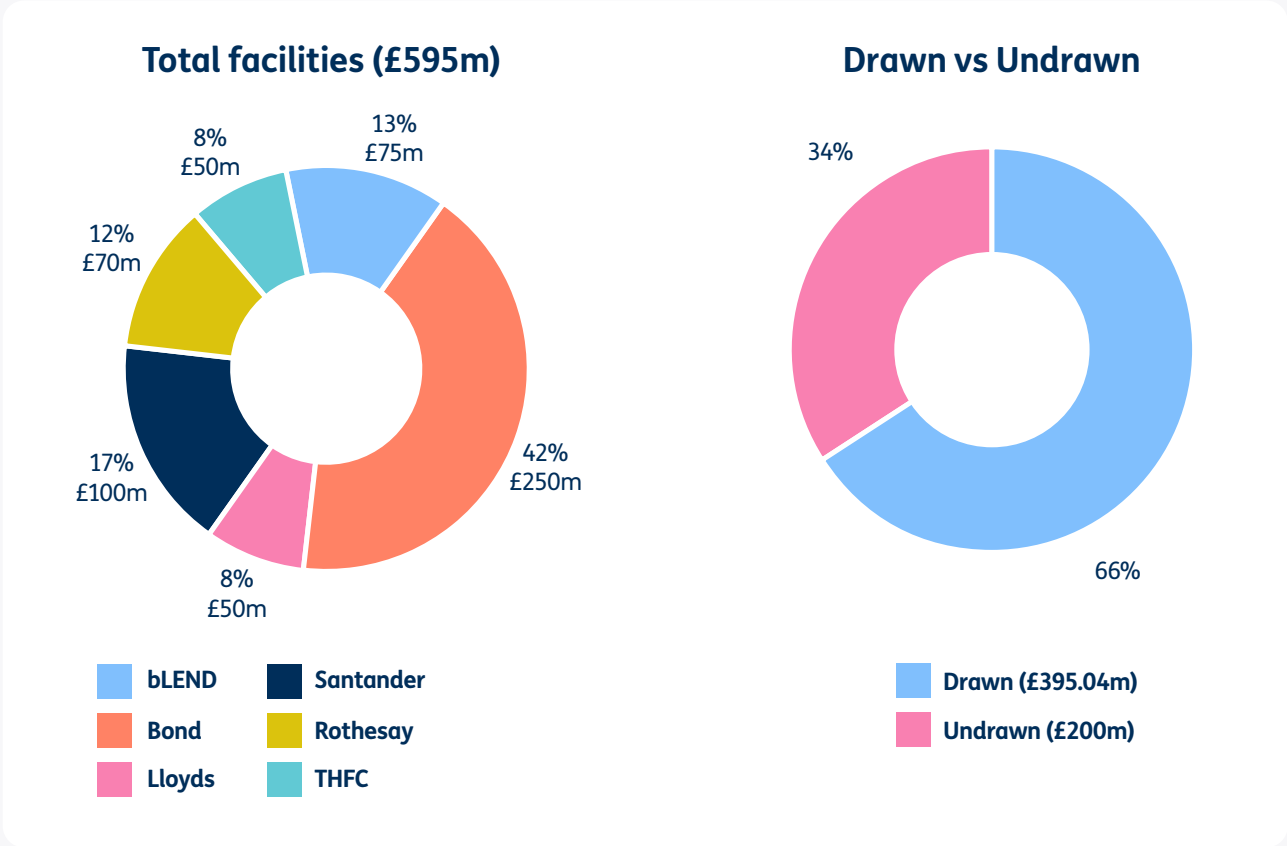
Our five year trend shows gearing continuing to decrease for the above reasons as well as a change in gearing covenant in 2021 switching from a net debt per home basis to a Housing Properties at Cost basis.

Treasury Management

The Group has a formal Treasury Management Policy and Treasury Management Strategy which are reviewed annually by the Board. The Policy provides the framework within which the Group seeks to mitigate risk relating to the borrowings and cash holdings it has at any one time. The Strategy aims to maximise capacity within the funding structure so that the Group can continue investing in new homes and existing homes. The Group has a balanced risk appetite in relation to its debt portfolio and seeks to ensure that sufficient liquidity is available to meet foreseeable needs. Treasury activities are also supported by independent professional advice.

Liquidity and Capital Structure

The Group finances its activities using facilities of £595m, made up of several funding sources as shown in the chart below. Strong liquidity is also in place at 34% of total secured facilities (£200m) currently undrawn.



Interest Rate Risk

The Group manages its interest rate risk through its Treasury Policy which requires at least 60% of drawn debt to be fixed. As at 31 March 2026, 100% of debt was fixed, with a weighted average cost of capital of 4.2%.

Investment Policy

Cash balances are invested on competitive term rates until required. In accordance with the Treasury Management Policy, the Group maintains a list of investment limits for approved organisations with which it will deposit funds. The ratings of the approved organisations are checked to ensure investments are not at risk. Surplus cash is mainly invested in AAA rated money market funds with an average return of 3.8%. Other investments are placed in fixed or floating deposit accounts.

Currency Risk

The Group borrows and invests in GBP sterling only and therefore does not have any currency risk.

Loan Covenants

The Group ensures that it operates with a prudent level of headroom on all loan covenants and monitors forecast covenant performance on a monthly basis. This is reported to the Board on a quarterly basis. The business plan has a degree of headroom to provide financial resilience to risks of covenant breaches. As at 31 March 2026 and throughout the year, the Group met all of its covenant targets, golden rules and trigger points for the financial year.

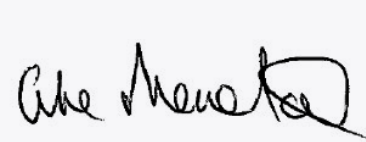
Credit Rating

In February 2026 our Moody’s rating was re-affirmed at A2 with a stable outlook. We have maintained our rating amidst a challenging period for the housing sector.

The credit strengths listed were:

- Solid operating performance
- Strong Interest coverage ratios
- Strong financial and treasury management
- Sustained concentration on low-risk social housing lettings
- Supportive institutional framework in England

The Strategi Report was approved by the Board on 30 July 2026 and signed on its behalf by:



Gary Moreton, Chair of the Board
30 July 2026



Gary Fulford, Chief Executive
30 July 2026



Chair’s Foreword

I am pleased to present the Board’s report for 2025/26.

This has been an important year for whg, shaped by both continued delivery and significant strategic decision-making.

The environment in which we operate continues to be challenging. Housing providers are being asked to do more to support the delivery of new homes, while also responding to increased expectations around building safety, consumer regulation, net zero, service quality and investment in existing homes. These pressures require careful stewardship, strong governance and a clear understanding of where our decisions can have the greatest impact.

During the year, the Board has continued to provide oversight and constructive challenge across the delivery of our 2030 Plan. We have maintained a clear focus on ensuring that whg remains financially resilient, manages risk effectively and continues to invest in safe, secure and sustainable homes. We have also strengthened the way customer insight, performance data and assurance are used to inform decision-making, helping us to remain accountable for the services we provide.

A key area of focus has been the proposed merger with Aspire Housing Group, which the Board has considered carefully and in detail. This decision has been guided by our responsibility to protect long-term resilience and create greater capacity to deliver for customers. The new organisation

will bring together the strengths of both whg and Aspire, managing more than 32,000 homes and working with partners to deliver more homes, excellent services and stronger outcomes for local people.

Our colleagues remain central to achieving this ambition. I have been encouraged by the continued development of Colleague Connect and the wider Colleague Voice programme, which are helping colleagues shape policy, strategy and engagement across the organisation. The Board recognises the importance of creating an inclusive culture where colleagues feel listened to, valued and able to contribute their experience and ideas.

On behalf of the Board, I would like to thank our customers, colleagues, partners, committee members and fellow Board members for their contribution during the year. As we look ahead, I am confident that whg is well placed to continue delivering for people and places, while remaining focused on the long-term interests of the communities we serve.



Gary Moreton
Chair of the Board

The Report of the Board

The Board presents its report and audited Financial Statements for the year ended 31 March 2026. The Walsall Housing Group structure, registration status and principal activities are shown in the Strategic Report.

Board Statement of Public Benefit

The Group’s aims and activities primarily benefit people in the following ways:

- + Provision of housing for those in housing need;
- + Related home repair, improvement and tenancy management services;
- + Support services that tackle social exclusion, financial support and fuel poverty based on identified needs;
- + Community interest activity aimed at helping customers into work or training; promoting new enterprise and health and wellbeing in the communities we work in; and
- + Environmental initiatives that reduce our impact and increase fuel efficiency for customers.

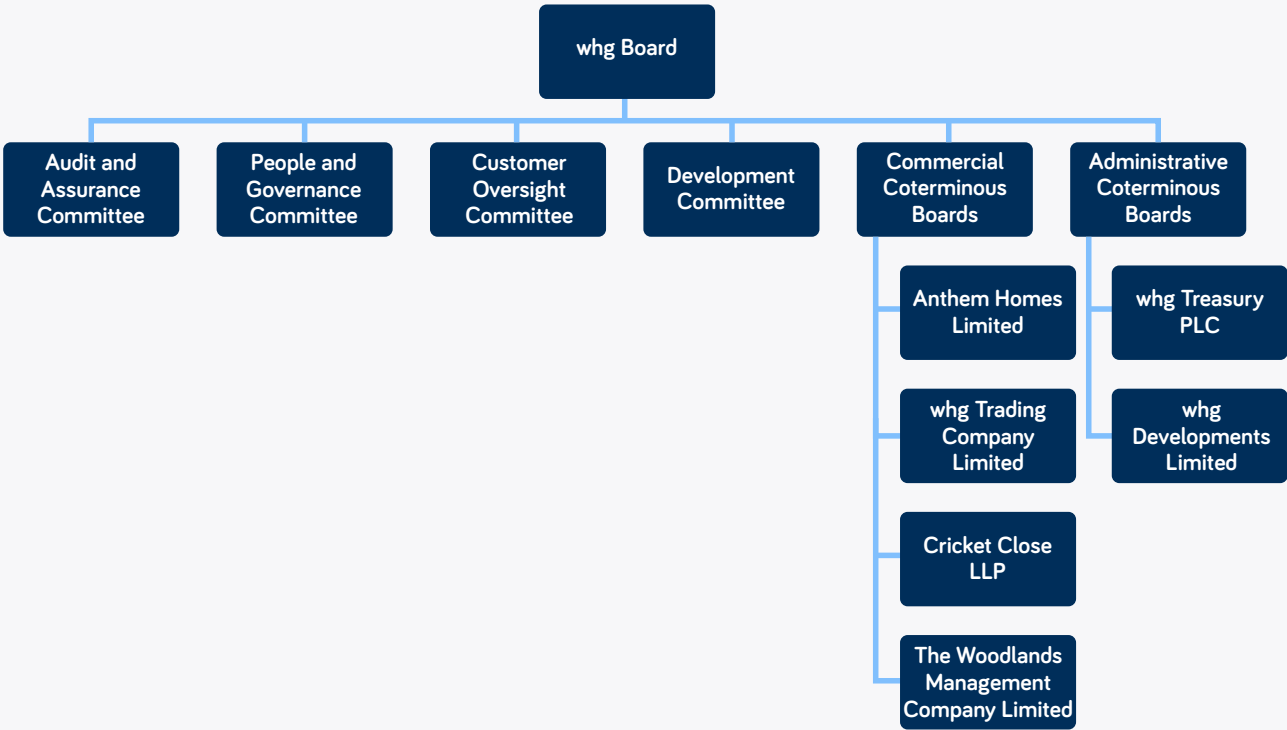
The Board has concluded that our activities are in the public interest as defined in the Charity Commission’s guidance. Our activities are restricted only in terms of our chosen area of operation and our published policies, designed to ensure fair access to our services for all those in housing or other need. The Board is not aware of any private benefits and has robust policies in place to prevent unintended benefits to related parties.

The incidental benefits of a well-run housing service and environmental improvements are shared by our customers. As a registered charity, the Board Members of Walsall Housing Group Limited, who are considered Trustees under charity law, are responsible for ensuring compliance with all relevant charity law. We provide annual returns to the Charity Commission and have arrangements in place to obtain Trustees’ consent before disposing of assets. Any non-charitable activities are carried out in an appropriate subsidiary company.

Governance

The Non-Executive Board Members (Trustees) and the Executive Directors are listed in the front of these accounts. As of 31 March 2026, the Board was made up of eleven non-executive Board Members and one Executive Board Member (Group Chief Executive), who are responsible for the Group’s governance. The Board meets regularly, with additional development days and training days. The Board works alongside the Executive Team which is responsible for the day-to-day management of the Group’s activities. The Board complies with the National Housing Federation Code of Governance 2020 and can have a maximum of 12 Members. The Board and Committee structure is summarised below:

Committee Members are appointed by the Board and each Committee is chaired by a Board Member, providing accountability to the Board.



Complying with the National Housing Federation (NHF) Code of Governance

The Regulator of Social Housing (RSH) requires all Registered Providers (RPs) to adopt and comply with a recognised Code of Governance. The Board approved the adoption of the latest version of the National Housing Federation (NHF) Code of Governance 2020 from April 2021, as recommended by the Governance and Remuneration Committee (now the People and Governance Committee). The People and Governance Committee reviewed and approved the latest self-assessment against the Code of Governance in May 2026 on the basis that it had strong assurance that whg and its subsidiaries, where applicable, are fully compliant with the NHF Code of Governance. The subsidiaries have also adopted the Code where it is relevant. As required by the NHF Code of Governance, an external and independent review of our governance took place in spring 2025. This had a further, internal overview within the year.

