Teign Housing

Report and financial statements
Reporting date 31 March 2026

Registered company number 04619035

Registered charity number 1112196

Regulator of Social Housing
registration number LH4403

Contents

Teign Housing – Company information

Board of Management

Non-Executive Directors

Richard Gammage	Chair of Board
Sean Palka	Vice-Chair of Board
Rebecca Harwood-Lincoln	Board Member & Chair of Customer Experience Committee & Resident Voice Champion
Joanna Davoile	Board Member & Chair of Governance Committee
Stephen Higginson	Board Member & Chair of Audit & Assurance Committee
Stuart Davies	Board Member & Chair of Templer HomeBuild
Dr George Dexter	Board Member
Anne Marie Henderson	Board Member
Richard Plumb	Board Member

Executive Director

Tom Woodman	Chief Executive

Independent Audit Committee

Colin McDonald	Independent Audit Committee Member, left 21 February 2026

For the year ending 31 March 2026, the Board met on 7 occasions. There was 89% attendance at Board meetings.

Executive Management Team

Tom Woodman	Chief Executive
Helen Hilditch	Director of Finance and Investment & Deputy Chief Executive
Amanda Nicholls	Director of Customer and Communities, left 31 January 2026
Paula Tuck	Interim Director of Customer and Communities, joined 10 February 2026
Justin Glue	Director of Operations Templer HomeBuild
Alison North	Director of People & Technology

Auditors

External Auditor
Menzies LLP
Chartered Accountants and Statutory Auditors
4th Floor 95 Gresham Street
London
EC2V 7AB

Internal Auditor
Bishop Fleming LLP
Emperor Way
Exeter
EX1 3QS

Solicitors

Housing Management
Capsticks Solicitors LLP
1 George Street
London
SW19 4DR

Human Resources
Tozers
Southernhay West
Exeter
EX1 1UA

Governance and Development
Trowers & Hamlins LLP
3 Bunhill Row
London
EC1Y 8YZ

Bankers and Funders

The Housing Finance Corporation
3rd Floor
17 St Swithin's Lane
London
EC4N 8AL

GB Social Housing
5 Great St Helen's
London
EC3A 6AP

Nationwide Building Society
Public Sector Team
Kings Park Road
Moulton Park
Northampton
NN3 6NW

Barclays Bank PLC.
1 Churchill Place,
London,
E14 5HP

Company Secretary

Helen Hilditch (non-Board member)

Registered Office

Millwood House
Collett Way
Newton Abbot
Devon
TQ12 4PH

Strategic Report

The Directors present their Strategic Report incorporating the Value for Money Statement for the year ending 31 March 2026.

The Board confirms that this Strategic Report has been prepared in accordance with the principles set out in Para 4.7 of the 2018 SORP for Registered Social Housing Providers and Housing SORP guidance note 2022.

Overview of the Business

Teign Housing is a registered charity, a company limited by guarantee, and is registered with the Regulator of Social Housing. Our focus is on the core activity of the company, which is the provision of low cost rented accommodation. The organisation has a wholly owned subsidiary, Templer HomeBuild Limited. Its purpose is to provide property maintenance and construction services to the social housing sector. Consolidated accounts for the Group are also reported along with those of Teign Housing, the parent organisation.

Vision

Homes people love, a landlord you can trust.

Values

Friendly

We offer a welcoming environment for customers and colleagues.

One Team

Our Teign Housing and Templer HomeBuild team is made up of many people working together with the same shared vision.

Listen & Learn

We listen carefully to customers and colleagues, checking that what we are doing is the right thing.

Governance

The Articles allow for up to 12 members, including up to three executive members. The Board currently comprises nine non-executive members and one executive member. Board members are the legal directors of the Company, and the Board is the governing body of Teign Housing.

The Board adopted the National Housing Federation (NHF) 2020 Code of Governance on 1 April 2021. The Board is committed to, and complies with, the standards set out in the Code. The Code states that Board member tenures will normally be up to six consecutive years and may be extended to a maximum of nine years where the Board considers this to be in the best interests of the organisation.

New Board members complete a comprehensive induction programme, with training and development continuing throughout their term of office. Pay benchmarking is undertaken every two years for all staff and Board roles, and individual vacancies are benchmarked prior to advertisement. All non-executive Board members receive a fee for their services.

A schedule of Standing Orders and Financial Regulations sets out the delegated authorities of the Board, its committees, and the Executive Management Team. The three-yearly external governance review was undertaken during 2024-25.

The Board is supported in its governance by three committees:

- Audit & Assurance Committee
- Governance Committee
- Customer Experience Committee

The key governing documents are the Articles, the Standing Orders, the Financial Regulations, and a range of policies that guide the company's operational activities.

All non-executive Board members are paid a fee for their services. Payments during the year (including expenses) were:

Richard Gammage	Chair of Board	£	10,614
Joanna Davoile	Chair of Governance	£	6,044
Steve Higginson	Chair of Audit	£	5,835
Stuart Davies	Board Member & Chair of THB	£	5,676
Rebecca Harwood-Lincoln	Resident Voice Champion & Chair of Customer Experience Committee	£	5,537
George Dexter	Board Member	£	5,306
Sean Palka	Vice Chair of Board	£	5,250
Anne Marie Henderson	Board Member	£	5,088
Richard Plumb	Board Member	£	5,006
Colin McDonald	Independent Audit Committee Member	£	2,206

Public Benefit Entity

As a public benefit entity, Teign Housing has applied the public benefit entity ‘PBE’ prefixed paragraphs of FRS 102. Teign Housing also pays due regard to the guidance published by the Charity Commission on public benefit.

We provide homes for rent at lower than market prices, homes designated for older people with additional needs, and shared ownership properties.

Financial Performance

Teign Housing Group has made a surplus after tax for the year of £3,214,000 (2024-25: deficit £429,000). Full details of our financial results can be found on pages 42 – 80.

Financial performance is monitored through the annual budget, which is set by the Board. The budget is based on the business plan, and the Board receives a report at each meeting assessing the company’s performance against the budget.

Operational Performance

The current 3-year corporate plan was agreed by the Board in March 2024. The Board has established a range of key performance indicators to assess the company's performance against the corporate plan objectives. The Board monitors this quarterly through the Balanced Scorecard, Management Accounts and Financial Report.

Further details of our operational performance, including value for money, can be found on pages 13 – 34.

Business Plan

The 30-year Business Plan reflects the company's strategic direction and future aspirations. In the coming years, the focus will be on maintaining the housing stock to an appropriate level, delivering further new homes, and managing services. The business plan has been thoroughly stress-tested, and the key risks to the organisation have been identified. Appropriate mitigation arrangements are in place.

Treasury Management

On 31 March 2026, Teign Housing was funded by a £33m bond from The Housing Finance Corporation (THFC), a £25m bond from GB Social Housing (GBSH) and a £50m revolving credit facility (RCF) from Nationwide. We have fully drawn the £33m from THFC and £25m from GBSH. We have also drawn £14.5m of the RCF from Nationwide and have an undrawn RCF of £35.5m (2024-25: £39.25m). Finance costs on loans were £3.084m (2024-25: £3.008m), which equates to an average rate of 4.25% (2024-25: 4.87%). Finance costs of £219,000 were capitalised during the year (2024-25: £225,000).

On 31 March 2026, Templer HomeBuild had a loan balance with Teign Housing of £400,000 (2024-25: £400,000). This loan is drawn for a period of six months, being repaid to the parent and redrawn by the subsidiary in June and December each year.

There was £7.989m of capital committed to the development programme, which was under contract on 31 March 2026 (2024-25: £10.308m), and a cash and cash equivalents balance of £2.194m (2024-25: £2.829m). A 3-year cash flow forecast is maintained to anticipate the group's investment and borrowing requirements.

Reserves Policy

Reserves are retained at levels that enable the company to continue achieving its corporate objectives, provide the new homes and services intended to be supported by the reserves, and manage the risks associated with long-term expenditure plans.

A budget is set each year, along with a 30-year business plan that includes a forecast for reserves, enabling the company to achieve these objectives. This is monitored throughout the year and reported to the board quarterly via the management accounts.

The level held in the income and expenditure reserve on 31 March 2026 was £72,552,000 (2024-25 £69,152,000), and in the revaluation reserves £31,569,000 (2024-25 £31,722,000).

Unrestricted reserves, excluding tangible fixed assets net of grant, were £-107,887,000 on 31 March 2025 (2024-25 £-103,805,000) and can only be released by disposing of tangible fixed assets.