Board Statement on compliance with RSH’s Governance, Financial Viability and Consumer Standards

The People and Governance Committee has reviewed an annual assessment of our compliance with the RSH’s Governance, Financial Viability and Consumer Standard and reported to the Board in May 2026 that we are fully compliant in material respects. This includes using reasonable endeavours to ensure compliance with all relevant law, including the review of six monthly updates from an external legal advisor. Our procedures ensure that we comply with statutory requirements and compliance activities. We have effective and robust governance arrangements in place that enable us to successfully deliver our corporate objectives and continually improve our services to customers. Robust oversight, scrutiny and procedures are in place to ensure that we remain viable and that our assets are not put at risk.

The Customer Service Oversight Committee reviewed an annual self-assessment of compliance with the RSH’s Consumer Standards in October 2025, subsequently reporting our full compliance to the whg Board.

General Data Protection Regulation

We respect an individual’s right to data privacy and data protection in line with the General Data Protection Regulation (GDPR). We are pleased to report that we have not needed to make any reports to the ICO this year.

Board Statement on Modern Slavery

This statement is made under Section 54(1) of the Modern Slavery Act 2015. It constitutes our Anti-Slavery and Human Trafficking Statement for the financial year ending 31 March 2026. This statement is approved by the Board and applies to all organisations within the Group. It is reviewed and updated annually. We are committed to acting ethically and with integrity in all business relationships. We have taken steps to ensure that adequate processes and controls are in place to ensure slavery and human trafficking is not taking place anywhere in our supply chains. To read the full statement, visit:

www.whg.uk.com/modern-slavery-act/

Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The Board of Directors of Walsall Housing Group Limited consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken during the year ended 31 March 2026. We work within a regulated sector and are proud to hold the highest-level accreditation of G1/V1/C1 for our governance activity, our financial viability and our compliance with consumer regulation.

Long term consequences of our decisions

The Board continues to take decisions that protect the Group’s long-term sustainability and ability to deliver for customers. While Walsall Housing Group remains a strong organisation, with C1, G1 and V1 regulatory gradings and an A2 credit rating, the external environment is becoming increasingly

challenging. Pressures including building safety requirements, net zero targets, rising costs and the need to deliver more homes require careful strategic consideration.

During 2026, the Board agreed to proceed with a merger with Aspire Housing Group. This will create a new organisation managing over 32,000 homes, strengthening resilience and capacity to invest in existing homes and deliver new supply.

The Board believes this decision will enhance long-term outcomes for customers, supporting excellent services, stronger communities and greater opportunity in the years ahead.

This year, the Board focused on the delivery of our 2030 Plan, with a continued emphasis on the six transformational programmes: Data driven decisions; Forward thinking services; Social justice – transforming lives; Sustainable futures; Making places; and Work and workplace of the future.

Key decisions in the year to demonstrate that decision making has been supported by financial and non-financial information

The Board approved the annual Budget in March 2026. As part of this Budget approval, the Board assessed in-depth financial information on all aspects of the business. In addition, the Board approved a long-term business plan and all economic assumptions made within it. The Board assessed the financial impact of numerous scenarios on the business plan via a comprehensive set of single and multi-variant stress tests and mitigating actions to ensure ongoing financial viability should the political, economic or regulatory environment worsen. In terms of non-financial information, the Board has assessed performance information on a regular basis throughout the year and used this to determine investment decisions for the long-term business plan. Key examples of this include investment in technology, energy efficiency and carbon reduction measures and continued investment in the maintenance and upkeep of our homes.

This year was also the second year of the official requirement to measure and report on customer satisfaction through Tenant Satisfaction Measures (TSMs). The Board was pleased to see most scores either maintained or improved across all TSM scores.

Interests of our colleagues

Our colleagues are fundamental to the delivery of our plan and the services that we provide. We aim to be a responsible employer in our approach to the pay and benefits our colleagues receive. The health, safety and wellbeing of our colleagues are primary considerations in the way we do business. We work to attract, develop and retain the best talent, equipped with the right skills for the future. Our people have a crucial role in delivering against our strategy and creating value.

Key decisions in the year that demonstrate protection of colleagues’ interests

The Board continues to be aware of the economic climate and has been mindful of how any salary increases needed to be balanced against affordability and service to customers.

Regular salary benchmarking continues to take place to ensure colleagues’ salaries are in line with sector norms. We invest in pension scheme arrangements, offering a choice of schemes allowing colleagues to select the most appropriate for their circumstances.

In addition, we enhanced our Employer Value Proposition, successfully embedding the “Colleague Connect” engagement group and launching our Colleague Recognition Awards.

Training on diversity and inclusion continues to be provided to support the culture of treating people fairly, and a number of lunch and learn sessions have taken place. A robust policy framework is in place, including policies for code of conduct and health and safety, which protects colleagues. In addition, an independent annual engagement survey is carried out to monitor the ongoing wellbeing of teams across the business. The engagement scores are high, indicating that our approach is in line with our ambition to be an employer of choice and we were proud to be recognised as one of the Times Top 100 Best Places to Work.

We have a voluntary recognition agreement with three trade unions: GMB, Unison and Unite. It is committed to creating and maintaining positive colleague relations. Local trade union representatives meet regularly with senior leaders

via a Joint Negotiating Committee and the Health and Safety Committee.

Business relationships with suppliers, customers and others

We also aim to act responsibly and fairly in how we engage with our suppliers. We depend on the capability and performance of our suppliers, contractors and other partners, such as small businesses to help deliver the products and services we need for our operations and our customers.

Key decisions in the year that demonstrate relationship management with stakeholders

We continued to engage with stakeholders during the year through various channels. whg regularly engages with key partners such as local authorities, combined authorities, Homes England, regulatory bodies, funders, and trades bodies as a few examples. Developing and maintaining these positive relationships supports access to opportunities to deliver new homes and services. Working in partnership also creates greater capacity and ensures whg remains a partner of choice.

An effective Procurement Strategy is in place which enables opportunities for suppliers of all sizes to offer their services and ongoing contract management approaches. The strategy ensures that suppliers receive the level of engagement expected from us as determined by the contractual arrangements. We ensure all contractors have strong sustainability credentials and share similar values.

Our 2030 Plan is heavily focused on understanding our customers and delivering great service. During the year, customers were given the opportunity to influence and contribute to strategic decisions, while the Board gained valuable insight into customers’ views, needs, concerns, and complaints. The Service Improvement Group (SIG) continues to operate effectively to provide oversight and evaluation by customers of the services we provide. Building on this foundation, the Board enhanced its focus by regularly reviewing data on complaints and exploring meaningful ways to learn from them, ensuring a proactive approach to improving customer experiences.

In addition, Board members regularly meet customers through estate visits, community walkabouts, customer events and through engagement at formal meetings.

Impact on the community and the environment

Our 2030 Plan considered the impact of the Group’s operations on the community and environment and our wider societal responsibilities, and how we impact the regions we serve throughout the Midlands.

Key decisions in the year to demonstrate our impact on the community and environment

We are supporting the government’s ambition for all social housing in England to achieve an EPC rating of at least C by 2030. This includes continuing work on one of the region’s first net zero neighbourhoods at Dudley Fields in Walsall. This goes beyond the fabric of a home and considers energy infrastructure, engagement with retrofit and what it means to a community to be sustainable.

Alongside this, 2025/26 represents the first full year of our new procurement arrangements for grounds maintenance and cleaning services. These contracts were shaped by customer feedback and aim to improve service quality, consistency and reliability, including more regular grounds maintenance, enhanced cleaning standards and clearer expectations for contractors. The Board continues to oversee performance closely and work with providers to drive further improvements, ensuring services deliver value for money and meet customer expectations over the long term.

We continue at pace to refine our business as usual approach to include ESG, articulating how current activities meet environmental and sustainability outcomes and developing new objectives to drive future investment decisions. We now have 154 colleagues trained in carbon literacy, becoming sustainability champions and making pledges that align with our sustainability agenda. The ESG working group will continue to meet to provide assurance that sustainability is being managed as a strategic priority across operations and planning. During the year we were

reaccredited as a sustainable housing provider by Ritterwald, and maintained our bronze Carbon Literate accreditation.

High standards of business conduct

As the Board of Directors, our intention is to behave responsibly and ensure that management operate the business in a responsible manner, using high standards of business conduct and good governance expected for a business such as ours. The intention is to nurture our reputation, through both the construction and delivery of Our 2030 Plan that reflects our responsible behaviour. We are well run and have tight budgetary controls ensuring we achieve our budgeted targets each year. This provides assurance to our lenders and investors.

Key decisions in the year

We carry out an annual assessment of compliance against regulatory standards and are pleased that our latest regulatory judgement from the Regulator of Social Housing, following a stability check, confirmed a Governance grade of G1 and a Viability grade of V1. Alongside our existing C1 Consumer grade, this means we continue to hold the strongest possible ratings across the ‘big three’, providing assurance for our customers, colleagues, stakeholders and partners. We also maintained our A2 stable credit rating with Moody’s in February 2026. In addition, the assurance framework and three lines of defence model continues to drive a strong internal control environment. There are numerous policies in place for code of conduct, standing orders and financial regulations, fraud and whistleblowing, all of which provide a clearly defined framework for business conduct.

Act fairly between members

As a Registered Provider of social housing, a charity and not for profit organisation, the focus of our activities is to deliver housing and other support services to our customers. We are committed to act fairly and avoid conflicts of interest should they arise.

Key decisions in the year

We carried out an external review which reinforced the positive culture and strong governance

arrangements we have in place. During the year we welcomed four new board and five new committee members to our governance structure. As well as bringing a wealth of skills and lived experience, our new additions have increased the diversity across our Boards and Committees. The adoption of the NHF Code of Governance 2020 supports the efficacy of the Board acting fairly and supporting the interests of customers and colleagues. Board members act in the best interests of each company they represent ensuring each entity operates within the articles of association.

Statement of Compliance with the SORP

The Board confirms that the Strategic Report has been prepared in accordance with the principles set out in the 2018 Update of the SORP for Registered Social Housing Providers.

Other Information

Where information is not shown within the Report of the Board in accordance with S414c (11) Companies Act 2006 it is instead included within the Strategic Report starting on page 8. This includes the Energy and Carbon report starting on page 51.

Qualifying Third Party Indemnity Provisions

The Directors have third party indemnity insurance through the Group.

Going Concern

The Group has long-term debt facilities in place which provide adequate resources to finance reinvestment in existing homes, together with meeting our targets for new development programmes. The Board approved business plan shows the Group has liquidity in place for at least the next 41 months before refinancing is required to replace expiring debt facilities.

The Group’s forecast covenant performance shows compliance throughout the life of the business plan. This is after incorporating the costs of new building safety regulations, spend to support the Government’s target of all homes being at least EPC-C by 2030 and enhanced spend required as a result of expected changes to the Decent Homes

Standard. The business plan is regularly tested against shocks and stresses that may negatively affect operating performance, and a mitigation strategy exists to deal with such stresses should they materialise to ensure ongoing covenant compliance. The stress testing framework includes low level single variant tests, multi-variant tests and ‘catastrophic’ scenarios. The assumptions used to compile our business plan have been independently reviewed and benchmarked by a third party advisor, and the Board concludes that the assumptions are appropriate and reasonable. A monthly business plan outturn is produced with updated income and expenditure profiles and any changes in assumptions such as inflation. Our Golden Rule Framework has embedded within it a process of early warning signs and sets out points at which the Board are notified of any change to covenant forecasts, i.e. those which reduce headroom on covenants to a pre-determined level that is still some way off an actual covenant breach, defined as a ‘trigger point’. Should the monthly business plan outturn lead to activation of a trigger point, the Board would be notified so that potential corrective action can be implemented on a timely basis.

Although there is uncertainty in the operating environment, the current forecasts and projections show that the Group remains financially viable. Should a situation arise that would require additional financing to be raised ahead of approved financial forecasts, the Group has sufficient unencumbered homes to raise such debt, made up of primarily of our historic new build programme.

The Group has a very strong liquidity position, with £20.9m cash holding at 31 March 2026 and undrawn revolving facilities of £200m, so the Board is of the opinion that the Group has more than sufficient resources to meet its liabilities as they fall due.

On this basis, the Board has a reasonable expectation that 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 Report and Financial Statements are signed. For this reason, it continues to adopt the going concern basis in the Financial Statements.

Board Statement on the Effectiveness of Internal Control

The Board holds responsibility for establishing and maintaining adequate and effective systems of internal control and for reviewing their effectiveness. The systems of internal control are designed to manage, rather than eliminate, the risk of failure to achieve business objectives and to provide reasonable and not absolute assurance against material misstatement or loss.

In meeting its responsibilities, the Board has adopted a risk-based approach to establishing and maintaining internal controls which are embedded within the day-to-day management and governance process. This approach includes the regular evaluation of the nature and extent of risks to which the Group is exposed.

The process for identifying, evaluating and managing the significant risks faced by the Group is ongoing. This is reflected in every risk report considered at each Board meeting, as well as being the subject of review by the Audit and Assurance Committee at every meeting. The Board is of the opinion that internal control arrangements are effective. The arrangements adopted by the Board in reviewing the effectiveness of the systems of internal control, together with some of the key elements of the control framework, include:

Identifying and Evaluating Key Risks

The Audit and Assurance Committee oversees the Risk Management Framework and the work of internal and external auditors, supported by the Risk Panel, made up of directors with responsibility for the key strategic risks. The Group’s Risk Management Framework, approved by the Board, sets out the Group’s appetite for risk in the achievement of its objectives, and underpins risk management, business planning and control arrangements. These arrangements clearly define management responsibility for the identification, evaluation and control of key risks.

The Executive Team regularly considers reports on these risks and the Corporate Director of

Governance, Compliance and Communications is responsible for ensuring any significant change affecting key risks is reported to the Committee.

Control environment and internal controls

The processes to identify and manage the key risks to which the Group is exposed are an integral part of the internal control environment. Such processes, which are reviewed annually and revised where necessary, include risk assessments, strategic planning, performance monitoring, control over major spend projects, the setting of standards and compliance with health and safety, data protection, fraud prevention and detection and environmental performance information and reporting systems.