Property Sales

During the year, sixteen properties were sold (2024-25: 4 properties), of which none were under the Right to Acquire scheme (2024-25: 1 property), 10 properties were under the Preserved Right to Buy Scheme (2024-25: 1 property), six properties were fully staircased (2024-25: 2 properties) and none were sold on the open market (2024-25: nil). Teign Housing received proceeds of £1,010,000, all from Right to Buy sales (2024-25: £284,000).

Staff

The average number of employees for the year ending 31 March 2026 was 183 (2024-25: 187 employees). The Board recognises the contributions of all staff and is committed to their continued development. During the year, the company spent £129,691 on staff training and development (2024-25: £158,200).

Fire Safety Remedial Work

The Building Safety Act 2022 and the new Fire Safety (England) Regulations 2023, which came into force in January 2024, set out how landlords of high-rise buildings (those with seven stories or more, or over 18m high) should work with fire services to ensure a planned and effective response to fire alarms at these buildings. We have just one property, Douglas House in Teignmouth, which falls into this high-rise definition.

To comply fully with the new legal requirements, Teign Housing commissioned an independent review of Douglas House. This Fire Risk Appraisal of External Walls (FRAEW), undertaken in accordance with PAS 9980 (the code of practice for the fire risk appraisal of external wall construction and cladding in existing blocks of flats), identified several recommendations. These include the planned removal of the external wall insulation, which we will be progressing with. Residents have been informed of this decision, and we remain in regular communication with them regarding the project's progress.

Initial consultation on the project began in 2023-24. From 2023-24 to 2024-25, we have incurred £377,928 in legal and professional fees. The total estimated cost of the remediation works is £2,220,000, all of which will be treated as revenue expenditure and has already been provided for in the 2024-25 accounts. Alongside the remediation works, the windows will be replaced at an estimated cost of £780,780. This element will be treated as capital expenditure.

During the year, we received £400,000 in cash from Homes England, of which £296,000 has been recognised in the 2024-25 accounts, and the remaining £104,000 has been recognised in 2025-26. We also secured a further £1,584,155 of grant funding from Homes England. Initial planning and preparatory works commenced in 2025-26, with the main remediation works scheduled to begin in the following financial year.

Damp and Mould

Teign Housing maintains the Decent Homes Standard and ensures compliance with relevant legislation, specifically the Landlord and Tenant Act 1985, the Housing Act 2004, and the Homes (Fitness for Human Habitation) Act 2018. And, more recently, Awaab’s Law, which was introduced in the Social Housing

Regulation Act 2023 and effectively amends the Landlord and Tenant Act 1985 with the intention of prescribing timescales to get works started and deal with urgent issues.

Teign Housing and Templer HomeBuild collaborated to create a Damp Mould and Condensation Policy and Procedure to set out and improve the approach to dealing with these issues. We aim to proactively reduce issues relating to damp and mould by maintaining the housing stock to a decent homes standard or better through the asset management information system, investment programmes, Housing Health and Safety Rating System assessment outcomes, initiatives to maximise customer contact points to identify issues, and the use of environmental monitoring systems. Reactively, a Damp Mould and Condensation (DMC) working group monitors the situation and actions informed via a case tracker and monthly update, a specific role to investigate and monitor DMC issues has been created within THB, a triage process has been adopted to categorise reports of damp and mould at the outset to prioritise our resources, and mandatory training has been delivered to continue this annually and to new starters.

In 2025-26, we paid £29,000 in compensation to tenants for damp and mould. We dedicated two of our homes as decant properties to provide temporary accommodation for tenants whilst their homes were being rectified. The Audit & Assurance Committee is monitoring progress closely.

Development

During 2025-26, we entered into one new contract worth £3,300,000 to purchase a section 106 scheme, which will deliver 15 affordable rent and 2 shared ownership homes in Exmouth.

A total of 23 new homes were completed during the year, including 18 affordable homes, 2 social rent homes, and 3 low-cost homes. This was lower than anticipated due to handover delays. Three schemes were abandoned during the period, Wilmington CLT, Alston Gate and Newton & Noss Mayo, and one development at Silverton Road was withdrawn.

	Social Rental Units	Low Cost Home Ownership	Total Units
Under construction 31/03/2025	34	10	**44**
Started in the year	22	3	**25**
Aborted in the year	0	0	**0**
Completed in the year	20	3	**23**
Under construction 31/03/2026	**36**	**10**	**46**

In 2026-27, we plan to develop 79 homes, comprising 57 affordable rent, 6 social rent and 16 shared ownership properties. 57 of these have been committed, and the remaining 22 are currently in contract negotiations. In 2027-28, we plan to deliver 20 homes, with the potential for up to an additional 25, depending on the outcomes of contract opportunities.

Shared Ownership

During 2025-26, we sold 9 homes with a combined share value of £1,104,000; all these properties were sold via Teign Housing's in-house sales team.

Future Direction

To achieve the corporate vision and values, we focus on the core of our business, and the Board has committed to the following strategic aims:

- Excellent Services – We will deliver high quality services to all our customers and partners. We will provide considerate customer services, empowering housing services and effective repairs.
- Quality Homes – We will invest in new and existing homes by maintaining high standards of repairs and improvements to our current homes and develop new homes to meet the needs of the local people.
- Sustainable Business – We will strengthen our business by continually improving our governance, increasing the value of our work, seeking ways of working jointly with our partners, and investing in our staff.

Performance against these aims is monitored as part of a three-year Corporate Plan for 2024 to 2027.

We are committed to maintaining our financial performance and delivering good homes and customer services. We achieve this by maintaining our operational performance, maximising our income, and effectively reducing costs.

We have several strategies in place to support our strategic aims. The housing services strategy directs us to provide excellent services, and the living well, living longer strategy focuses on our older customers. Customer Voice Strategy helps us ensure our residents' voices are heard and shape our services for the future.

The procurement strategy sets a clear, coordinated approach across Teign Housing to improve efficiency, reduce duplication, and ensure value for money. It supports the delivery of the organisation's vision and promotes a strong culture of procurement and contract management. All procurement activity follows the principles of transparency, fairness, and compliance, seeks the best balance of cost and quality, and aligns with the Procurement Act 2023 to maximise public benefit and support supplier engagement.

The development strategy sets out aspirations for future development, and the business plan currently provides capacity for 222 homes over the next 5 years. The regeneration strategy sets out plans for longer-term regeneration, and £579,284 has been included in the 2026-27 business plan.

The asset and carbon reduction strategy sets out plans for the business to reduce its carbon footprint, and the first stage is to invest in homes with lower energy performance ratings. In order to meet the government's target of all homes having a minimum EPC (energy performance certificate) rating of C by 2030, there is £11.4m included in the plan between 2026-27 and the end of 2030 for investment in properties to achieve a minimum of EPC-C in all homes by 2030, of which £10.2m is capital expenditure. The revenue expenditure included for decarbonisation is £1.2m. Grant funding of £5.5m is included in the plan, bringing the total cash outflow to £5.9m. The program of works has started in 2025-26. Together with this year's spend, this represents an investment of over £7.0m between 2025-30 to achieve EPC-C. From 2031 to 2056, there is £21.9m of capital and revenue expenditure to achieve carbon zero.

To maintain a sustainable business, we follow several policies which ensure our governance is continually reviewed and improved. In October 2023, Teign Housing proudly retained its Investors in People Platinum (IIP) accreditation in recognition of our continued investment in employee engagement, learning and development, leadership, management, and wellbeing. Our accreditation will expire in October 2026, and we have chosen not to renew it. In line with our renewed People Strategy objectives, we will seek to transition to an alternative approach, following the integration of Templer HomeBuild as part of the HomeTeam27 (HT27) project, one that better aligns with our culture and strategic objective of being an employer of choice. We continue our agile working policy, empowering our staff to work flexibly from the office and at home to support our people's well-being and promote a healthy work-life balance. This also ensures we have the right people in the right place at the right time to suit our tenants' needs.

The value for money strategy sets out how we continually seek to improve quality and performance and, where possible, reduce costs and create efficiencies.

Since 2017, we have delivered our maintenance services in partnership with Ian Williams Ltd, through our wholly-owned subsidiary Templer HomeBuild. We directly employ 80 people in our maintenance and office teams, while Ian Williams supervises services and back-office support, including IT, HR, fleet, premises, and procurement.

This partnership has been of benefit to all sides, and the contract sums have grown from £4.8m in 2017-18 to £10.8m in 2025-26. In recent years, we have increased our own expertise and are now in a position where we can deliver services without external support. From April 2027, the contract with Ian Williams ends, and we will be insourcing all support services.

The insourcing project requires significant work and investment, with capital investment of £658.0k in 2025-26, generating savings of £500.0k per year until year 5 and £650.0k per year from year 6 onwards.

We have brought in specialist fixed-term project management and business analysis staff to help manage the project, and we are also recruiting new permanent colleagues to strengthen our IT, HR and procurement functions. Our procurement lead was recruited early in the project in order to effectively manage the extensive new contracts required.

Colleague engagement is key to the success of the project. Staff from all areas of the business have been involved in areas such as IT and telecoms system selection, fleet procurement and office design.

The project is being overseen by a steering group comprising two non-executives and the Executive Management Team, with regular reporting to the Teign and Templer HomeBuild boards, the Customer Experience Committee and the Residents Forum. The steering group receives reports on all areas of project implementation, including risk management and projected benefits realisation.

Risk Management

We recognise that risks are inevitable, and our integrated approach ensures that risk management is integral to achieving our goals and objectives.

We operate in a constantly changing environment, and our risk owners review their risks each month to ensure they remain appropriate and reflect current activities. We report risks through the Audit & Assurance Committee to the Board. We maintain risk registers for our strategic, operational and project risks. The Board determines our risk appetite statement, which shapes the parameters within which we operate, and our risk management framework manages and closely monitors our risks, ensuring the way we manage them is appropriate to the rewards and opportunities they will deliver.

During the year, the Board made the decision to insource our repairs function from 1st April 2027. The Board quickly established a risk register to reflect the strategic level risks to this project. This is monitored separately from our main strategic risks and is supplemented by a project level risk register, which monitors the risks to deliver and operational aspects of insourcing repairs.

The strategic level risk register is monitored by the risk owners, and the Board has visibility of this at each committee meeting.

Our highest risks were:

Risk	**Link to our corporate Plan Strategic Aims**	**Impact**	**Examples of how we mitigate this risk**	**How we will introduce additional controls**
Recruitment, Development & Retention	Sustainable Business	Failure to complete key tasks Loss of knowledge	Staff benefits package Agile Working Policy Up to date People Policies and Procedures	Delivery of our People Strategy
External Conditions: Failure to plan and respond to external events	Sustainable Business	Increased costs Inability to provide services	Business Continuity plan in place Customer Experience Committee Clear strategic direction Horizon scanning for issues that may affect us.	Further developments in the ways we listen to our customers' voices
Asset Management: Failure to manage our assets effectively	Quality Homes	Devaluation of our homes Health & Safety breaches Additional costs of remedial works	Asset Management Strategy Acquisitions & Disposals Policy Stock Condition Surveying to know our properties	
Data: Failure to manage our data properly	Sustainable Business	Poor data quality or management information leads to incorrect reporting or ill-informed decision-making.	Monthly performance information Internal audits to scrutinise data accuracy An up to date Digital, Data & Technology Strategy	Investing in our business intelligence function.
Customers: Failure to provide good customer service.	Excellent services	Our customers lose confidence in the service we provide. Increased costs due to high turnover, longer letting times and a higher incidence of ASB	Resident Involvement Policy Customer Experience Committee The Board approved an EDI strategy during 2025/2026	Development of an EDI Strategy

Tenant Satisfaction Measures

Tenant Satisfaction Measures (TSM) are a set of 12 expectations set by the Regulator of Social Housing to measure how well we are performing. 12 measures concern tenant perception, and 10 relate to management information. Each year, we publish our full results and provide our residents with a plan to improve our performance. Our full TSM report will detail our approach to surveying and how we listened to and responded to our residents to improve our service over the past 12 months.

To ensure our data is representative, we have weighted the results below.

		Difference
TP01: Overall	75.6%	-0.7%
TP02: Repairs	76.3%	2.3%
TP03: Repairs (time taken)	73.7%	1.3%
TP04: Home well maintained	76.6%	2.0%
TP05: Home is safe	79.6%	-0.7%
TP06: Landlord listens and acts	63.4%	1.1%
TP07: Landlord keeps tenants informed	71.2%	-0.5%
TP08: Landlord treats tenants fairly	78.6%	-1.8%
TP09: Landlord's approach to complaints	32.3%	-4.3%
TP10: Landlord keeps communal areas clean/well maintained	66.3%	1.4%
TP11: Landlord makes positive contribution to neighbourhood	64.5%	2.0%
TP12: Landlord's approach to ASB	61.0%	3.7%

Value for Money Statement

The Board approved the three-year Value for Money (VFM) strategy in July 2024. The VFM strategy reflects the changes to the regulator's value for money standard issued in April 2018, and the organisation's corporate plan.

The Value for Money Standard requires organisations to measure performance using a prescribed set of metrics. These metrics are defined in the latest technical note guidance (June 2025) and are presented below.

			Group		**Association**		**Budget FY27**	**Target FY26**	**Sector Metrics**
			2025/26	2024/25	**2025/26**	2024/25	**2026/27**	2025/26	2024/25
Metric 1		Reinvestment %	**7.8%**	7.3%	**7.8%**	7.3%	7.9%	8.5%	7.3%
Metric 2	A	New supply delivered SH %	**0.6%**	1.1%	**0.6%**	1.1%	1.9%	1.1%	1.1%
	B	New supply delivered NSH %	**0.0%**	0.0%	**0.0%**	0.0%	0.0%	0.0%	0.0%
Metric 3		Gearing %	**37.2%**	32.8%	**37.3%**	32.9%	35.6%	36.9%	34.5%
Metric 4		EBITDA MRI Interest Cover %	**64.9%**	7.5%	**64.9%**	7.5%	47.9%	109.8%	108.0%
Metric 5		Social housing cost per unit £	**£ 5,959**	£ 5,388	**£ 6,023**	£ 5,388	£ 6,542	£ 5,565	£ 5,691
Metric 6	A	Operating margin SH %	**18.5%**	9.0%	**17.7%**	8.8%	14.7%	17.1%	14.2%
	B	Operating margin overall %	**19.1%**	8.0%	**18.9%**	7.8%	14.2%	15.5%	15.3%
Metric 7		ROCE %	**3.4%**	1.3%	**3.4%**	1.3%	2.6%	1.5%	3.0%

The Group's metrics show mixed performance against the sector median, exceeding the benchmark in some areas and falling below it in others. The latest available sector benchmarks are for 2024-25; therefore, comparisons are limited because the benchmark data is one year in arrears.

The reinvestment is a cash-based metric that measures investment in properties as a percentage of the total value of properties held. The group's reinvestment is 7.8%, slightly above the sector benchmark of 7.3% but below our target of 8.5%, due to changes in the timing of the development programme. During 2025-26, we have entered into one new contract valued at £3,300,000 to purchase a section 106 scheme and to deliver 15 affordable rent and 2 shared ownership homes in Exmouth.

We have a strong development pipeline through the acquisition of section 106 schemes and smaller land-led developments within the Teignbridge District and further afield in neighbouring authorities. However, due to rising energy and labour costs, which have increased the cost of building new homes and other expenses, the re-investment forecast will increase from 8.5% to 9.0% next year.

The new supply delivery of 0.6% is calculated based on units completed in 2025-26. We are behind our 1.1% target. During the year, we delivered 23 units against our target of 44, primarily due to delays in the handover of some properties. We are below the sector of 1.1% on this metric; however, because the benchmark is based on 2024-25 data, it does not reflect a true comparison with our 2025-26 year-end performance. For a like-for-like comparison, our 2024-25 metric is 1.1%, matching the sector's benchmark.

The new supply is forecast to be 79 units in 2026-27, comprising 57 affordable rent, 6 social rent, and 16 shared ownership properties. 57 of these have been committed, and the remaining 22 are currently in contract negotiations. We will continue to seek new opportunities to achieve our development aspirations, and we now have the capacity to deliver 143 homes over the next four years.

Gearing increased to 37.2% from 32.8%, slightly above our target of 36.9%. At 37.2%, this is higher than the sector benchmark of 34.5%. Again, the sector's benchmark is for 2024-25, and our gearing in 2024-25 was 32.8%. We are now utilising the Revolving Credit Facility and cash reserves to fund our increased investment in new homes and regeneration. The new £30m tranche of RCF was secured in June 2024 and will be available for 10 years. This will allow us to further invest in new homes and regeneration, as well as provide the financial capacity to meet any requirements of the Decent Homes 2 Standard and stock condition surveys. All of this aims to improve the quality of our homes and the effectiveness of our service to tenants, improve efficiencies and achieve savings for both tenants and Teign Housing whilst keeping our interest cover rate well within sustainable levels.

The EBITDA MRI interest cover (Earnings Before Interest, Tax, Depreciation and Amortisation, Major Repairs Included) is 64.9%, below the target and the sector benchmark. The low EBITDA MRI is driven by the decarbonisation project delivered by LivGreen Futures. Although we would receive a provisional grant of £3.8m from the Warm Homes Social Housing Fund for this project, it would cover only 50% of the costs we would incur. During the year, we spent £2.1m on the project and received a £1.1m grant; the net spend of £1.0m has significantly reduced our EBITDA interest cover. The project is expected to be completed in March 2028, and our forecast EDBIDA MRI interest cover for 2026-27 is 47.9%.