Financial reporting procedures include setting detailed budgets for the year ahead and business plan forecasts for subsequent years. These are approved by the Board. Budgets are monitored throughout the year by the Board. In addition, regular reports cover performance in key areas such as rent collection, managing voids, major works and responsive repairs and new development.

Monitoring arrangements to check the effectiveness of internal controls and regular reporting to management, Boards and Committees are part of the control environment. This is complemented by regular reviews by a firm of internal auditors who provide independent assurance to the Board, via the Audit and Assurance Committee. The arrangements include a rigorous procedure, monitored by the Committee, for ensuring that corrective action is taken in relation to any significant control issues.

The Audit and Assurance Committee and Board receive an annual report on internal controls from the Group Chief Executive on behalf of the Executive Team. In addition to reports on specific areas covered by their audit plan, the internal auditors provide an annual report covering the Group as a whole, summing up findings and improvements emerging during the year and proposing future priorities. External auditors provide reports on management and control issues identified during the course of their work. These too are subject to scrutiny by the Audit and Assurance Committee on behalf of the Board.

Fraud Assurance

The work with our internal auditors provides assurance that controls are designed to reduce the risk of fraud and to respond to suspected instances of fraudulent activity. The policies on fraud prevention and whistleblowing address any specific issues arising. These policies are reviewed regularly. We maintain a register of fraud risk, reviewed annually by the Audit and Assurance Committee, and undertake fraud awareness training with colleagues. Any material frauds are reported to the Regulator of Social Housing and Charity Commission as required. During the year there were no material frauds. Where suspect activity was identified, this was fully and independently investigated and appropriate action has been taken.

Statement of Board Responsibilities

The Board is responsible for preparing the Report of the Board, the Strategic Report and the Financial Statements in accordance with applicable law and regulations. The Companies Act 2006 and the Housing Act 1996 require the directors to prepare Financial Statements for each financial year. Under that law the directors have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity and company law and the Housing Act 1996, the directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the income and expenditure of the Group and the Company for that period. In preparing those Financial Statements, the directors are required to:

- + Select suitable accounting policies and then apply them consistently;
- + Make judgements and accounting estimates that are reasonable and prudent;
- + State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and

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

The Board and the Executive Team are responsible for keeping adequate accounting records that are sufficient to show and explain the Group’s and the Company’s transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Group’s website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Disclosure of Information to the Auditor

Each Member of the Board has taken all the steps required of them by the Board Members’ duty to exercise due care, skill and diligence in order to make themselves aware of any relevant audit information and to establish that the Group’s auditor is aware of that information.

Auditor

Menzies acted as our external auditors for 2025/26 and are re-appointed for 2026/27. This report was approved by the Board and authorised for issue on 30 July 2026 and signed on its behalf by:



Gary Moreton
Chair of the whg Board 30 July 2026

Independent auditor’s report to the members of Walsall Housing Group Limited

Opinion

We have audited the financial statements of Walsall Housing Group Limited (the Association) and its subsidiaries (the Group) for the year ended 31 March 2026 which comprise the Consolidated Statement of Total Comprehensive Income, Consolidated Statement of Changes in Reserves, Company Statement of Changes in Reserves, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows and the Notes to the Financial Statements, including a summary of significant accounting policies in note 2. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- + give a true and fair view of the state of the Group’s and of the Association’s affairs as at 31 March 2026 and of the Group’s and Association’s income and expenditure for the year then ended;
- + have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- + have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in

the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Board’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Association’s or Group’s ability to continue as a going concern for a period of at least 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.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- + the information given in the Strategic Report and the Report of the Board for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- + the Strategic Report and the Report of the Board been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Association and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Board.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- + adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- + the financial statements are not in agreement with the accounting records and returns; or

- + certain disclosures of directors’ remuneration specified by law are not made; or
 - + we have not received all the information and explanations we require for our audit.
- In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:
- + a satisfactory system of control over transactions has not been maintained.

Responsibilities of the Board

As explained more fully in the Statement of Responsibilities of the Board set out on page 56, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, our procedures included the following:

- + We obtained an understanding of laws and regulations that affect the Group and the Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Companies Act 2006, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation and employment legislation.
- + We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- + We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- + The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and

performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the nature of the Group and the Association’s activities and the regulated nature of the Group and the Association’s activities.

- + We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- + We enquired of the Board about actual and potential litigation and claims.
- + We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- + In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias

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

Use of our report

This report is made solely to the Association’s members, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and Section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Association’s members those matters we are required to state to them in an auditor’s report and

for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the

Association’s members as a body for our audit work, for this report, or for the opinions we have formed.

Maria Hallows FCA (Senior Statutory Auditor)

For and on behalf of

Menzies LLP

Menzies

Statutory Auditor and Chartered Accountants

One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 12th August 2026



Consolidated Statement of Total Comprehensive Income

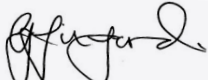
for the year ended 31 March 2026

The consolidated Financial Statements on pages 76 to 127 were approved by the Board on 30 July 2026.

	Note	Group		Company	
		2026 £'000	2025 £'000	2026 £'000	2025 £'000
Turnover	3	147,359	146,081	146,682	145,631
Operating expenditure	3	(110,274)	(115,154)	(110,113)	(115,270)
Gain on disposal of property, plant and equipment	3,6	11,292	7,720	11,292	7,720
Movement in fair value of investment properties	3,15	65	25	65	25
Share in Surplus from Joint Venture	3,33	20	144	-	-
Operating surplus	3a,3b	48,462	38,816	47,926	38,106
Interest receivable and other income	7	931	1,502	884	1,553
Interest and financing costs	8	(16,425)	(15,922)	(16,425)	(15,922)
Gift Aid		-	-	773	772
Surplus for the year before tax		32,968	24,396	33,158	24,509
Taxation	11	(5)	19	-	-
Surplus for the year after tax		32,963	24,415	33,158	24,509
Other comprehensive income / (expenditure):					
Remeasurements – Actuarial gain in respect of pension schemes	26	17,798	23,801	17,798	23,801
Derecognition of pension asset	26	(13,014)	(21,321)	(13,014)	(21,321)
Total comprehensive income for the year		37,747	26,895	37,942	26,989



Gary Moreton
Chair
31 July 2026



Gary Fulford
Group Chief Executive
31 July 2026

The consolidated results relate wholly to continuing activities. The accompanying Notes form part of these Financial Statements.

Consolidated Statement of Changes in Reserves

for the year ended 31 March 2026

Income and expenditure reserve £'000	
Balance as at 1 April 2024	260,260
Surplus for the year	24,415
Actuarial gain/(loss) in respect of the pension scheme	23,801
Derecognition of pension asset	(21,321)
Transfer to Capital Grant	(1,215)
Balance at 31 March 2025	285,940
Surplus for the year	32,963
Other comprehensive income/(expenditure) for the year:	
Actuarial gain/(loss) in respect of the pension scheme	17,798
Derecognition of pension asset	(13,014)
Balance at 31 March 2026	323,687

Company Statement of Changes in Reserves

for the year ended 31 March 2026

Income and expenditure reserve £'000	
Balance as at 1 April 2024	279,213
Surplus for the year	24,509
Actuarial gain/(loss) in respect of the pension scheme	23,801
Derecognition of pension asset	(21,321)
Transfer to Capital Grant	(1,215)
Balance at 31 March 2025	304,987
Surplus for the year	33,158
Other comprehensive income/(expenditure) for the year:	
Actuarial gain/(loss) in respect of the pension scheme	17,888
Derecognition of pension asset	(13,104)
Transfer to Loan Waiver	(498)
Balance at 31 March 2026	342,431

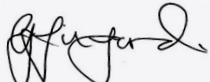
Consolidated Statement of Financial Position at 31 March 2026

	Note	Group		Company	
		2026 £'000	2025 £'000	2026 £'000	2025 £'000
Fixed Assets					
Intangible assets	12	419	617	419	617
Tangible fixed assets - Housing Properties	13	831,633	776,997	851,851	796,745
Tangible fixed assets - Other Fixed Assets	14	20,224	14,267	20,224	14,267
Investment properties	15	11,745	11,680	11,745	11,680
HomeBuy loans receivable	16	107	107	107	107
Investment in Subsidiaries	17	-	-	100	100
Investment in Joint Venture	33	-	229	-	-
Other Investments	33	68	120	20	20
		864,196	804,017	884,466	823,536
Current Assets					
Inventories held for sale	18a	-	1,924	-	-
Properties held for sale	18b	2,975	2,056	2,975	2,056
Trade and other debtors	19	7,405	12,705	7,388	16,796
Debtors due in more than one year	20	-	-	500	500
Investments		2,347	2,603	2,347	2,603
Cash and cash equivalents		18,562	27,715	16,476	24,499
		31,289	47,003	29,686	46,454
Creditors: Amounts falling due within one year	21	(37,659)	(38,942)	(37,579)	(38,863)
Net current assets/(Liabilities)		(6,370)	8,061	(7,893)	7,591
Pension Asset	26	3,302	-	3,302	-
Total assets less current liabilities		861,128	812,078	879,875	831,127
Creditors: Amounts falling due after more than one year	22	(535,721)	(524,116)	(535,724)	(524,118)
Provisions for liabilities					
Defined Benefit Pension provision	26	(131)	(196)	(131)	(196)
Other provision	27	(1,589)	(1,826)	(1,589)	(1,826)
Total net assets		323,687	285,940	342,431	304,987
Reserves					
Income and expenditure reserves		323,687	285,940	342,431	304,987
Total Reserves		323,687	285,940	342,431	304,987

The accompanying Notes form part of these Financial Statements.

The Financial Statements on pages 76 to 127 were approved by the Board and authorised for issue on 30 July 2026 and are signed on its behalf by:


Gary Moreton Chair
30 July 2026


Gary Fulford Group Chief Executive
30 July 2026



Consolidated Statement of Cash Flows

for the year ended 31 March 2026

The accompanying Notes form part of these Financial Statements.
A reconciliation of net debt is shown in Note 29A.

	Note	2026 £'000	2025 £'000
Net cash generated from operating activities	29	73,791	63,945
Cash flow from investing activities			
Purchase of tangible fixed assets - housing properties		(72,588)	(71,575)
Purchase of tangible fixed assets - other		(8,953)	(2,115)
Loan from/(to) non-group entity		-	2,325
Investment in non-group assets		-	1,300
Repayment of Homebuy Loan		-	-
Grants received		14,017	2,337
Interest received		1,029	1,613
		(66,495)	(66,115)
Cash flow from investing activities			
Interest paid		(16,705)	(17,459)
Withdrawal from deposits		256	99
		(16,449)	(17,360)
Net change in cash and cash equivalents		(9,153)	(19,530)
Cash and cash equivalents at beginning of the year		27,715	47,245
Cash and cash equivalents at end of the year		18,562	27,715

Notes to the Financial Statements

1. Legal Status

Walsall Housing Group Limited is a company limited by guarantee, registered under the Companies Act 2006 and is an English registered charity and social housing provider. Walsall Housing Group is a public benefit entity. The Company’s registered office address and principal place of business is: 100 Hatherton Street, Walsall, WS1 1AB.

Walsall Housing Group’s principal activities and the nature of the Company’s operations can be found in the Group profile on page 9. Walsall Housing Group

(the Group) comprises the following entities:

*Walsall Housing Group Limited also has 50% share (via the Anthem Homes subsidiary) in a joint venture, Anthem Lovell LLP (Registration number OC425694). This is not a subsidiary of the Group.

** Walsall Housing Group Limited also has 20% share (via whg Trading Limited subsidiary) in a joint venture, Homes for the West Midlands LLP (Registration number OC452327). This is not a subsidiary of the Group.

Name	Incorporation	Registration
Walsall Housing Group Limited*	Limited by Guarantee	Reg. No. 04015633
	Registered Provider	Reg. No. L4389
	Registered Charity	Reg. No. 1108779
whg Treasury PLC	Limited by Shares	Reg. No. 09138070
whg Developments Limited	Limited by Shares	Reg. No. 07872595
whg Trading Company Limited**	Limited by Shares	Reg. No. 05407219
Anthem Homes Limited	Limited by Shares	Reg. No. 10591652
Cricket Close LLP	Limited Liability Partnership	Reg. No. OC417013
The Woodlands Management Company (Harrowby) Limited	Limited by Guarantee	Reg No. 097211558

2. Accounting policies

Basis of Accounting

The consolidated Financial Statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): “Accounting by Registered Social Landlords” updated in 2018 and comply with the Accounting Direction for Private Registered providers of Social Housing 2022 (the

Accounting Direction). They have been prepared under the historical cost convention, modified to include certain financial instruments and investment properties at fair value.

Monetary amounts in these Financial Statements are rounded to the nearest whole £1,000, except where otherwise indicated.

The Board is satisfied that the current accounting policies are the most appropriate for the Group.

Basis of Consolidation

The consolidated Financial Statements incorporate those of the Company and all its subsidiaries (i.e. entities that the Group controls though its power to govern the financial and operating policies to obtain economic benefits). All Financial Statements are made up to 31 March 2026.

All intra-Group transactions and balances between Group companies are eliminated on consolidation.

The wholly owned subsidiaries which are consolidated are listed at 1 above.

Joint Ventures

An entity is treated as a joint venture where a member of the Group holds an interest and shares control under a contractual agreement with one or more parties external to the Group. In the Group accounts, joint ventures are accounted for using the equity method. Under this method, where the venture itself is not a parent, the fair value model is adopted, and an equity investment is initially recognised at the transaction price (including transaction costs). Changes in fair value are recognised where it is practicable to do so. Where it is impracticable to measure fair value reliably or without undue cost or effort, the cost model will be used in accordance with the provisions of FRS 102. Dividends and other distributions will be recognised by the subsidiary which has made the investment when received. At group level this will reduce the carrying amount of the investment.

Reduced Disclosures

The individual accounts of Walsall Housing Group Limited have adopted the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes
- financial instrument disclosures, including:
 - + categories of financial instruments;
 - + items of income, expenses, gains or losses relating to financial instruments; and
 - + exposure to and management of financial risks.

Going Concern

The Group’s financial statements have been

prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. The Group financial plan has been subjected to a wide range of stress tests. No significant concerns have been noted, and we consider it appropriate to continue to prepare the financial statements on a going concern basis.

Turnover and Revenue Recognition

Turnover represents rental income receivable in the year, grant income, service charges, first tranche Shared Ownership sales and other goods and services supplied in the year (excluding VAT) and the amortisation of Deferred Capital Grant.

Rental and service charge income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids. Income from first tranche sales and sales of properties built for sale is recognised at the legal completion of the sale.

Other Income

Interest income is accrued on a time-apportioned basis, by reference to the principal outstanding at the effective interest rate.

Investment income is recognised on an accruals basis.

Intangible Fixed Assets

Intangible fixed assets are stated at cost less accumulated amortisation.

Amortisation is provided evenly on the cost of intangible fixed assets to write them down to their estimated residual values over their expected useful lives. The principal period used for intangible assets is seven years.

Tangible Fixed Assets – Housing Properties

Housing properties are properties for the provision of social housing and are principally properties available for rent and Shared Ownership.

Completed housing and Shared Ownership properties are stated at cost less accumulated depreciation and impairment losses.

Cost includes the cost of acquiring land and buildings, and expenditure incurred during the development period. Only the direct overhead costs including interest associated with new

developments or improvements are capitalised.

Housing properties are transferred at cost to completed properties when they are ready for letting.

Works to existing properties are capitalised when they either replace a component that has been treated separately for depreciation purposes, or are improvement works that enhance the economic benefits of the asset. Such enhancements can occur if improvements result in any of the following:

- + an increase in rental income;
- + a material reduction in future maintenance costs;
- + a significant extension to the life of the property.

Shared Ownership properties are split proportionally between fixed assets and current assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset, and related sales proceeds are included in turnover and related costs charged to operating costs. The remaining element is classed as a fixed asset and included in housing properties at cost, less any provisions needed for depreciation or impairment. Disposals of the second and subsequent tranches are treated as fixed asset disposals in the normal manner and the resultant surplus is shown within “surplus/ (deficit) on disposal of property, plant and equipment”.

Under Shared Ownership arrangements, the Group disposes of a long lease of Shared Ownership housing units to persons who occupy them, at between 25% and 75% of value. The occupier has the right to purchase further proportions at the current valuation up to 100%, except where the lease specifically states that for certain homes restricted to over 55s they can only purchase up to 75%.

Right to Buy and Right to Acquire Disposals

For homes sold through a Right to Buy or Right to Acquire, the disposal net proceeds are included in the surplus on disposal of housing properties in the Statement of Comprehensive Income and become part of the income and expenditure reserve and used towards investment in our core activities. The sales are included as part of our operating surplus.

Voluntary Right to Buy Disposals

For homes sold under the scheme the proceeds

will be retained to fund replacement homes. The discount received by the tenant is claimed back from Homes England. We claim back any transaction cost i.e. legal costs and debt associated with the property, and the net cash amount will be held as a designated reserve to fund replacement properties as disclosed in Note 35.

Investment Properties

Investment properties consist of market rent housing properties. These properties are initially measured at cost and subsequently measured at fair value. Changes in fair value are recognised in the Statement of Comprehensive Income.

The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in FRS 102. The Board considers that, because investment properties are not held for consumption, but for their investment potential, to depreciate them would not give a true and fair view. If this departure from the Companies Act 2006 had not been made in order to give a true and fair view, the surplus for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified because depreciation is only one of many factors reflected in the annual valuation and the amount relating to the depreciation of the property cannot be separately identified.

Government Grants

Government grants include grants receivable from Homes England, local authorities and other Government bodies.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met, and the grants will be received.

Government grants received for housing properties are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model.

Government grants relating to revenue are recognised in income over the same period as the expenditure to which they relate once reasonable assurance has been gained that the entity will comply with the conditions and that the funds will be received. Grants due from government

organisations or received in advance are included as current assets or liabilities. Government grants received for housing properties are subordinated to the repayment of loans by agreement with Homes England. Government grants released on sale of a property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position in creditors. Previously amortised Social Housing Grant on disposed of properties is credited to the RCGF through a charge to the surplus on disposal.

If there is no requirement to recycle or repay the grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised as income. Where individual components are disposed of and this does not create a relevant event for recycling purposes, any grant which has been allocated to the component is released to the Statement of Comprehensive Income upon disposal of the associated property.

Government grants that impose specified future performance-related conditions on the Company are recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

Other Grants

Grants received from other sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the Company is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

Depreciation of Housing Properties

Freehold land or assets under construction are not depreciated.

The Group separately identifies the major components of its housing properties and charges depreciation to write down the cost of each component to its estimated residual value, on a straight-line basis over its estimated useful economic life.

The Group depreciates the major components of its housing properties based on the following:

Building Components	Years
Structure / Roofing / Bin Chutes	100 or 125
Windows and Doors	27-30
Kitchens	18-20
Bathrooms	27-30
Central Heating	27-30
Boilers	10-15
Rewiring	22-25
External Wraps	35-40
Flat Roofing	25
Aerials	30
Lifts	25
Sprinklers	25
Solar PV Panels	25
Door Entry Systems	20
Lift Maintenance	10

Impairments of Fixed Assets

An assessment is made at each reporting date of whether there are indications that a fixed asset (including housing properties) may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the recoverable amount of the asset is estimated.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use of the asset based on its service potential, are recognised as impairment losses in Statement of Comprehensive Income.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in the Statement of Comprehensive Income. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset’s revised carrying amount (less any residual value) over its remaining useful life.

Other Tangible Fixed Assets

Tangible fixed assets are initially measured at cost, and subsequently net of depreciation. Expenditure under £500 is not capitalised and is treated as revenue expenditure. Depreciation is provided on all tangible fixed assets, other than freehold land and investment properties, at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight-line basis over its expected useful life, as follows:

Other Assets	Years
Office buildings	50
IT	4-15
Furniture & office equipment	10
Motor Fleet vehicles	10
Motor Other vehicles	2-4
Office improvements	4-8

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Properties in the course of construction are carried at cost, less any identified impairment loss. Cost includes professional fees and other directly attributable costs that are necessary to bring the property to its operating condition. Depreciation commences when the properties are ready for their intended use.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and highly liquid interest-bearing securities with maturities of three months or less.

Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition and construction of qualifying properties are added to the cost of those properties until such a time as the properties are ready for their intended use or sale.

Bond discounts/ premiums are accrued on an amortised cost basis to build up the total discount payable in proportion to the outstanding capital over the life of the bond.

Loan and bond issue costs are deducted from the

capital owed and amortised using the amortised cost basis to charge them to income in proportion to the outstanding capital.

Taxation

Walsall Housing Group Limited has charitable status and is registered with the Charity Commission and is therefore exempt from paying corporation tax on charitable activities.

whg Trading Company Limited, whg Developments Limited, whg Treasury PLC, Anthem Homes Limited and Cricket Close LLP are not registered as charities and therefore corporation tax would be provided on taxable surpluses should they arise.

Deferred Taxation

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

Value Added Tax (VAT)

The Company and the Group are included in a Group VAT registration, which covers Walsall Housing Group Limited and whg Trading Company Limited.

whg Developments Limited and Cricket Close LLP each have separate registrations. whg Treasury PLC, Anthem Homes Limited and The Woodlands Management Company (Harrowby) Limited are not registered for VAT.

The group expenditure is subject to VAT in different ways:

- + The majority of the Group expenditure is subject to VAT which cannot be reclaimed. Expenditure is therefore shown inclusive of VAT.

- + Although a large proportion of the Group’s income is exempt from VAT, the Group charges VAT on some of its income and can recover VAT on directly attributable costs.
- + The Group is also able to recover part of the VAT it incurs on overhead expenditure in line with a partial exemption method agreed with HM Revenue and Customs (HMRC) and the recovered amounts are disclosed in turnover.

Interest Payable

Interest is capitalised on borrowings to finance the development of qualifying assets to the extent that it accrues in respect of the period of development if it represents:

- + interest on borrowings specifically financing the development programme after deduction of related grants received in advance; or
- + a fair amount of interest on borrowings of the Group as a whole after deduction of social housing grant received in advance to the extent that they can be deemed to be financing the development programme.

Leases

All leases are operating leases and the annual rentals are charged to income and expenditure on a straight-line basis over the lease term.

Colleague Benefits

The costs of short-term colleague benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement at 31 March is recognised in the period in which the employee’s services are received.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when whg is demonstrably committed to terminate the employment of the employee or to provide termination benefits.

Retirement Benefits

Defined benefit plans

The Group participates in two funded multi-employer defined benefit schemes, the Social Housing Pension Scheme (SHPS) which

is administered independently by the Pensions Trust, and the West Midlands Pension Fund (WMPF), a multi-employer scheme with more than one participating employer and administered under the regulations governing the Local Government Pension Scheme (LGPS).

Liabilities relating to our share of the SHPS and LGPS scheme are included on the Statement of Financial Position. Assets are only included up to the extent to which an Asset Ceiling report demonstrated they are recoverable.

The cost of providing benefits is determined using the projected unit credit method and actuarial assumptions are applied to calculate the liabilities with the effect of any changes in assumptions taken through ‘Other Comprehensive Income’.

The net defined benefit liability / asset represents the present value of the defined benefit obligation less the fair value of plan assets out of which obligations are to be settled.

Any asset resulting from this calculation is limited to the present value of available refunds or reductions in future contributions to the plan.

The following are recognised in the Statement of Comprehensive Income:

- + The change in the net defined benefit liability arising from colleague service during the year is recognised as an employee cost.
- + The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.
- + Net interest on the defined benefit asset/liability is calculated by multiplying the fair value of the net plan asset / liability at the beginning of the period by the rate to discount the benefit obligations.

The difference between the interest income / cost calculated on the net plan liability / asset and the actual return on the plan assets is recognised in other comprehensive income.

HomeBuy

The Group operates the HomeBuy scheme, lending a percentage of the cost to home purchasers, secured on the property. HomeBuy loans are treated within these Financial Statements as concessionary loans.

The loans are interest free and repayable only on the sale of the property. No HomeBuy grant has been received by the Company. On a sale, the fixed percentage of the proceeds is repaid. Therefore, no impairment exists at the reporting date.

Financial Instruments

The Group has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102, in full, to all of its financial instruments.

Financial instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 are accounted for under an amortised historic cost model.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument and are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial Assets

Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade Debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Comprehensive Income for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in income or expenditure.

Financial Liabilities

Creditors

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges. Commitments to receive a loan are measured at cost less impairment.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Provisions

The Group recognises provisions where it has an obligation at the reporting date as a result of a past event, which it is probable, will result in the transfer of economic benefits and that obligation can be estimated reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Critical Accounting Estimates and Areas of Judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Defined Benefit Obligation (DBO) – WMPF

Our estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analysed in Note 26).

Defined Benefit Obligation (DBO) – SHPS

Our estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate anticipation of future salary increases and the roll forward of actuarial information to 31 March 2026. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analysed in Note 26).

All defined benefit obligations are recorded at fair value, all surpluses are subject to a further asset ceiling report to determine the extent to which surpluses are recoverable and therefore can be recorded as an asset in the statement of financial position.

Fair value measurement

We use valuation techniques to determine the fair value of non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Management bases its assumptions on observable data as far as possible, but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices.

Fair value measurements were applied to investment properties (Note 15).

Useful lives of depreciable assets

We review our estimate of the useful lives of depreciable assets at each reporting date based on the expected utilisation of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utilisation of certain software and IT equipment and changes to decent homes standards which may require more frequent replacement of key components.

Critical areas of judgement

Impairment

On an annual basis we review for potential impairment. An impairment review was carried out which included the impact of failure of three contractors on our development schemes. The detailed assessment concluded that the schemes remain viable.

More generally, we estimated the recoverable amount of our housing properties as follows:

- + determined the level at which recoverable amount is to be assessed (i.e., the asset level or cash generating unit (CGU) level). The CGU level was determined to be an individual scheme.
- + estimated the recoverable amount of the cash-generating unit.
- + calculated the carrying amount of the cash-generating unit and
- + compared the carrying amount to the recoverable amount to determine if an impairment loss has occurred.

At the balance sheet date an impairment review was undertaken on Chequers Lane, one of our development schemes. This review concluded that the scheme was viable, however in June 2026, new issues emerged which have a direct impact on the viability of the scheme. As a result we have impaired 100% of the scheme costs to date of £1,083k. In addition an impairment of £111k was made in

respect of eight housing properties which have been identified for demolition to facilitate regeneration opportunities.

Impairments have also been made in relation to non-housing related activities. These were £249k in respect of Anthem Homes Ltd investment in Anthem Lovell LLP due to forecast future costs in relation to the Lockside development and £52k impairment of whg Trading’s investment in Homes for the West Midlands LLP.

Capitalisation of property development costs

Distinguishing the point at which a project is more than likely to continue, allowing capitalisation

of associated development costs requires judgement. Where a scheme is unlikely to continue the abortive costs are written off to the Statement of Comprehensive Income.

Fire Safety

We undertake regular fire risk assessments on all our high-rise and low-rise blocks to ensure compliance with fire safety standards. Taking into consideration the specific facts and circumstances of each block, we have concluded that no financial provision is required.