The social housing cost per unit has increased from £5,388 last year to £5,959 this year, driven by ongoing rises in material, energy, and labour costs across the sector. Our cost per unit in 2024-25 is lower than the sector benchmark of £5,691 for that year. We have seen an increase in the cost per property compared to the prior year, reflecting broader sector trends. As a result, costs are expected to continue to rise into 2026-27.

The overall operating margin is 19.1%, above the sector benchmark and our target margin. This is due to increased turnover and reduced cost of sales and operating costs. In addition, a £104k grant for fire remediation has been included in the income. In 2026-27, we have a budgeted margin of 14.2%. The target has been reduced compared to the previous year due to the HomeTeam27 project. The return on capital employed (ROCE) is 3.4%, above both the target and the sector benchmark. This performance is driven by an overall increase in operating surplus, alongside higher disposal income from Right to Buy and Shared Owned properties. The ROCE is forecast at 2.6% in 2026-27.

We remain committed to delivering high-quality customer service in a challenging environment. Economic and political uncertainty is expected to continue, with geopolitical tensions, including the conflict involving Iran, contributing to higher energy prices and inflation. Teign Housing has factored these risks into its business planning and modelled potential impacts to ensure resilience.

Value for Money underpins all business activities at Teign Housing, and it is driven by the Board. VFM reviews what we do and how we do it to make informed choices about how resources are effectively channelled towards delivering services and corporate priorities. The aim is to make the best use of our customers' money whilst balancing cost and time against quality, stakeholder benefit, reasonable customer expectations, organisational benefits, and business survival.

The Board's focus on VFM allows the company to continue delivering great services and to grow by developing new homes. The current business plan forecasts the delivery of 222 homes over the next five years.

The Board scrutinises financial and service delivery performance at each meeting through the management accounts and balanced scorecard, and any areas of poor performance are supported by a detailed narrative identifying the issues and the steps to deliver improvements.

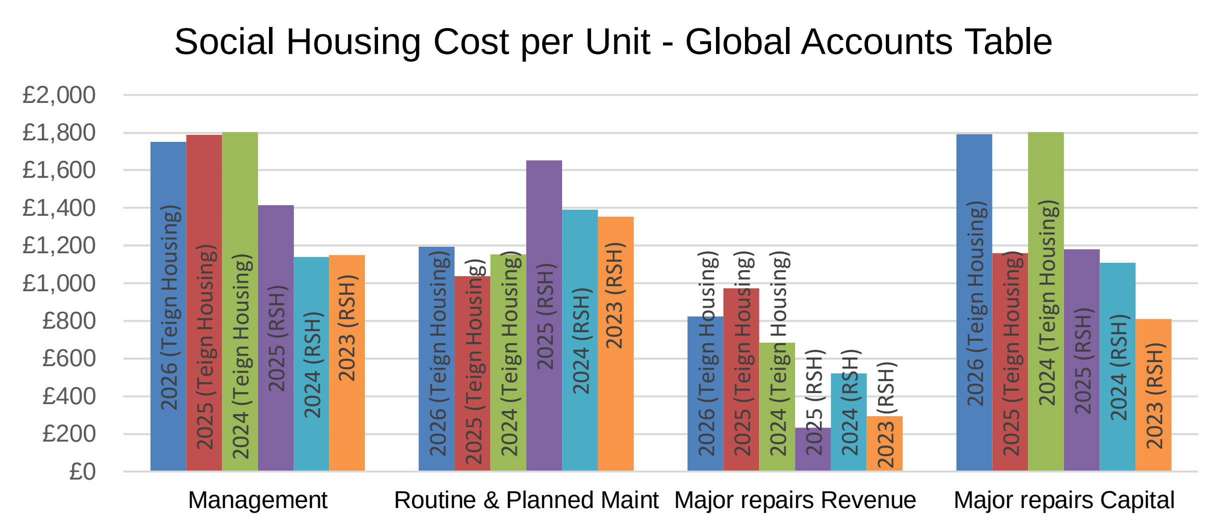
These include:

- Value for Money Metrics – full details of value for money achievements
- The balanced scorecard, including Housemark Benchmarking Results – comparative figures with our peers in the sector
- Quarterly Financial Report
- Annual report – report sent annually to our tenants
- Interim annual review of the business plan against actual progress
- Regular reforecasting as part of the management accounts review

As RSH global accounts and Housemark peer group use slightly different methodologies for calculating cost per unit, we have revised our figures to ensure consistency. The analysis below compares our costs with those of the RSH global accounts and the Housemark SW & SE peer group.

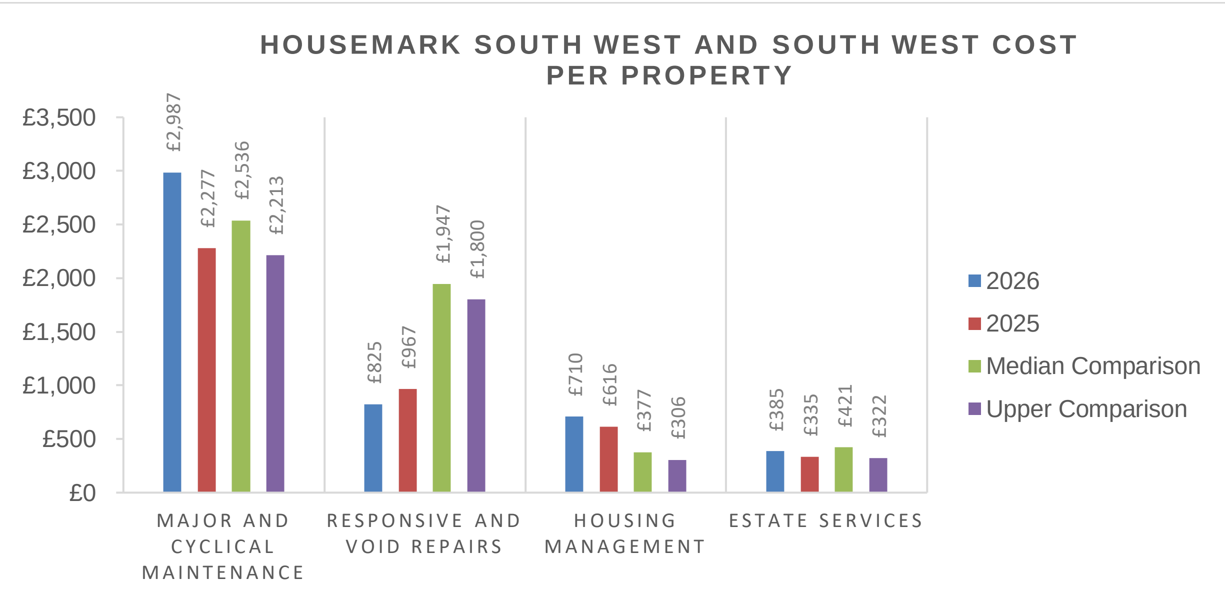
RSH Global Accounts Comparison

Area	Teign Housing			RSH Global accounts		
	2025-26 £	2024-25 £	2023-24 £	2025 £	2024 £	2023 £
Expenditure – per Social Housing Property						
Management	1,751	1,789	1,802	1,416	1,138	1,151
Routine & Planned Maintenance	1,194	1,037	1,154	1,652	1,390	1,354
Major repairs – Total	2,618	2,134	2,487	1,416	1,629	1,104
Major repairs – Revenue	*825*	*973*	*685*	*234*	*520*	*295*
Major repairs – Capital	*1,793*	*1,161*	*1,802*	*1,182*	*1,109*	*810*
Total cost per unit	**5,563**	**4,960**	**5,443**	**4,484**	**4,157**	**3,609**



Housemark South West and South East Peer Group Comparison

Teign Housing Cost Per Property	Teign Housing		Comparison Group Median	Comparison Group Upper
	2025-26	2024-25	2024-25	2024-25
Department	£	£	£	£
Major and Cyclical Maintenance	2,987	2,277	2,536	2,213
Responsive and Void Repairs	825	967	1,947	1,800
Housing Management	710	616	377	306
Estate Services	385	335	421	322
Total costs per unit	**4,907**	**4,195**	**5,281**	**4,641**
No of Social Housing Properties	*3,944*	*3,946*	*4,304*	*2,750*



Compared to the prior year, our total cost per unit has increased by £603 (12.2%) per unit in 2025-26 compared to 2024-25, due to decarbonisation work and increased material and labour costs. After comparing the data for RSH and the Housemark peer group against the previous year, we have seen similar findings: the cost per unit increased by 7.9% to 10.6%. However, their data is one year behind.