3a. Particulars of turnover, cost of sales, operating costs and operating surplus

2026							
Group – continuing activities	Turnover £'000	Cost of sales £'000	Operating expenditure £'000	Surplus on Disposal £'000	Revaluation of Investment Property £'000	Share in Surplus from Joint Venture £'000	Operating Surplus £'000
Social housing lettings	138,395	-	(101,403)	-	-	-	36,992
Other social housing activities							
First tranche low cost home ownership sales	5,333	(4,917)	-	-	-	-	416
Gain on disposal of property, plant and equipment	-	-	-	11,292	-	-	11,292
Charges for support services	-	-	-	-	-	-	-
Development costs	-	-	(779)	-	-	-	(779)
Other social housing grants	290	-	-	-	-	-	290
VAT recoverable	110	-	-	-	-	-	110
Other social housing	827	-	(335)	-	-	-	492
Impairment of Development Costs	-	-	(1,384)	-	-	-	(1,384)
	144,955	(4,917)	(103,901)	11,292	-	-	47,429
Activities other than Social Housing							
Non social housing lettings	1,133	-	(471)	-	-	-	662
Non social housing grants	222	-	(427)	-	-	-	(205)
Outright property sale	-	-	-	-	-	-	-
Other non social housing	1,049	-	(558)	-	-	-	491
Share in Surplus from Joint Venture	-	-	-	-	-	20	20
Increase in valuation of Investment Properties	-	-	-	-	65	-	65
	147,359	(4,917)	(105,357)	11,292	65	20	48,462

2025							
Group – continuing activities	Turnover £'000	Cost of sales £'000	Operating expenditure £'000	Surplus on Disposal £'000	Revaluation of Investment Property £'000	Share in Surplus from Joint Venture £'000	Operating Surplus £'000
Social housing lettings	132,646	-	(100,873)	-	-	-	31,773
Other social housing activities							
First tranche low cost home ownership sales	10,434	(9,174)	-	-	-	-	1,260
Gain on disposal of property, plant and equipment	-	-	-	7,720	-	-	7,720
Charges for support services	-	-	-	-	-	-	-
Development costs	-	-	(837)	-	-	-	(837)
Other social housing grants	252	-	-	-	-	-	252
VAT recoverable	25	-	-	-	-	-	25
Other social housing	616	-	(317)	-	-	-	299
Impairment of Development Costs	-	-	(2,600)	-	-	-	(2,600)
	143,973	(9,174)	(104,627)	7,720	-	-	37,892
Activities other than Social Housing							
Non social housing lettings	1,088	-	(401)	-	-	-	687
Non social housing grants	227	-	(466)	-	-	-	(239)
Outright property sale	-	-	-	-	-	-	-
Other non social housing	793	-	(486)	-	-	-	307
Share in Surplus from Joint Venture	-	-	-	-	-	144	144
Increase in valuation of Investment Properties	-	-	-	-	25	-	25
	146,081	(9,174)	(105,980)	7,720	25	144	38,816

3b. Particulars of turnover, cost of sales, operating costs and operating surplus

Included within social housing lettings operating expenditure are non-cash amounts that relate to FRS 102 assumptions in respect of the pension funds for ‘current service costs’ and ‘curtailments’ of £1.3m (2025: £2.4m). This non-cash financial assumption is derived by the scheme actuaries.

2026						
Company – continuing activities	Turnover £'000	Cost of sales £'000	Operating expenditure £'000	Disposal of housing properties £'000	Revaluation of Investment Property £'000	Operating Surplus £'000
Social housing lettings	138,395	-	(101,578)	-	-	36,817
Other social housing activities						
First tranche low cost home ownership sales	5,333	(4,917)	-	-	-	416
Gain on disposal of property, plant and equipment	-	-	-	11,292	-	11,292
Charges for support services	-	-	-	-	-	-
Development costs	-	-	(773)	-	-	(773)
Other social housing grants	290	-	-	-	-	290
VAT recoverable	110	-	-	-	-	110
Other social housing	978	-	(336)	-	-	642
Impairment of Development Costs	-	-	(1,083)	-	-	(1,083)
	145,106	(4,917)	(103,770)	11,292	-	47,711
Activities other than Social Housing						
Non social housing lettings	1,133	-	(471)	-	-	662
Non social housing grants	221	-	(427)	-	-	(206)
Outright property	-	-	-	-	-	-
Other non social housing	222	-	(528)	-	-	(306)
Increase in valuation of Investment Properties	-	-	-	-	65	65
	146,682	(4,917)	(105,196)	11,292	65	47,926

2025						
Company – continuing activities	Turnover £'000	Cost of sales £'000	Operating expenditure £'000	Disposal of housing properties £'000	Revaluation of Investment Property £'000	Operating Surplus £'000
Social housing lettings	132,646	-	(101,042)	-	-	31,604
Other social housing activities						
First tranche low cost home ownership sales	10,434	(9,174)	-	-	-	1,260
Gain on disposal of property, plant and equipment	-	-	-	7,720	-	7,720
Charges for support services	-	-	-	-	-	-
Development costs	-	-	(832)	-	-	(832)
Other social housing grants	252	-	-	-	-	252
VAT recoverable	25	-	-	-	-	25
Other social housing	736	-	(317)	-	-	419
Impairment of Development Costs	-	-	(2,600)	-	-	(2,600)
	144,093	(9,174)	(104,791)	7,720	-	37,848
Activities other than Social Housing						
Non social housing lettings	1,087	-	(401)	-	-	686
Non social housing grants	227	-	(466)	-	-	(239)
Outright property	-	-	-	-	-	-
Other non social housing	224	-	(438)	-	-	(214)
Increase in valuation of Investment Properties	-	-	-	-	25	25
	145,631	(9,174)	(106,096)	7,720	25	38,106

3c. Particulars of income and expenditure from social housing lettings

Group				2026	2025
	General needs housing £'000	Supported housing and housing for older people £'000	Low cost home ownership £'000	Total £'000	Total £'000
Rent receivable net of identifiable service charges	123,495	2,925	3,418	129,838	124,553
Service charge income	6,004	576	757	7,377	6,510
Amortised government grants	865	-	-	865	843
Other grants	136	219	-	355	740
Turnover from social housing lettings	130,500	3,720	4,175	138,395	132,646
Management	(26,484)	(491)	(8)	(26,983)	(28,764)
Service charge costs	(6,795)	(706)	(521)	(8,022)	(7,489)
Routine maintenance	(13,565)	(251)	-	(13,816)	(13,313)
Planned maintenance	(24,280)	(450)	-	(24,730)	(24,747)
Major repairs expenditure	(9,272)	(172)	-	(9,444)	(10,185)
Bad debts	(852)	(16)	9	(859)	(633)
Depreciation of housing properties	(16,699)	(317)	(422)	(17,438)	(15,742)
Impairment	(111)	-	-	(111)	-
Operating expenditure on social housing lettings	(98,058)	(2,403)	(942)	(101,403)	(100,873)
Operating surplus on social housing lettings	32,442	1,317	3,233	36,992	31,773
Void losses	(1,679)	(61)	(22)	(1,762)	(1,306)

3d. Particulars of Income and Expenditure from Social Housing Lettings

Company				2026	2025
	General needs housing £'000	Supported housing and housing for older people £'000	Low cost home ownership £'000	Total £'000	Total £'000
Rent receivable net of identifiable service charges	123,495	2,925	3,418	129,838	124,553
Service charge income	6,004	576	757	7,337	6,510
Amortised government grants	865	-	-	865	843
Other grants	136	219	-	355	740
Turnover from social housing lettings	130,500	3,720	4,175	138,395	132,646
Management	(26,491)	(491)	(8)	(26,990)	(28,770)
Service charge costs	(6,795)	(706)	(522)	(8,023)	(7,491)
Routine maintenance	(13,569)	(251)	-	(13,820)	(13,316)
Planned maintenance	(24,287)	(450)	-	(24,737)	(24,753)
Major repairs expenditure	(9,274)	(172)	-	(9,446)	(10,186)
Bad debts	(852)	(16)	9	(859)	(633)
Depreciation of housing properties	(16,850)	(320)	(422)	(17,592)	(15,893)
Impairment	(111)	-	-	(111)	-
Operating expenditure on social housing lettings	(98,229)	(2,406)	(943)	(101,578)	(101,042)
Operating surplus on social housing lettings	32,271	1,314	3,232	36,817	31,604
Void losses	(1,679)	(61)	(22)	(1,762)	(1,306)

3e. Particulars of turnover from non-social housing lettings

	Group and Company	
	2026 £'000	2025 £'000
Market rented housing properties	819	751
Garage rents	314	337
	1,133	1,088

4. Accommodation in management and development

At the end of the year accommodation in management for each class of accommodation was as follows:

Group and Company	2026 Number	2025 Number
Social housing		
General housing:		
- social rent	18,140	18,157
- affordable rent	2,798	2,703
Supported housing	388	385
Low cost home ownership	916	869
Total owned	22,242	22,114
Leasehold properties	676	666
Total managed	22,918	22,780
Non-social housing		
Market rented housing properties	101	101
Total owned and managed	101	101
Accommodation in development at the year end	302	390

Group and Company	2025 Number	Additions Number	Disposals Number	Other Number	2026 Number
Social housing					
General housing:					
- social rent	18,157	91	(113)	5	18,140
- affordable rent	2,703	101	(9)	3	2,798
Supported housing	385	10	(1)	(6)	388
Low cost home ownership	869	68	(19)	(2)	916
Total owned	22,114	270	(142)	-	22,242
Leasehold properties	666	10	-	-	676
Total managed	22,780	280	(142)	-	22,918
Non-social housing					
Market rented housing properties	101	-	-	-	101
Total owned and managed	101	-	-	-	101

The Group owns 27 commercial properties (2025:30)

5. Operating Surplus

The operating surplus is arrived at after charging/(crediting):

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Amortisation of deferred capital grant	(874)	(853)	(875)	(853)
Non government grant	(219)	(216)	(219)	(216)
Amortisation of intangible fixed assets	188	314	188	314
Depreciation of housing properties	17,438	15,742	17,592	15,893
Depreciation of other tangible fixed assets	1,627	1,638	1,627	1,638
Impairment	1,495	2,600	1,194	2,600
Operating lease rentals:				
- land and buildings	110	55	110	55
- vehicles and equipment	12	49	12	49
Auditor's remuneration (including non recoverable VAT)				
- Fees payable to the Company's auditor for the audit of the Financial Statements	126	120	114	108
- Fees payable to the Company's auditor for other services:	6	6	-	-
Non recoverable VAT on Auditor's remuneration	26	25	23	22
Total audit services	158	151	137	130

6. Surplus on disposal of property, plant and equipment

Included in the Operating Surplus (Note 3)	Group and Company	
	2026 £'000	2025 £'000
Disposal proceeds	15,258	9,959
Carrying value of fixed assets	(3,758)	(2,062)
Other costs of sale	(208)	(177)
Surplus on disposal	11,292	7,720

	Group and Company					
	2026			2025		
	£'000	£'000	£'000	£'000	£'000	£'000
	Proceeds	Cost of Sale	Surplus	Proceeds	Cost of Sale	Surplus
AHO/LCHO Staircasing	1,823	(1,167)	656	1,029	(749)	280
RTB Sales	5,365	(919)	4,446	1,973	(398)	1,575
RTA Sales	4,385	(641)	3,744	4,021	(666)	3,355
Other Housing Property Sales	2,910	(325)	2,585	2,516	(325)	2,191
Sale of Other Assets	775	(914)	(139)	420	(101)	319
Total	15,258	(3,966)	11,292	9,959	(2,239)	7,720



7. Interest receivable and similar income

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Bank interest receivable	931	1,502	863	1,436
Net interest receivable on the net defined benefit liability	-	-	-	-
Interest receivable from subsidiaries and joint ventures	-	-	21	117
	931	1,502	884	1,553

8. Interest and financing costs

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Financing cost on the net defined benefit liability	47	71	47	71
Bond and loan interest	17,366	17,439	17,366	17,439
Premium/discount amortised	(743)	(723)	(743)	(723)
Amortisation of issue costs	393	356	393	356
	17,063	17,143	17,063	17,143
Interest payable capitalised on housing properties under construction	(638)	(1,221)	(638)	(1,221)
	16,425	15,922	16,425	15,922
Capitalisation rate used to determine the finance costs capitalised during the period	4.20%	4.20%	4.20%	4.20%

Amounts included within the above that relate to the public bond are owed to whg Treasury PLC from the Company.

9. Employees

Average monthly number of employees expressed as full-time equivalents (calculated based on a standard working week of 37 hours):

Group and Company	2026 No.	2025 No.
Administration	191	177
Development	26	27
Housing, support and care	581	558
Average monthly FTE	798	762

Group and Company	2026 No.	2025 No.
Administration	199	185
Development	27	28
Housing, support and care	602	576
Average monthly headcount	828	789

	2026 £'000	2025 £'000
Wages and salaries*	36,355	34,171
Social security costs	4,708	3,591
Other pension costs	3,834	4,619
Total Employee Costs	44,897	42,381

* Included redundancy costs of £528k (2025 £897k)



The Company’s employees are members of the West Midlands Pension Fund (WMPF) or of the Social Housing Pension Scheme (SHPS). Further information on each scheme is given in Note 26.

The full-time equivalent number of colleagues who received remuneration (which includes basic, pension contributions and benefits in kind expenditure, and the note includes the Directors) in excess of £59,999:

	2025 No.	2024 No.
£60,000 – £70,000	34.0	38.0
£70,001 – £80,000	25.0	18.0
£80,001 – £90,000	13.0	10.0
£90,001 – £ 100,000	3.0	1.0
£100,001 – £110,000	4.0	6.0
£110,001 – £120,000	2.0	4.0
£120,001 – £130,000	6.0	5.0
£130,001 – £140,000	2.0	2.0
£140,001 –£150,000	-	2.0
£150,001 – £160,000	1.0	-
£160,001 – £170,000	1.0	1.0
£170,001 – £180,000	-	2.0
£180.001 - £190,000	1.0	1.0
£190.001 - £200,000	1.0	-
£200,001 - £210,000	1.0	1.0
£210,001 - £220,000	-	1.0
£230,001 - £240,000	1.0	-
£280,001 - £290,001	-	-
£290,001 - £300,000	-	1.0
£300,001 - £310,001	1.0	-

10. Key management personnel

The Directors are defined for the purpose of this Note as the Members of the Board and Executive Directors of the Group, the latter having executive responsibility. This satisfies the definition included in the Accounting Direction for Private Registered providers of Social Housing 2022.

The aggregate remuneration for key management personnel charged in the year is:

Group and Company	2026 £'000	2025 £'000
Basic salary	1,273	1,240
Benefits in kind	99	93
National Insurance	196	172
Pension contributions	102	93
	1,670	1,598

The Group Chief Executive is an ordinary member of the West Midlands Pension Scheme. No enhanced or special terms apply. The Group does not make any further contribution to an individual pension arrangement for the Group Chief Executive.

The number of Directors to whom retirement benefits are accruing under defined benefit schemes was 7 (2025: 7).

During the year, the aggregate compensation for loss of office of key management personnel was £nil (2025: £nil).

The emoluments of the highest paid Director, the Group Chief Executive are shown below:

Highest Paid Director	2026 £'000	2025 £'000
Remuneration	286	278
National Insurance	41	36
Pension Contribution	22	21
	349	335

Board members Attendance and Emoluments

Board members are paid as follows:

Committee	
Audit and Assurance	AAC
Customer Service Oversight Committee	CSOC
People and Governance	PGC
Development Committee	DC
Commercial Coterminous Board	CCB
Administrative Coterminous Board	ACB
Cricket Close LLP	CC LLP

For 2025/26 no members of the Board other than the Chief Executive participated in the Social Housing Pension Scheme or the Local Government Pension Scheme.

Non-Executive Board Members	Attendance		Remuneration	
	Board	Committee	2026 £'000	2025 £'000
Gary Fulford (Chair ACBs, Member CCBs)	8/8	ACBs 3/3 CCBs 4/4 CC LLP 4/4	-	-
Paul O'Driscoll to 30/09/2024	-	-	-	4.4
Parminder Dosanjh (Kaur)	8/8	PCG 1/1 CSOC 2/3	12.4	8.2
Daren Fradgley to 28/02/2024	-	-	-	6.9
Natalia Hill (CSOC Chair) to 31/10/2025	4/4	CSOC 3/3	9.3	9.2
Katie Kershaw (CCB Chair)	8/8	CCBs 4/4 D/C 2/2	15.9	9.2
Gary Moreton (Chair)	8/8	PGC 4/4 CSOC 1/1 Dev /Com 5/5	28.1	20.4
Akshay Parikh (DC Chair) to 31/10/2025	3/4	D/C 5/5 PGC 3/3	9.3	9.2
Guy Weston (AAC Chair) to 31/10/2025	3/4	AAC 2/2 DC 5/5	9.3	9.2
Deborah Walthorne	8/8	AAC 4/4 PGC 3/3	12.4	8.2
Ian Shapiro	8/8	PGC 4/4	12.4	8.2
Craig Varian	7/8	DC 5/7	12.4	6.4
Nicola Pease	8/8	PGC 4/4	15.9	2.3
Rebecca Clarke - joined 01/06/2025	6/7	CSOC 3/3	10.3	-
Aaron John - joined 01/11/2025	4/4	CSOC 1/1	5.2	-
Nicola McGowan - joined 01/11/2025 (AAC Chair from 01/11/2025)	4/4	AAC 2/2	6.6	-
Richard Woolley - joined 01/11/2025	6/7	PCG 3/3 AAC 3/3	10.3	-
Total			169.8	101.8
Board Expenses			2.3	2.2
Committee Members Remuneration			60.9	40.5
Total			233.0	144.5

11. Taxation

Walsall Housing Group Limited is registered as charitable with HMRC and as such benefits from charitable tax exemptions. All other active Group companies including whg Trading Company Ltd, whg Developments Ltd, whg Treasury PLC, Anthem Homes Ltd, Cricket Close LLP and The Woodlands Management Company (Harrowby) Ltd are liable to Corporation Tax.

Group	2026 £'000	2025 £'000
Current tax		
UK corporation tax	1	26
Total current tax	1	26
Deferred tax		
Origination and reversal of timing differences	(6)	(7)
Total deferred tax	(6)	(7)
Total tax on surplus on ordinary activities	(5)	19

	2026 £'000	2025 £'000
Surplus on ordinary activities before tax	32,968	24,396
Surplus on ordinary activities multiplied by the standard rate of corporation tax in the United Kingdom of 25% (2023: 19%)	(8,242)	(6,099)
Exempt charitable activities	8,240	6,082
Adjustment for 2021/22	3	43
Current tax charge for the year	1	26
Capital allowances in excess of depreciation	(6)	(7)
Adjustment to closing deferred tax rate	-	-
Deferred Tax	(6)	(7)

	2025 £'000	2024 £'000
Surplus on ordinary activities before tax	33,158	24,509
Surplus on ordinary activities multiplied by the standard rate of corporation tax in the United Kingdom of 25% (2023: 19%)	(8,290)	(6,127)
Exempt charitable activities	8,290	6,127
Capital allowances in excess of depreciation	-	-
Adjustment to opening deferred tax rate	-	-
Current tax charge for the year	-	-

12. Intangible Fixed Assets

Group and Company	IT Software £'000	IT Software work in progress £'000	Total Intangible assets £'000
Cost			
At 31 March 2025	2,990	-	2,990
Additions	-	16	16
Transfer to Tangible	16	(16)	-
Projects completed	-	-	-
Disposals	(2,167)	-	(2,167)
At 31 March 2026	839	-	839
Amortisation			
At 31 March 2024	(2,373)	-	(2,373)
Charged in the year	(188)	-	(188)
Released on disposal	2,141	-	2,141
At 31 March 2026	(420)	-	(420)
Net book value			
At 31 March 2026	419	-	419
At 31 March 2025	617	-	617

Amortisation on these assets is apportioned by FTE across all expenditure elements within the Statement of Comprehensive Income.

13. Fixed Assets – housing properties

Fixed Assets – housing properties

Group – housing properties	Social housing properties held for letting £'000	Housing properties for letting under construction £'000	Completed Shared Ownership housing properties £'000	Shared Ownership housing properties under construction £'000	Total housing properties £'000
Cost					
At 31 March 2025	827,723	36,220	78,382	3,170	945,495
Additions	-	33,276	-	9,400	42,676
Works to existing properties	9,193	23,755	-	-	32,948
Interest capitalised	-	443	-	195	638
Schemes completed	33,449	(33,449)	10,788	(10,788)	-
Components Completed	10,761	(10,761)	-	-	-
Property disposals	2,741	-	(1,184)	-	(3,925)
Costs written off	-	(108)	-	-	(108)
Impairment	-	(1,083)	-	-	(1,083)
Component disposals	(2,142)	-	-	-	(2,142)
Change in tenure	-	389	-	(389)	-
At 31 March 2026	876,243	48,682	87,986	1,588	1,014,499
Depreciation					
At 31 March 2025	166,894	-	1,604	-	168,498
Depreciation charged in year	17,017	-	421	-	17,438
Released on disposal – properties	(1,004)	-	(35)	-	(1,039)
Released on disposal – components	(2,142)	-	-	-	(2,142)
Impairment charged in the year	111	-	-	-	111
At 31 March 2026	180,876	-	1,990	-	182,866
Net book value					
At 31 March 2026	695,367	48,682	85,996	1,588	831,633
At 31 March 2025	660,829	36,220	76,778	3,170	776,997

Included in the depreciation charge for the year is £259k of accelerated depreciation on components disposed before the end of their useful economic lives (2025: £316k).

The impairment charge for the year is £1,083k, in relation to the Chequers Lane Development. In addition, £111k which relates to eight homes taken out of management to facilitate regeneration opportunities (2025: £2.6m).

Company – housing properties	Social housing properties held for letting £'000	Housing properties for letting under construction £'000	Completed Shared Ownership housing properties £'000	Shared Ownership housing properties under construction £'000	Total housing properties £'000
Cost					
At 31 March 2025	848,588	37,604	78,382	3,170	967,744
Additions	-	33,900	-	9,400	43,300
Works to existing properties	9,193	23,755	-	-	32,948
Interest capitalised	-	443	-	195	638
Schemes completed	34,614	(34,614)	10,788	(10,788)	-
Components Completed	10,761	(10,761)	-	-	-
Property disposals	(2,741)	-	(1,184)	-	(3,925)
Costs written off	-	(108)	-	-	(108)
Impairment	-	(1,083)	-	-	(1,083)
Component disposals	(2,142)	-	-	-	(2,142)
Change in tenure	-	389	-	(389)	-
At 31 March 2026	898,273	49,525	87,986	1,588	1,037,372
Depreciation					
At 31 March 2025	169,395	-	1,604	-	170,999
Depreciation charged in year	17,171	-	421	-	17,592
Released on disposal – properties	(1,004)	-	(35)	-	(1,039)
Released on disposal – components	(2,142)	-	-	-	(2,142)
Impairment charged in the year	111	-	-	-	111
At 31 March 2026	183,531	-	1,990	-	185,521
Net book value					
At 31 March 2026	714,742	49,525	85,996	1,588	851,851
At 31 March 2025	679,193	37,604	76,778	3,170	796,745

Assets held in the Company include uplift in the net book value of assets transferred from its subsidiaries arising from the Group restructure in January 2009. This has been eliminated on consolidation.

Housing properties book value net of depreciation comprises

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Freehold land and buildings	742,798	695,788	763,015	715,536
Leasehold buildings	1,252	1,261	1,252	1,261
Shared Ownership	87,583	79,948	87,584	79,948
	831,633	776,997	851,851	796,745

Expenditure on works to existing properties

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Components capitalised	32,949	27,015	32,949	27,015
Amounts charged to Statement of Comprehensive Income	9,444	10,185	9,446	10,186
	42,393	37,200	42,395	37,201

Social housing assistance

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Total accumulated social housing grant received or receivable at 31 March	131,804	123,450	133,748	125,394
Recognised in the Statement of Comprehensive Income	(12,322)	(11,550)	(14,266)	(13,494)
Held as deferred income	119,482	111,900	119,482	111,900

Finance costs

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Aggregate amount of finance costs included in the cost of housing properties	10,771	10,133	10,771	10,133

14. Tangible Fixed Assets – Other

Group and Company						
	Offices £'000	Furniture Fixtures and Fittings £'000	Computers & Office Equipment £'000	Computers & Office Equipment WIP £'000	Motor Vehicles £'000	Total £'000
Cost						
At 31 March 2025	13,455	2,730	4,441	587	3,535	24,748
Additions	-	182	-	164	8,084	8,430
Projects completed	-	218	489	(707)	-	-
Disposals	-	-	(1,055)	-	(1,966)	(3,021)
At 31 March 2026	13,455	3,130	3,875	44	9,653	30,157
Depreciation						
At 31 March 20245	(4,327)	(2,283)	(2,534)	-	(1,337)	(10,481)
Charged in the year	(307)	(100)	(563)	-	(657)	(1,627)
Released on disposal	-	-	1,046	-	1,129	2,175
At 31 March 2026	(4,634)	(2,383)	(2,051)	-	(865)	(9,933)
Net book value						
At 31 March 2026	8,821	747	1,824	44	8,788	20,224
At 31 March 2025	9,128	447	1,907	587	2,198	14,276

15. Investment properties

Non social housing properties held for letting	Group and Company	
	2026 £'000	2025 £'000
At 1 April	11,680	11,655
Additions adjustment	-	-
Revaluation	65	25
At 31 March	11,745	11,680

The Company owns a portfolio of market rented properties. These properties are accounted for at fair value. The Company used Bridgehouse Professional Valuation Services who undertook a desktop review to establish the current fair value of the properties. The current worth was then adjusted for movements in the property market using the median property price trends for the Walsall area. The methodology produced an estimated valuation of £11.7m at March 2026 (2025: £11.7m). The movements in fair value of £65k (2025: £25k) have been recognised in the Statement of Total Comprehensive Income.

16. HomeBuy loans receivable

	Group and Company	
	2026 £'000	2025 £'000
At 1 April	107	107
Loan repayment	-	-
At 31 March	107	107

17. Investments in subsidiaries

Name & type of entity	Company No	Place of Registration	31 March 2026	Additions	At 31 March 2025
whg Treasury Plc	9138070	England & Wales	50,000	-	50,000
whg Developments Ltd	7872595	England & Wales	1	-	1
whg Trading Ltd	5407219	England & Wales	1	-	1
Anthem Homes Ltd	10591652	England & Wales	50,000	-	50,000
Cricket Close LLP	OC417013	England & Wales	-	-	-
The Woodlands Management Company (Harrowby) Ltd	9721558	England & Wales	-	-	-
			100,002	-	100,002

a) During the year whg had the following intra-Group transactions and year end balances with whg Treasury PLC.

whg Treasury PLC to whg

Intra-Group transactions	Allocation basis	2026 £'000	2025 £'000
Interest payable	Bond interest charge payable	10,165	10,177
Custodian fees	Custodian fees payable	15	9
Management services	Fixed fee	25	20
Gift aid	Not applicable	(21)	(21)
		10,184	10,185

b) During the year the Company had the following intra-Group transactions and year end balances with whg Developments Limited.

whg to whg Developments Ltd

Intra-Group transactions	Allocation basis	2026 £'000	2025 £'000
Interest payable	Interest charge on loan	21	21
Management services	Percentage of development costs	161	151
		182	172

whg Developments Ltd to whg

Intra-Group transactions	Allocation basis	2026 £'000	2025 £'000
Recharge of cost of sales	Design & Build	16,428	15,360
Gift aid	Not applicable	(153)	(233)
		16,725	15,127

There is a £1.5m net intra-group creditor owed to whg Developments Ltd at the year-end made up of £2.2m owed to whg Developments Ltd and £682k owed by whg Developments Limited (2025:net creditor £123k). Included in the £682k debt owed by whg Developments Limited is a £500k loan made by whg on 20 December 2012. Interest is charged at 4.5% (2025: 4.5%). Interest amounted to £21k for the year (2025: £21k).

c) During the year whg had the following intra-Group transactions and year end balances with whg Trading Company Limited

whg to whg Trading Ltd

Intra-Group transactions	Allocation basis	2026 £'000	2025 £'000
Management services	Percentage of payroll costs	46	52

whg Trading Ltd to whg

Intra-Group transactions	Allocation basis	2026 £'000	2025 £'000
Gift aid	Not applicable	(599)	(518)

d) During the year the Company had the following intra-Group transactions and year end balances with Anthem Homes Limited.