Our total management cost per unit has decreased slightly compared with last year, but it remains above the RSH sector median due to factors outside our control, including HomeTeam27 staff and recruitment costs, increased Microsoft server hosting charges, and investments in cybersecurity. Continued scrutiny of management costs and tight budgetary control will ensure the organisation's overall efficiency.

Routine and cyclical maintenance have increased slightly from last year but remain well below the sector median. We are continually working to ensure we receive the best quality at the best price for our purchases, to mitigate price increases as much as possible. We also drive efficiencies where possible by planning similar work by area and by type.

The total costs of major repairs, including capital and revenue, are above the RSH sector median and have increased by £484 (22.7%) compared to last year. The increase is primarily driven by higher capital expenditure in decarbonisation works. This has been partially offset by a 15.2% reduction in revenue expenditure. Capital expenditure is expected to fluctuate annually, reflecting maintenance programme planning to make the most efficient use of resources.

We will continue working on our budgetary controls and investment plans to provide the best value and investment in our housing stock in the future. Our stock condition survey programme, which we aimed to largely complete by the end of 2025-26, achieved 89% coverage. From this, we can ensure that our investment in our stock is focused on the right areas and helps maintain the longevity and desirability of our homes. We continue to look for opportunities to invest in energy efficiency in our existing homes and to balance the costs of improved energy efficiency against the viability of new-build schemes.

The Asset Management and Carbon Reduction Strategy was combined during 2025-26 to provide us with a clear focus and direction on the future use and energy efficiency of our assets, including continued use, redesignation, redevelopment, or disposal.

We will continue to:

- Review our own land, housing stock and garage sites for development opportunities – where suitable, these will be included within the future development programme.
- Assess the requirements and resources needed for continued progress towards EPC Band C by 2030 and the significant target of Net Zero Carbon by 2050.
- Consider our supporting asset management system and the existing viability tool to better assist us with the management of our housing stock.

Below is an extract from the scorecard, which presents the company's performance against targets set internally for the year ended 31 March 2026 and against targets taken from Housemark data for 2025. We have selected areas that we believe represent current VFM significance.

Area	2025-26	2024-25	2023-24	2022-23	Housemark 2024-25 Benchmark	Target 2025-26
Customer satisfaction						
Customer satisfaction with repairs	98.5%	98.3%	98.2%	97.9%	89.0%	96.0%
Standard of property at re-let	97.0%	100.0%	96.6%	99.0%	-	100.0%
Satisfaction with complaints process	73.4%	52.8%	50.0%	95.0%	76.2%	85.0%
Rent collection & arrears						
Rent collection	100.2%	101.6%	100.4%	99.3%	-	100.0%
Rent arrears (% of annual debt)	1.98%	2.13%	2.72%	2.65%	2.50%	3.20%
Void loss & turnaround						
Void losses	0.64%	0.67%	1.10%	0.56%	1.00%	0.50%
Void turnaround time (days)	21.8	21.9	33.9	25.1	41	25
Digital agenda						
Total number of tenant portal registrations	1543	1197	901	650	-	1250
Inbound communication by Webchat	1.0%	1.8%	1.3%	1.1%	-	-

Customer satisfaction with repairs has increased slightly from 98.3% to 98.5%, compared to last year, and we continue to exceed our target of 96.0% for the year. We are significantly above the Housemark average of 89.0%. The standard property at re-let has slightly decreased from 100% to 97.0% and is below our target of 100%. Satisfaction with the complaints process is 73.4%, a significant improvement from last year, but still below the Housemark benchmark of 76.2%. This is largely because tenants tend to focus on the result rather than the process involved. We will continue to improve our complaint process.

The rent collection rate reached 100.2%, a slight decrease from last year, and above our target of 100%, as we have collected some prepayments and rent arrears. The rent arrears have reduced to 1.98% from last year's 2.13%, and above the benchmark of 2.5%. We exceeded our target, 3.2%. We have continued to support tenants over the last year by applying for universal credit and, where possible, working with them to manage their rent payments. This has helped us improve our performance compared to last year and exceed our internal targets. Through our Head Start team, we have signposted and assisted tenants in securing the additional financial support they need. We have also distributed over £35,000 (2024-25: £50,700) of financial support through a hardship fund to tenants in greater need.

Void losses due to voids have dropped slightly to 0.64% compared to last year's 0.67% and are well below the benchmark 1.0%. However, we are slightly over our targeted 0.50% due to the knock-on effects of stretched resources and availability across teams in February 2026, and many properties returned to us in poor condition, which impacts void loss.

Across the organisation, we have a strong focus on VFM, and many departments have specific VFM targets. An updated VFM report was presented to the Board and approved in July 2025. In 2025-26, our VFM focus was on:

HomeTeam27

Since the decision in May 2025 to bring our repairs and maintenance services in-house, significant work has been undertaken to lay the foundations for a successful transition.

In June, the decision was formally communicated to the wider organisation during our Teams Together briefing. By October, a dedicated HomeTeam27 Project Manager had joined the programme to support overall delivery and coordination. During the final quarter of the year, we engaged with three potential providers for field operations and job costing systems and successfully recruited both our Procurement Business Partner and our Project Coordinator.

The first part of this year has seen continued strong progress. Engagement with procurement and supply chain partners has been positive, and early benchmarking of key materials indicates the potential for significant savings in several areas. Our move toward a single telephony system will support a more seamless customer experience and improve collaboration across directorates. Work to align Health & Safety and HR services and systems is also underway, ensuring a consistent organisational approach and enabling us to shape our future service around the needs of our residents.

Throughout 2026-27, we will focus on implementing the new field operations and job costing system, rolling out the new telephony platform and establishing a completely refreshed supply chain for both materials and subcontractor procurement. We will also mobilise a new fleet of vans and associated services, while expanding internal functions such as HR and Health & Safety to support the transition

<u>Directorate of Customers and Communities</u>

Over the past 12 months, our front-line housing service has delivered strong value for money by preventing homelessness, reducing system pressures, and using targeted, efficient interventions to achieve sustainable outcomes for residents.

Anti-Social Behaviour (ASB)

Over the past 12 months, the ASB service has demonstrated strong value for money by prioritising early intervention and maximising partnership working. This approach has enabled the team to manage higher caseloads within existing resources, improve customer outcomes, and reduce repeat incidents—delivering both financial efficiency and positive community impact.

Through close collaboration with the Community Safety Partnership, we have been able to utilise cost-effective interventions such as Community Protection Warnings. These measures have proven highly effective in addressing ASB while preserving positive relationships with residents.

Independence and Wellbeing

We have improved efficiency in our community engagement offering by reducing the frequency of community meal events from monthly to quarterly. This has lowered staff time and associated costs while ensuring continued opportunities for resident engagement.

In one scheme, residents have taken ownership of delivering their monthly community meals, with a small financial contribution. This approach both empowers residents and reduces ongoing service costs, while maintaining regular social interaction.

We have also restructured the team to operate across defined geographical areas, reducing travel time and costs while improving service responsiveness.

Tenancy management

We have strengthened the use of enforcement tools to ensure residents maintain their homes and gardens to the required standards. This is expected to reduce void costs over time and improve resident well-being.

We remain 100% compliant with gas safety checks and continue to take a proactive approach to gaining access, enabling additional compliance checks and maintenance works to be completed.

We have reduced expenditure on home and garden clearances through the tenancy sustainment budget, recognising that this is not a sustainable long-term solution.

Community Housing Officers and Advisors continue to proactively engage with residents in rent arrears, including door-knocking where contact has not been achieved through other methods.

Welfare reform and cost of living impact

The Head Start Team delivers value for money by combining early intervention, targeted financial support and income maximisation work to help sustain tenancies, reduce arrears and prevent higher-cost interventions.

This starts during the pre-tenancy allocation process. The team conducts affordability checks for all applicants, completes trial benefit calculations to ensure tenants are claiming everything they are entitled to, and provides the New Homes Grant to eligible tenants to help with moving costs and essential items. By helping people start their tenancy on a more stable footing, this offer supports tenancy sustainment from day one and helps reduce the risk of early arrears. Only 18% of new tenants were in arrears this financial year, compared to 25% of existing tenants. Those benefiting from the New Home Grant are experiencing lower rent arrears compared to other tenants.

The Head Start Team works with tenants to improve financial resilience and address short- and long-term financial challenges. This preventative work helps tenants maintain rent payments, manage rising living costs and avoid problems escalating into arrears, enforcement action or tenancy failure.

The Hardship Fund was launched in 2022 to support tenants affected by rising living costs and rent increases. Since then, it has supported 876 applications, totalling £151,238 in grant awards. This targeted use of funding helps tenants manage short-term financial pressures before they lead to greater costs for both tenants and Teign Housing, including escalating arrears, failed tenancies and more intensive intervention.

Income maximisation remains a core part of the Head Start Team's value-for-money offer. This year, the Head Start Team supported tenants to obtain an additional £112,021 in income. We also commission Homemaker South West, which provides regulated debt advice to tenants with significant debt issues and helps resolve complex benefit queries. Last year, they achieved a total of £34,758 in additional benefits, debt reductions and grant applications for our tenants.

In total, this work increased tenants' income by £146,780, of which at least £52,257 directly benefited Teign Housing through Housing Benefit payments, reduced arrears and Discretionary Housing Payments. This demonstrates a clear financial return alongside improved outcomes for tenants.

Customer Service

Since the successful implementation of the Omnichannel project last year, we now have all communication avenues in one place. This allows us to ensure that all correspondence is answered promptly and that we resource each channel appropriately.

During the year:

- There was 98.5% satisfaction with repairs carried out
- 100% of all planned work was completed on time

The Customer First Team continued to engage in Call Quality and Monitoring Coaching to improve customer interactions. Our Customer First Team Advisors are scored on set criteria around tone of voice and active listening. This process has increased baseline scores, significantly improving our customers' experience and, hopefully, their expectations of our service.

There were 50,977 calls throughout the year, comprising 28,984 inbound, 21,690 outbound, and 303 internal, using Omnichannel, which brings all our contact channels into a single platform. This represents an increase from 47,317 calls in the previous year, comprising 29,027 inbound, 17,982 outbound and 308 internal calls.

Customer Insight and Resolutions

The first phase of the Complaints Review was completed. The review focuses on the Complaints Policy and Procedure for Teign Housing and Templer HomeBuild to achieve consistency in service provision, improve customer satisfaction, and reduce manual administration, monitoring, and reporting. It will also define clear responsibility for Housing Ombudsman determinations and Board reports. An analysis was completed on the resident feedback received through the Tenant Satisfaction Measures, and presentations were given to the Residents' Forum and the Complaint Handling at Teign and Templer (CHATT) group. Additionally, we asked residents to consider whether we are effectively communicating our Complaints service and how we can improve it. Staff consultation was also conducted to identify where we could make improvements and the challenges they face in resolving complaints effectively.

An additional consultation is taking place for residents living in Douglas House. There are specific requirements for tall buildings regarding complaints handling, which will require a separate section within our Complaints Policy and Procedure.

Complaints increased from 270 in 2024-25 to 273 in 2025-26. This rise in volume is consistent with the sector, which has seen a 55% increase in complaints from 2023-24, driven by the new Housing Ombudsman Complaint Handling Code. Since the new Complaints Handling Code was implemented in April 2024, we have acknowledged and responded to complaints on time except in a handful of cases. This performance is a key success for the team, as benchmarking suggests it is an area that many registered providers need to improve.

Tenant Involvement

We remain committed to actively engaging with our residents and the wider community. Our Resident Involvement Manager oversees this work, supporting us to better understand residents' values, priorities, and expectations. We continue to host a Residents' Forum every six weeks, delivered in a hybrid format to ensure accessibility. Residents are actively involved in consultations on service changes, processes, and tenant focused policies, procedures, and strategies, including a newly introduced discussion at each meeting, focusing on our Tenant Satisfaction Measure results.

Our Scrutiny Panel carried out a focused review into how Teign Housing responds to and manages anti-social behaviour (ASB), providing challenge, insight, and recommendations from a resident perspective. Alongside this, our Customer Experience Committee (CEC) strengthens its role, having recently completed a recruitment drive that welcomed three new members. The group also holds dedicated sessions to review its structure, clarify its purpose, and ensure it delivers meaningful outcomes. The CEC provides oversight of resident involvement activity and maintains a direct link between residents and Board members, helping to ensure actions are monitored and progressed.

In addition, resident-led estate inspections are introduced to capture residents' perspectives on grounds maintenance and estate standards. These inspections help inform service improvements while also increasing resident engagement and survey participation.

Together, these approaches ensure Teign Housing maintains strong, effective connections with residents and keeps their experiences at the heart of service delivery.

Communication methods have been reviewed in consultation with our residents and continue to take place, focusing on the consistency and format of communications that Teign Housing shares (Monthly update video introduced).

Income and Letting

We implemented a revised approach for tenants not fully in advance, focusing on preventing excessive time and effort being spent pursuing small, static debts. A part-time, temporary Income Assistant role was introduced to support recharge collection processes and general housekeeping activities, improving overall efficiency.

The removal of Mobysoft software has resulted in annual savings of £60k, while income collection performance has continued to improve compared to 2024–25, demonstrating increased efficiency without reliance on the system.

Referrals have been made to a range of external agencies to support tenants with their finances, helping to mitigate the risk of increased rent arrears and missed payments.

Phase 2 of PanConnect has been successfully completed, introducing an automated reporting process to manage voids and allocations, which were previously handled manually. Enhanced functionality now enables more effective task management within the allocations process, reducing the need to restart tasks, and provides improved flexibility through the automatic creation of tenancy agreements, removing the need for manual updates.

We have also introduced a more structured process for storing and saving pre-tenancy information, which saved time for the team by making it easier to identify which documents relate to each allocation.

Directorate of People, Change and Assurance

Digital and Technology

We delivered a range of savings across IT & Digital during the year. The contract for Civica (our Housing Management System) was successfully renegotiated, generating annual savings of £70,000. Optimisation work within our Microsoft Azure server environment delivered an additional £1,500 per month in savings.

A review of the IT & Digital revenue budget identified duplicative costs across departments, which have since been removed and realigned to the appropriate budgets. Market testing for network penetration testing services, in line with our cybersecurity responsibilities, achieved savings of £11,000 compared to alternative quotes.

In addition, re-tendering our Microsoft 365 licensing reduced annual fees by £10,000. We also secured 1.5 days of development time free of charge through bulk purchasing arrangements for our resident portal and app, saving £1,380.

Finally, market testing for a Cyber Security Operations Centre (CSOC) to provide 24/7 monitoring and incident response resulted in a saving of £3,530 compared to the next comparable provider.

Improve Skills and Behaviours of Staff

During 2025–2026, the organisation maintained a strong focus on staff learning and development to improve service delivery, safety, and compliance, while reinforcing core values. Training was delivered through a mix of in-house programmes (especially via Teign Academy), external learning, professional qualifications, and coaching, with a deliberate emphasis on using internal expertise to maximise value and relevance.

The year was marked by significant organisational change, particularly the acceleration of the HomeTeam27 programme. This increased the focus on strengthening leadership capability, building specialist skills, and preparing for new regulatory requirements coming into effect in October 2026. As a result, there was greater emphasis on leadership behaviours, culture, continuous professional development (CPD), and relevant qualifications.

Financially, the approved training budget was £130,000, with actual spend of £88,000, resulting in a £42,000 saving. Average investment per employee was approximately £792. Spending prioritised corporate training, with other key areas including Finance, Health and Safety, IT, and operational teams. Lower overall spend compared to the previous year reflected a reduced reliance on external programmes and an increase in in-house delivery.

In total, 336 training days were delivered (3.2 days per employee), with a focus mainly on health and safety, leadership, and frontline housing skills. The professional development activity included 15 qualifications, with several managers undertaking CIH Level 4 and Level 5 training to support future regulatory compliance. Staff also used 30 study leave days, and eLearning compliance averaged 68%.

Health and Safety

Over the past year, we have focused on strengthening the way health and safety is managed across the organisation, improving consistency, building capability within teams, and making better use of existing systems.

A key area of progress has been embedding a more structured approach aligned to HSG65. This has brought greater clarity to how risk is identified, managed and monitored, meaning health and safety is more consistently built into day-to-day activities.

We have supported managers to carry out risk assessments relevant to their roles. This has improved confidence and consistency in how risks are managed at a local level.

The building inspection programme has continued as a core part of how we manage health and safety risks across our buildings. It remains a key mechanism for identifying and addressing hazards and supporting compliance with statutory requirements.

Fire and building safety have remained priorities, with improvements in the monitoring of fire risk assessments and actions. Work has been completed to implement the Fire Safety (Residential Evacuation Plans) (England) Regulations 2025, including training staff to support delivery.

<u>Directorate of Finance & Investment</u>

Asset Management

Our full housing stock survey continued throughout 2025-26, meaning we had surveyed 89% of the stock by the end of the financial year. This will give us additional insight into the condition of our housing stock so that we can undertake any necessary remedial action, better plan our cyclical and planned maintenance cycle and carbon reduction work, and highlight any issues before they become too serious, although we have some work to do to achieve 100% surveyed and maintain a rolling programme. We have established an internal team to conduct these surveys rather than outsourcing them, as we believe this approach provides a better outcome and greater overall value.