Anthem Homes Limited to whg

Intra-Group transactions	Allocation basis	2026 £'000	2025 £'000
Interest payable	Interest charge payable	-	96
Management services	Percentage of payroll costs	10	37
		10	133

At 31 March 2026, there were no intra-group balances outstanding (2025: net intra-group debtor of £1.5m). During the year, the £4m loan due to Walsall Housing Group and the £2.5m loan to Cricket Close LLP were fully settled, including waivers of £498k and £318k, respectively.

e) During the year the Company had the following intra-Group transactions and year end balances with The Woodlands Management Company (Harrowby) Limited.

whg to The Woodlands Management Company (Harrowby) Limited

Intra-Group transactions	Allocation basis	2026 £'000	2025 £'000
Management services	Percentage of payroll costs	7	7

There is a £nil intra-group debtor owed by The Woodlands Management Company (Harrowby) Limited at the year end (2024: £nil).

18a. Inventories held for sale

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Inventories:				
Land	-	1,924	-	-
Total	-	1,924	-	-

The land relates to Cricket Close LLP’s asset.

18b. Properties held for sale

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Shared Ownership Properties				
Completed properties	1,865	151	1,865	151
Work in progress	1,110	1,905	1,110	1,905
Total	2,975	2,056	2,975	2,056

19. Debtors

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Due within one year				
Rent and service charges receivable	5,463	5,489	5,463	5,489
Less: provision for bad and doubtful debts	(3,496)	(3,681)	(3,496)	(3,681)
	1,967	1,808	1,967	1,808
Deferred tax asset	97	103	-	-
Other debtors	400	446	400	446
Prepayments and accrued income	4,941	10,348	4,822	10,266
Amounts owed by Group undertakings	-	-	199	4,276
	7,405	12,705	7,388	16,796

20. Debtors due in more than one year

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Due after one year				
Loan to whg Developments Limited	-	-	500	500
	-	-	500	500

21. Creditors: amounts falling due within one year

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Trade creditors	9,957	8,661	7,788	7,872
Rent and service charges received in advance	4,098	3,597	4,093	3,596
Social housing grant received in advance	856	4,852	856	4,852
Other grants received in advance	96	1,564	96	1,564
Amounts owed to Group undertakings	-	-	7,341	5,933
Deferred grant income (Note 23)	922	836	922	836
Corporation Tax	2	17	-	-
Other taxation and social security	1,130	853	1,058	850
Unpaid contributions for retirement benefits	321	356	321	356
Other creditors	3,769	3,066	3,769	3,070
Accruals and deferred income	16,508	15,140	11,335	9,934
	37,659	38,942	37,579	38,863

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

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Deferred Grant (Note 23)	119,251	107,628	119,251	107,628
Debt (Note 24)	395,040	395,040	395,040	395,040
Loan Premium and Amortisation Costs	19,726	20,664	19,726	20,664
Recycled Capital Grant (Note 25)	1,336	452	1,336	452
Amounts owing to Group Undertakings	-	-	38	38
Sinking Funds	368	332	333	296
	535,721	524,116	535,724	524,118

23. Deferred grant income

Deferred Grant includes £364k (2025: £383k) relating to office buildings and £1.2m (2025: £1.1m) component accounting grant.

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
At 1st April	108,464	102,860	108,464	102,860
Grant received in the year	13,408	6,870	13,408	6,870
Transfer to RCGF	(825)	(287)	(825)	(287)
Grants paid to partners	-	-	-	-
Grants recognised as income	-	(126)	-	(126)
Released to income in the year	(874)	(853)	(874)	(853)
At 31 March 2025	120,173	108,464	120,173	108,464
Amounts to be released within one year (Note 21)	922	836	922	836
Amounts to be released in more than one year (Note 22)	119,251	107,628	119,251	107,628
	120,173	108,464	120,173	108,464

24. Debt analysis

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Due within one year				
Bank loans	-	-	-	-
Total loans within one year	-	-	-	-
Due after more than one year				
Bank loans	70,040	70,040	70,040	70,040
Bond	250,000	250,000	250,000	250,000
bLEND	75,000	75,000	75,000	75,000
Total loans due after one year	395,040	395,040	395,040	395,040
Total loans	395,040	395,040	395,040	395,040
Payable to external funders	395,040	395,040	145,040	145,040
Payable to Group undertakings	-	-	250,000	250,000
	395,040	395,040	395,040	395,040

Bank loans and derivatives

During the year there have been no changes.

Bond

The bond monies are lent from whg Treasury PLC on to the parent company Walsall Housing Group Limited under the same terms and so the bond in the company above is therefore owed to the subsidiary, whg Treasury PLC.

The market value of the bond as at 31 March 2026 was £306m (2025: £303m).

Facilities and security

At 31 March 2026 the Group had £200m of agreed but undrawn borrowing facilities available in the form of revolving credit facilities.

The bank loans and the bond are secured by specific charges based on the net book value on the housing properties of the Group in favour of the lenders.

Terms of repayment, interest rates and issue costs

Bank loan repayments are via a mixture of instalments and one-off bullet repayments. The current bond liability is payable in full in 2045.

The £70m of bank loans accrue interest at an average rate of approximately 5.5%. As above, the £250m bond has been issued at a coupon rate of 4.25%.

Gross issue costs for both the bank loans and the bond were £3.7m (2025: £3.6m) and were capitalised in the years in which they were incurred. Amortisation charged in the year was £357k (2025: £358k).

bLEND plc

In October 2020, the Group secured £75m of new funding with an effective rate of 2.267% through the bLEND aggregator on a deferred drawdown arrangement. The price was based on a gilt of 0.787%, a spread of 1.48% and was subject to further annualised bLEND costs of 0.2%. The deal attracted a premium of £11.2m and when the funds were drawn in October 2021, the Group received net proceeds of £84m with the remaining amount held in the loan reserve fund for future interest payments. The upfront fees associated with this deal were £1m and these were capitalised in 2020. The market value of bLEND was £75m.

Based on the lender’s earliest repayment date, borrowings are repayable as follows:

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Within one year or on demand	-	-	-	-
One year or more but less than two years	-	-	-	-
Two years or more but less than five years	-	-	-	-
Five years or more	395,040	395,040	395,040	395,040
	395,040	395,040	395,040	395,040

Interest rate profile

The Group’s debt has a weighted average interest rate of 4.2% (2025: 4.2%) and the weighted average for which it is fixed is the lifetime of the loan.

25. Recycled Capital Grant Fund

	Group		Company	
	2026 £’000	2025 £’000	2026 £’000	2025 £’000
Opening Balance as at 1 April	452	575	452	575
Inputs to RCGF:				
Grant recycled from property disposals	867	327	867	327
Interest accrued	31	24	31	24
Transfers from other PRPs	(14)	-	(14)	-
Recycling of grant				
New Build	-	(474)	-	(474)
Closing Balance as at 31 March	1,366	452	1,366	452

26. Pension obligations

The Group operates two pension schemes; West Midlands Pension Fund and Social Housing Pension Scheme. Both schemes are funded through payments to trustee-administered funds, determined by periodic actuarial valuations. Both schemes provide defined benefits based on members’ final salary at retirement, death or leaving service.

Pension Asset/(Liability) Summary Note

	2026 £’000	2025 £’000
WMPF	3,302	-
SHPS	(131)	(196)
Total	3,171	(196)

West Midlands Pension Fund

The West Midlands Pension Fund (WMPF) is a multi-employer scheme with more than one participating employer and is administered under the regulations governing the Local Government Pension Scheme (LGPS), a defined benefit scheme. Triennial actuarial valuations of the pension scheme are performed by an independent, professionally qualified actuary using the projected unit method. The most recent formal actuarial valuation was completed as at 31 March 2025 and will be effective from 1 April 2026.

The fair value of the scheme assets at 31 March 2026 was £294.1m (2025: £269.9m)

When the LGPS benefit structure was reformed in 2014, transitional protections were applied to certain older members close to normal retirement age. The benefits accrued from 1 April 2014 by these members are subject to an ‘underpin’ which means that they cannot be lower than what they would have received under the previous benefit structure. The underpin ensures that these members do not lose out from the introduction of the new scheme by effectively giving them the better of the benefits from the old and new schemes.

The results in this note include an allowance to reflect the Court of Appeal judgement in respect of the McCloud and Sargeant cases which relate to age discrimination within the Judicial and Fire Pension schemes, respectively.

Key Results

The estimated position at 31 March 2026 shows an asset of £121.1m compared with a £104.8m last year. The key reason for this change is the change in funding position of the scheme in the main due to the underlying discount rates.

The employer’s contributions to the WMPF by the Company and Group for the year ended 31 March 2026 were £1.7m (2025: £1.6m). based on a discounted contribution rate of 8.2%. Due to the further improved funding position whg has been offered and accepted an employer contribution holiday for the following three financial years. The current service cost percentage for 2025/26 is 13.5%.

Early retirements over the year, have resulted in £94k past service cost in the year to 31 March 2026 (2025: £nil). There were £nil (2025: £nil) of other settlements, curtailments, discretionary practices, constructive obligations or other material events during the year.

Calculation Method

The figures at 31 March 2026 are based on projecting forward the results of the last formal actuarial valuation of the Fund as at 31 March 2025.

Social Housing Pension Scheme

The company participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last valuation of the scheme for funding purposes was carried out as at 30 September 2025. This valuation revealed a deficit of £693m; this was previously £1.56b. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

The Scheme is classified as a ‘last-man standing arrangement’. Therefore, the company is potentially liable for other participating employers’ obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme.

For accounting purposes, the liability figures from each valuation are rolled forward to the relevant accounting dates, if applicable, and are used in conjunction with the company’s fair share of the Scheme’s total assets to calculate the company’s net deficit or surplus at the accounting period start and end dates.

The estimated position at 31 March 2026 shows a current deficit of £131k (2025: £196k).

The number of scheme members employed by the Group at 31 March 2026 was nil (2025: nil). The charge to the Group for the year was £69.5k. (2025: £61k).

The Group also contributes to defined contribution schemes, also with the Social Housing Pension Scheme operated by the Pensions Trust.

Calculation Method

The figures at 31 March 2026 are based on projecting forward the results of the last formal actuarial valuation of the scheme as at 30 September 2025.

Key Assumptions

The key financial assumptions have been based on market assumptions as at 31 March 2026 and have been derived in a consistent manner to last year. This has resulted in the following assumptions:

	Group and Company			
	WMPF		SHPS	
	31-Mar-26 % per annum	31-Mar-25 % per annum	31-Mar-26 % per annum	31-Mar-25 % per annum
Principal actuarial assumptions				
Financial assumptions				
Discount rate	6.20	5.80	6.08	5.82
Future salary increase rate	4.00	3.75	4.03	3.79
Future pension increase rate (CPI)	3.00	2.75	3.03	2.79
Inflation assumption	3.00	2.75	3.31	3.10

Mortality assumptions

The post-retirement mortality assumptions adopted to value the benefit obligation at March 2026 are detailed below.

	WMPF		SHPS	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Retiring today:				
Males	20.9	20.1	20.9	20.5
Females	24	23.5	23.2	23.0
Retiring in 20 years:				
Males	22.2	21.5	22.2	21.7
Females	25.6	25.2	24.6	24.5

Amounts recognised in surplus or deficit

	Group and Company			
	WMPF		SHPS	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Current service cost	3,074	3,979	-	-
Admin charges	-	-	3	2
Amounts charged to operating costs	3,074	3,979	3	2

Amounts within interest and financing costs

	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Net interest payable	37	60	10	11
Amounts within interest and financing costs	37	60	10	11

Amounts recognised in the Statement of Total Comprehensive Income

	WMPF		SHPS	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Re measurements	4,772	2,464	12	16
Actuarial gain/(loss) in respect of pension scheme	4,772	2,464	12	16

Amounts recognised in Statement of Financial Position

	WMPF		SHPS	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Present value of funded obligations	(172,936)	-	(1,341)	(1,341)
Fair value of plan assets	294,085	-	1,210	1,145
Impact of Asset Restriction	(117,847)	-	-	-
Net pension asset/(liability)	3,302	-	(131)	(196)

Reconciliation of opening and closing asset value in Statement of Financial Position

	Group and Company	
	WMPF	
	2026 £'000	2025 £'000
Opening fair value of plan assets	104,833	83,512
Increase in fair value of plan assets	16,316	21,321
Closing fair value of plan assets	121,149	104,833
Impact of Asset Restriction	(117,847)	(104,833)
Closing value of Assets recognised in SOFP	3,302	-

In 2023/24 whg de-recognised the pension asset relating to WMPF scheme. The current asset value has increased to £121.1. We have again obtained an asset ceiling report, which views the asset on the basis of recoverability. This report recommends that it is appropriate to recognise £3.3m in the Statement of Financial Position.