Development

We remain a member of LiveWest's strategic partnership for Homes England grant funding. This consortium arrangement enables us to apply for development grant funding. Being part of the consortium demonstrates value for money, as, in return for a modest fee, the team at LiveWest administers our grant applications and liaises with Homes England on our behalf, which would otherwise be an administrative burden for a small organisation.

During 2025-26, we received a £120,000 grant from East Devon DC to support the Upper Coly CLT scheme and entered into one new contract valued at £3,300,000 to purchase a section 106 scheme to deliver 15 Affordable rent & 2 shared ownership homes in Exmouth.

Procurement

We continue to be a member of the Advantage South West Procurement Consortium. This organisation exists to improve lives and homes through innovation and collaboration, and to improve value for money for its members. In 2025-26, the savings delivered through this consortium's membership total £131,023, including unrecoverable VAT.

ASW continues to deliver collaborative procurement of frameworks and supply chain management to help members deliver VFM and ensure continuity of quality and availability. Whilst delivering savings through a range of frameworks is at the heart of ASW, our membership also brings benefits, including access to the formal network of members, which provides valuable advice and guidance, as well as ASW's specific procurement expertise.

In 2025-26, the New Build Group held its first meeting. The group currently meets every three months. Topics currently being looked at are:

- Changes & Updates to Building Regs
- Fire Safety & Building Safety Act
- Insolvency Protection
- S106 Specification
- Energy Efficiency
- Consultancy Framework
- EV Charging
- Modern methods of construction

Advantage South West is a member of Building Better: A Community of Practice (BB:CoP). BB:CoP exists to leverage MMC (modern methods of construction) to unlock an uplift in the supply of new social and affordable homes across the UK. Membership is open to professionals across the social and affordable housing delivery ecosystem, including Registered Providers, local authorities, central government, MMC suppliers and others who want to take an active role in supporting this joint mission. BB:CoP is powered by Housing Festival, a think-and-do tank whose goal is to find innovative and scalable solutions that are implemented and refined in the real world. BB:CoP is aggregating demand from members so they can procure high-quality, sustainable offsite homes at the right price, confident that these homes will meet their customers' needs. Advantage South West members can access BB:CoP free of charge as part of their ASW membership.

ASW has a range of house designs. In December 2022, ASW appointed Trewin Architects to design a new suite of house types; these designs prioritise space standards and future progress towards net-zero carbon emissions. From 2025, these will be available to ASW members for free.

Reduce our carbon emissions, improve the environment, and reduce the costs of living in our homes

We received a provisional Warm Homes: Social Housing Fund (WH:SHF) grant of £3.8m and entered into a contract with our delivery partner, LivGreen Futures, who commenced work on site during the year to deliver fabric first measures and solar PV.

Across our planned programmes of retrofit and regeneration, we have improved 148 properties this year against a target of 140.

Templer HomeBuild

The wholly owned subsidiary, Templer HomeBuild (THB), continues to provide us with greater control over service delivery and cost efficiencies. There is a strong emphasis on 'right first time', generating progressive efficiencies and cost savings. The VAT savings from Templer HomeBuild in 2025-26 were £720,627. The 2026-27 budget includes a further VAT saving of £693,850.

Last year, we conducted independent Value for Money reviews to assess Templer HomeBuild's overall performance. Benchmarking reports analysed the volume and cost of works to provide context for the overall repairs and maintenance service, providing a better understanding of the value achieved compared with other similarly sized Housing Associations in the South West. We have now reviewed our performance in 2025-26 against the benchmarking completed in 2024-25 to ensure we are still in line with average job cost or provided further value for money.

Responsive Repairs

In 2024-25, THB carried out 3.14 repairs per property, almost exactly in line with the benchmark average. Our average repair cost was £207, significantly lower than the benchmark average and the second lowest of those included in the measure.

Compared with 2024-25, we carried out 2.52 repairs per property in 2025-26. We have also reduced our average repair cost to £147, significantly lower than last year's benchmark average cost.

The key performance measures for the year are summarised below:

Target	KPI	Actual
96%	Customer Satisfaction	99%
100%	Emergency Jobs Completed on Time	100%
99%	Appointments Made and Kept	99.9%
99%	First Time Fix	100%

Void Repairs

In 2024-25, our average void cost has seen a consistent year on year reduction but was high compared to the benchmark average. This high cost is not considered indicative of poor Value for Money but rather representative of local customer expectations and a high re-let standard. Unlike Responsive Repairs, the Void delivery model was considered inconsistent with the benchmark. Void delivery is more commonly delivered through subcontracted works than the THB self-delivery approach.

We have reviewed the void standard in 2025-26 to find an acceptable balance between cost and customer satisfaction. Following consultation with involved residents and the tenant forum, the void specification changes below were agreed:

- Removal of carpets and reinvest into the Assisted Letting Scheme
- Decorate sheltered properties and Paint Pack Scheme for General Needs

- Remove external sockets from the specification
- Replace existing fences with post and rail/wire when repairs are over 4 metres

In 2025-26, we had a reduction in total void property repair costs due to the application of the void specification changes. In addition, the number of void properties completed reduced from 206 to 186, and the average void cost per property reduced from £7,900 to £7,406. We completed 43 (£446,063) major voids and 17 (£352,588) mega voids in 2025-26, compared with 53 (£475,400) and 23 (£499,700) mega voids in 2024-2025.

Component Replacement

When completing the benchmarking in 2024-25, the cost of planned works in general compares very favourably with benchmark averages.

The two principal component replacement programmes show that kitchens were 6.8% below the benchmark average, and bathrooms were 8.6% below. Compared with the financial year 2025-26, kitchens have increased by 0.2%, while bathrooms have decreased by 1.4%. We completed 4 more Kitchens in 2025-26, the archetype was £215 lower, which equates to a £23.2k saving compared to the previous year. This was due to tighter labour assignments and streamlined waste removal. We completed 1 more bathroom in 2025-26 than in 2024-25, but the average cost per bathroom was £430 less in 2025-26. This equates to a saving of £3.4k over the year.

We continued to deliver Kitchens and Bathrooms in 2025-2026 using a self-delivery approach, which remains inconsistent with the benchmark. Subcontract is the most common delivery model; however, we have evidence to value for money by providing savings yearly across both workstreams.

In 2026-27, as well as the projects above, which will continue, our focus will also be on:

Directorate of Customers & Communities

Anti-Social Behaviour (ASB)

In 2026-27, we will continue working closely with the Community Safety Partnership to deliver cost-effective interventions, including the use of Community Protection Warnings. Our focus will remain on:

- Strengthening early intervention approaches
- Reducing repeat cases
- Using proportionate, cost-effective responses
- Expanding partnership working

To support this approach, Senior Community Housing Officers will no longer manage their own property patches. This will enable them to undertake lower-level legal work in-house, reducing reliance on external legal services and improving both efficiency and value for money.

Independence and Wellbeing

Looking ahead in 2026-27, the remodel of the team to operate across geographical areas will be fully embedded, with a continued focus on:

- Strengthening early intervention
- Targeting support where it achieves the greatest impact,
- Maximising use of community resources
- Delivering short-term, outcome-focused interventions that reduce long-term demand on services.

In addition, the EROSH accreditation has not been renewed because it was not considered good value for money.

Tenancy management

In 2026-27, we will deliver value for money by combining strong early intervention with consistent and effective enforcement action. This approach will support tenancy sustainment wherever possible, while ensuring decisive action is taken when necessary to protect our communities and housing assets.

Lower-level enforcement activity will be undertaken in-house by Senior Community Housing Officers, following the removal of their patch-based responsibilities. This change will reduce reliance on external solicitors and generate additional cost efficiencies.

By improving the efficiency and consistency of enforcement processes, we will shorten case durations, protect income streams, and promote safe, stable communities—delivering both financial and social value.

Welfare reform and cost of living impact

In 2026-27, the Head Start Team remains committed to an income maximisation target of £125,000. This target is realistic given the current team's capacity and changes in the grant-funding environment. We will also strengthen the evidence of our work's impact, with a clearer focus on demonstrating value for money through arrears reduction, increased housing-related income, and the prevention of higher-cost interventions.

In 2026-27, the Hardship Fund will continue with £17,500 available to support tenants. This funding will be targeted at those with limited financial resilience facing short-term financial crises, helping to stabilise tenancies at an early stage and make the best use of limited resources. Where appropriate, additional support will be provided to strengthen long-term financial stability and connect tenants with universal services in their community to help meet their needs.