Reconciliation of opening and closing balances of the present value of scheme liabilities

	Group and Company			
	WMPF		SHPS	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Opening scheme liabilities	165,123	188,330	1,341	1,448
Current service cost	3,074	3,979	3	2
Past service cost	94	-	-	-
Interest cost	9,523	9,117	76	69
Change in financial assumptions	(4,067)	(30,005)	(12)	(167)
Change in scheme experience	8,206	(1,539)	(10)	57
Change in demographic assumptions	(3,966)	(331)	13	-
Benefits paid	(6,540)	(5,825)	(70)	(68)
Member Contributions	1,489	1,397	-	-
Closing scheme liabilities	172,936	165,123	1,341	1,341

Reconciliation of opening and closing balances of the fair value of plan assets

	Group and Company			
	WMPF		SHPS	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Opening fair value of plan assets	269,956	271,842	1,145	1,179
Interest income	15,562	13,107	66	58
Return on plan assets (excess of interest income inc change in scheme experience)	11,883	(12,140)	3	(94)
Contributions by employer	1,735	1,575	66	70
Benefits paid	(6,540)	(5,825)	(70)	(68)
Member contributions	1,489	1,397	-	-
Closing fair value of plan assets	294,085	269,956	1,210	1,145

None of the fair values of the assets shown above include any direct investments in the employer’s own financial instruments or any property occupied by, or other assets used by, the employer.

Sensitivity analysis

Sensitivity analysis	Change in assumptions	Impact £000	Change in liabilities
Discount Rate	decrease of 0.1% pa	2,636	Increase by 2%
Rate of Mortality	A 1 year increase in life expectancy	6,917	Increase by 4%
Rate of salary growth	Increase of 0.1% pa	165	Increase by 0%
Rate of Inflation	Increase of 0.1% pa	2,467	Increase by 2%

The sensitivities shown above are approximate. Each sensitivity considers one change in isolation. The inflation sensitivity includes the impact of changes to the assumptions for revaluation, pension increases and salary growth where appropriate. The average duration of the defined benefit obligation at the period ended 31 March 2026 is 20 years.

Legal Case Disclosure – Virgin Media v NTL Trustees Ltd (GMP Equalisation)

In 2023, the High Court ruled in the case of Virgin Media Ltd v NTL Trustees II Ltd and Others, confirming that trustees of defined benefit (DB) pension schemes must ensure that past transfer values paid to members include an appropriate adjustment for Guaranteed Minimum Pension (GMP) equalisation. This requirement applies retrospectively to transfers made since 1990.

Impact on whg

The West Midlands Local Government Pension Scheme (WMPF), which is a funded defined benefit scheme.

WMPF have made no additional allowance within the accounting balance sheet for this legal judgement. We have taken this approach because at the time of writing:

- + the ruling only applies to the above-named private sector pension scheme
- + the legal judgement was subject to appeal (however the Court of Appeal dismissed in July 2024 and the original ruling stands)
- + it is unknown whether Section 37 certificates exist for prior WMPF scheme amendments.

- + it is unknown whether there would be any potential remedy required to public service schemes (including the WMPF).
- + it is unknown what the impact of any potential remedy would be

The Social Housing Pension Scheme (SHPS) – Defined Contribution (DC) section is unaffected by this judgment. However, whg has historical liabilities in the DB scheme relating to deferred members which may be affected.

“We were notified in 2021 by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme’s benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, and this process is ongoing with the Court’s determination expected no earlier than Autumn 2026. It is estimated that this could potentially increase the value of the full Scheme liabilities by £155m. We note that this estimate has been calculated as at 30 September 2022 on the Scheme’s Technical Provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.”

In addition, the DWP are being asked by pension bodies to look at pragmatic solutions where schemes are unable to evidence historic section 37 confirmation (e.g. introduce legislation that would allow retrospective section 37 certificates to be produced now to validate historic changes).

whg have made no additional provision for liabilities but will continue to monitor developments and assess its position in conjunction with the scheme administrators.

27. Provisions for liabilities and charges

Group and Company	Insurance claims £'000	Section 11 £'000	Restructuring costs £'000	Leave pay £'000	Total £'000
At 31 March 2025	479	806	206	335	1,826
Additions	456	622	-	(21)	1,057
Utilised	(282)	(806)	(206)	-	(1,294)
Reversals	-	-	-	-	-
At 31 March 2026	653	622	-	314	1,589

Provision is made for insurance claims awaiting final settlement that fall within the self-funding element of the Group’s insurance policies. The settlement can take up to two years.

Provision has been made for housing disrepair claims, including compensation, legal and repair costs in relation to claims which had crystallised in the year.

The restructuring costs provision relates to costs agreed but not yet paid during the year.

The leave pay provision represents holiday balances accrued as a result of services rendered in the current period and which colleagues are entitled to carry forward. The provision is measured as the salary cost payable for the period of absence.

28. Share Capital

Walsall Housing Group Limited is a company limited by guarantee. No shares have been issued.

29. Cash flow from operating activities

	2026 £'000	2025 £'000
Surplus for the year	32,963	24,415
Adjustments for non-cash items:		
Depreciation & Impairment of tangible fixed assets	19,173	19,980
Impairment of fixed assets	1,194	-
Amortisation of intangible assets	188	314
Impairment of investments	301	-
Pension costs less contributions payable	1,276	2,336
Government grants amortised in the year	(875)	(853)
Adjustments for investing of financing activities:		
Movement in fair value of investment properties	(65)	(25)
Interest payable	16,423	15,922
Interest received	(931)	(1,502)
Taxation	5	(19)
Dividend from non-group assets	-	(1,400)
Operating cash flows before movements in working capital	69,652	59,168
Increase in Inventories	1,924	(1,924)
Decrease in properties held for sale	(919)	3,277
Carrying amount of tangible fixed asset disposals	3,758	2,062
Decrease/(increase) in trade and other debtors	214	358
Increase/(decrease) in trade and other creditors	(892)	108
Increase/(decrease) in provisions	54	896
Cash generated from operating activities	73,791	63,945

29A. Analysis of changes in net debt

	At 1 April 2025 £'000	Cash flows £'000	Other non-cash movement £'000	At 31 March 2026 £'000
Cash and cash equivalents	27,715	-9,153	-	18,562
Investments	2,603	-256	-	2,347
Bonds due greater than one year	(346,905)	-	897	(346,008)
Loans due greater than one year	(68,799)	-	42	(68,757)
Total	(385,386)	(9,409)	939	(393,856)

30. Capital Commitments

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Expenditure contracted for but not provided for	35,692	46,450	35,692	46,450
Expenditure authorised by the Board, but not contracted	3,264	7,401	3,264	7,401
	38,956	53,851	38,956	53,851

The above commitments will be financed as shown in the following table:

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Loan financing	33,092	45,929	33,092	45,929
Affordable housing grant	5,864	7,454	5,864	7,454
Other government grant	-	468	-	468
	38,956	53,851	38,956	53,851

31. Contingent assets/liabilities

The Group and Company had no contingent assets at 31 March 2026 (2025: £nil).

The Group receives capital grant from Homes England, which is used to fund the acquisition and development of housing properties and their components. In certain circumstances upon disposal of grant funded properties, the Group is required to recycle this grant by crediting a Recycled Capital Grant Fund.

32. Leasing commitments

The total future minimum lease payments under non-cancellable operating leases are as set out below. Leases relate to land and buildings, aerals, vehicles and office equipment.

	2026 £'000	2025 £'000
Within one year	125	79
Between two and five years	418	173
Over five years	-	-
	543	252

33. Related parties

Walsall Housing Group Limited is the parent company of the Group. It is registered with Companies House, the Charity Commission and the RSH and is a company limited by guarantee. Its wholly owned subsidiaries and joint venture are set out below.

Wholly Owned Subsidiaries

- + whg Treasury PLC is a non-charitable company registered with Companies House. Its principal activity is to act as an onward moneylender of bond monies to its immediate parent company Walsall Housing Group Limited. The Group owns all of the Company’s 50,000 £1 shares which were issued at par on incorporation.
- + whg Developments Limited is a non-charitable company registered with Companies House whose principal activity is to provide a design and build service to Walsall Housing Group Limited. The Group owns the £1 share which was issued at par on incorporation.
- + whg Trading Company Limited is a non-charitable company registered with Companies House whose principal activity is providing housing related professional services. The company also receives feed in tariff from solar panels, renewable heat incentives and overage on the sale of land. The Group owns the £1 share which was issued at par on incorporation. The voting rights of one vote per share are with the parent company. On 3 May 2019, whg Trading Company Limited became a designated member of Cricket Close LLP, owning 1% of the shareholding in the LLP. On 7 July 2020, whg Trading Company Limited acquired The Woodlands Management Company (Harrowby) Limited. On 17 May 2024, whg Trading Company Limited became a designated member of Homes for the West Midlands LLP.
- + Anthem Homes Limited is a non-charitable company registered with Companies House. Its principal activity is to develop homes for outright sale. The Group owns all of the Company’s 50,000 £1 shares which were issued at par on incorporation. Anthem Homes Limited has agreed a revolving loan facility secured by debenture with Anthem Lovell LLP which is limited to site specific business plans approved by Board. At present, there are no active schemes.
- + Cricket Close LLP is a Limited Liability Partnership and a non-charitable company registered with Companies House. It is a subsidiary of Anthem Homes which owns 99% of the LLP with a £2 member interest and the remaining 1% is owned by whg Trading Limited.
- + The Woodlands Management Company (Harrowby) Limited was acquired on 7 July 2020. The principle activity is residential property management. As part of that management service charges are collected from lessees to meet the cost managing and maintaining the property. The company is a wholly owned subsidiary of whg Trading Company Limited. The liability of whg trading Company Limited (being the only Member) is £1. The company is a Company Limited by Guarantee without share capital.

Joint Ventures

- + Anthem Lovell LLP is a Limited Liability Partnership and is a non-charitable company registered with Companies House (No. OC425694). Anthem Homes Limited is in partnership with Lovell Homes Limited each partner has a 50% share of the company. It was created on 18 January 2019 and the initial capital of £2 was contributed in cash by each Member in the sum of £1 by way of its Capital Contribution and the LLP credited such amounts against the relevant Member’s Capital Account. This is an associate company. It is accounted for by using the equity method of accounting. The Group’s investment was £nil at the 31 March 2026 (2025: £229k). We recognise our share of the profit or loss through the Statement of Comprehensive Income. Walsall Housing Group Ltd has recognised £20k in 2025/26 (2025: £144k) in respect of its share of profit in relation to open market sales.

Other Investments

+ On 17 May 2024 whg Trading Company Limited became a designated member of Homes for the West Midlands LLP, which is a non-charitable company registered with Companies House (No. OC452327), registered office 5th Floor, 49 King Street, Manchester, M2 7AY. The LLP has been established to enable sustainable regeneration and to facilitate the provision of new affordable homes in the West Midlands area, initially in collaboration with the West Midlands Combined Authority (WMCA), and with the possibility of responding to other opportunities in the region. The Group’s investment was £48k at the 31 March 2026 (2025: £100k). This is an associate company. It is accounted for by using the equity method of accounting. We recognise our share of the profit or loss through the Statement of Comprehensive Income. Walsall Housing Group Limited has recognised losses of £52k in 2025/26 (2025: £Nil) in respect of its share of losses.

All entities are incorporated in England and Wales.

The intra-Group transactions which took place during the year between the parent undertaking and its subsidiaries are detailed within Note 17.

34. Financial assets and liabilities

The Board policy on financial instruments is explained in the Strategic Report, as are references to financial risks. The Group’s principal financial instruments comprise bank loans and other borrowings and cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group’s operations. The Group has various other financial assets and liabilities such as trade receivables and payables, which arise directly from its operations.

Categories of financial assets and financial liabilities

FINANCIAL ASSETS

Financial assets measured at amortised cost

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Net Rent Debtor	1,967	1,808	1,967	1,808
Other Debtors	400	446	400	446
Accrued Income	1,702	6,218	1,702	6,218
Amounts owing by Group undertakings	-	-	500	2,841
Cash and cash equivalents	18,562	27,706	17,777	24,489
Current Investments	2,347	2,603	2,347	2,603
Total Financial Assets	24,978	38,781	24,693	38,405

FINANCIAL LIABILITIES

Financial liabilities measured at amortised cost

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Loans and bond	414,766	415,704	414,766	415,704
Trade Creditors	9,957	8,661	7,788	7,872
Accruals	16,528	15,102	11,355	9,896
Amounts owing to Group undertakings	-	-	7,378	5,970
Other Creditors	3,769	3,064	3,769	3,069
Sinking Funds	368	332	333	296
Total	445,388	442,863	445,389	442,807

Borrowing facilities

The Group has undrawn committed borrowing facilities. The facilities available at 31 March in respect of which all conditions precedent had been met were as follows:

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Expiring between one and two years – revolving credit facility	-	-	-	-
Expiring in more than two years – revolving credit facility	200,000	200,000	200,000	200,000
	200,000	200,000	200,000	200,000

35. Reserves

The Group took part in the Midlands pilot of a Voluntary Right to Buy scheme between 2019 and 2020, it created a designated reserve for the net proceeds plus discount reclaimed from Homes England less the amount of debt repaid. This designated reserve will be used to fund the one for one replacement of housing property. The reserve now stands at £2.5m.

	Group		Company	
	General Reserves £'000	Designated Reserves £'000	General Reserves £'000	Designated Reserves £'000
At 31 March 2025	283,525	2,415	302,572	2,415
Total comprehensive income for the year	37,747	-	37,942	-
Transfer to designated reserve	(96)	96	(96)	96
Transfer to loan waiver	-	-	(498)	-
At 31 March 2026	321,176	2,511	339,920	2,511



If you have any questions about anything
in this guide, please get in touch

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whg is the trading name of Walsall Housing Group comprising Walsall Housing Group Limited, company registration number 04015633, registered provider number L4389, registered charity number 1108779 and all its subsidiaries. The company and all its subsidiaries are registered in England and Wales at 100 Hatherton Street, Walsall, West Midlands WS1 1AB