We will pilot an Intervention Fund to support tenants experiencing vulnerabilities that affect their ability to sustain their tenancy, particularly where hoarding or other property-related concerns are present. This early intervention will help tenants manage their tenancies more effectively, reducing the likelihood of recharges, evictions, and high void costs. Delivered in partnership with our Housing Officer colleagues, the fund will provide coordinated support to those most in need and help avoid more costly action later.

Customer Service

As part of the HomeTeam27 project, a new telephony system will be implemented, providing integration with housing management and repairs systems. This will enable the Customer First team to access information across services and support residents with more first point of contact responses. It will help all teams view 'one truth' for customer contact, enabling a smoother customer journey and better communication with customers.

Customer Insight and Resolutions

A significant project will be delivered to migrate the recording, monitoring, and reporting of complaints to Civica CX, our housing management system. This will improve the administration of complaints and provide a central place for recording the progress and completion of actions.

The Complaints Review will move into its second phase. It will implement revisions to the Policy and Procedure, with the primary aim of improving the quality of complaint responses and reducing the number of complaints escalated to stage 2 and to the Housing Ombudsman.

Tenant Involvement

Looking ahead, we are actively reviewing our Customer Voice Strategy to ensure residents have a wider range of meaningful opportunities to influence how our services are delivered. This review focuses on strengthening engagement, improving transparency, and clearly demonstrating the outcomes resulting from resident feedback. As part of the strategy review, we are exploring additional engagement methods, including resident estate inspectors, one-day scrutiny reviews, improved engagement with younger residents, and more informal ways for residents to get involved and share feedback.

We continue to consult with residents on our approach to communications to ensure information is accessible, timely, and relevant. Alongside this, we are undertaking consultations with residents on complaint handling, supporting service improvements, and embedding learning from residents' experiences. We will also be progressing the recommendations from the Scrutiny Panel, including the introduction of a resident-led anti-social behaviour (ASB) focus group to provide direct insight and challenge on how ASB is managed.

An additional element of our engagement approach is the introduction of video case studies that capture real-life resident experiences with our services. These short films provide residents with a direct voice and enable our Board to gain a deeper understanding of how services are experienced on the ground. By sharing authentic stories and outcomes, these case studies support informed decision-making, highlight areas of good practice, and identify opportunities for service improvement based on lived resident experience.

Income and Letting

In 2026–27, we will implement new telephony and contact centre software to support learning and development and improve the management of inbound emails. We will also continue to utilise a part-time temporary Income Assistant to support recharge collection processes.

Skills gaps have been identified across the team, and targeted training will be delivered to improve efficiency and ensure adequate cover during periods of sickness or leave. In addition, near-miss complaints and recurring themes will be actively monitored to inform learning and development, helping to reduce the risk of formal complaints.

Following a review of the time invested relative to outcomes, the Goal Plan meeting will be removed from the allocations process, as the cost is considered to outweigh the benefit.

Shadowing for new starters, previously delivered on a one-to-one basis, will transition to group sessions in response to increased recruitment, improving efficiency and reducing pressure on the Lettings team.

We will also review and update the Lettings FAQ to enable faster, more accurate responses to customer queries. Greater ownership of feedback from welcome calls will be embedded, with insights regularly discussed at weekly voids meetings to improve tenant satisfaction and minimise complaints.

Directorate of People, Change and Assurance

Digital and Technology

The priority project remains HomeTeam27, and we will continue to work closely with the project team to ensure the best value for money and to deliver effective solutions as part of its implementation.

We will also invest in additional development days for our resident app and portal to ensure we continue to provide high-quality services for both residents and staff.

Our photocopier contract will be reviewed, with market testing undertaken to explore alternative devices and providers to ensure cost-effectiveness and service quality.

The leased line (internet service) contract is due for renewal, and we will test the market to secure the best possible provision for our head office connectivity.

In addition, we will review our Cyber Security Operations Centre (CSOC) solution in advance of contract renewal to ensure it continues to meet our requirements and delivers value for money.

Improve Skills and Behaviours of Staff

In the coming year, we will continue to focus on high-value, cost-effective learning that supports both organisational priorities and regulatory expectations. Key actions include:

- Further developing the Teign Academy, including delivery of the Confident Managers programme
- Strengthening leadership capability in areas such as health and safety, performance management, equality and diversity, and effective people management
- Exploring more flexible learning options to meet different learning needs
- Reviewing options for investment in a new Learning Management System (LMS) from October 2026, to provide higher-quality content and a better learning experience for colleagues at both Teign Housing and Templer HomeBuild

Training budgets will continue to be managed more centrally, with greater oversight from People Services. A Training Sponsorship Form will be required for funded training requests to ensure:

- Fair and consistent access to learning
- Better value for money
- Reduced duplication of training spends

Health and Safety

In 2026–27, the focus will be on strengthening assurance and improving how we evidence performance, so that we can be confident that arrangements are not only in place but working as intended.

A more structured internal audit and assurance programme will be introduced. This will help test how effectively health and safety controls are operating in practice and support a more targeted approach to improvement.

We will continue to develop the use of Assure to support more consistent and reliable reporting. This will improve visibility of compliance activity and reduce reliance on manual processes.

Capability will continue to be built across the organisation through targeted training and support. This will ensure that managers remain confident in managing risks within their teams and that health and safety continue to be embedded in day-to-day activity.

Alongside this, we will further develop our understanding of organisational culture using the HSE climate tool. This will help target improvement activity and ensure that effort is focused where it will have the greatest impact.

Overall, these priorities focus on maintaining a proportionate and sustainable approach to health and safety, ensuring that resources continue to be used effectively to deliver safe homes and services.

Directorate of Finance & Investment

Asset Management

We aim to achieve 100% completion of stock surveys and establish the rolling programme. With the valuable insights gained into the condition of our housing stock from the surveys, we will identify problems before they become too severe.

A revised Decent Homes standard was published in January 2026, which must be implemented by 2035, with an interim target for energy performance (EPC-C) of 2030. We await further detailed guidance to support the implementation of the new standard later this year, after which we will begin planning our approach to meet it.

Work will start this year to better understand our position and the options available to improve the energy performance of the stock, as we align this work with the new Decent Homes Standard.

Develop more affordable homes

Whilst updating our Strategy, we will continue to develop affordable homes and ensure they remain affordable for people in our local communities. We will continue to focus our efforts on providing homes in areas of demand and in the types of homes people want. We will work with Finance colleagues to ensure our financial assumptions remain up to date and realistic, and that our viability assessments deliver VfM to the business.

We will seek to access the new, ambitious 10-year Homes England funding programme, again via the LiveWest grant-bidding consortium. We will continue to review our own land and properties for redevelopment opportunities where possible, as using our own assets is a valuable alternative to buying land on the open market. Ultimately, the increase in stock will lead to higher rental income, which can be reinvested in our existing homes or used to build new ones.

Our completion forecast for 2026-27 is 79 units, comprising 57 affordable rent, six social rent, and 16 shared ownership properties. 57 of these have been committed, and the remaining 22 are currently in contract negotiations. We will continue to seek new opportunities to achieve our development aspirations, and the Development Strategy, due for renewal later this year, will further identify our goals and ambitions for the coming years.

Procurement

In 2026-27, we will aim to deliver transparent, efficient and compliant procurement activities that achieve value for money while supporting services for tenants and the wider community. We will encourage opportunities for SMEs, local suppliers and social value partnerships, utilising a range of compliant framework agreements and procurement routes to market. We aim to maintain a robust and resilient supply chain to reduce risk, promote competition, support continuity of supply, and ensure that procurement activity remains fair, accountable, sustainable, and transparent. In 2026-27, Advantage South West will be awarding the following frameworks:

- Aids & Adaptation products
- Fire Risk Assessments
- Asbestos surveys
- Asbestos removals
- UPvC windows
- Decarbonisation measures
- PV & inverter supply framework
- Further New Build frameworks

Reduce our carbon emissions, improve the environment, and reduce the costs of living in our homes

The additional stock condition data from the stock surveys will again provide more accurate information to inform our investment plans for carbon reduction. Using this data along with EPC information, we can cost effectively target properties for planned maintenance to both maintain decent home standards and focus on the least energy efficient properties to maximise the return on investment.

We are in one phase across the year, targeting approximately 140 homes as we work towards our target of achieving a minimum EPC band C across all of our stock by 2030.

Templer HomeBuild

Templer HomeBuild introduced a Customer Experience Lead role to help manage complaints about repairs and maintenance and deliver better service to our customers. We will continue to enhance our approach to complaints by increasing employee training opportunities and co-developing processes with our customers. Full results are published quarterly on the Board and Residents Forum and our website.

We continue to fully roll out “Lessons Learned,” and in 2026-27, we aim to stop making the same mistakes again and prevent them.

Ensure our residents are happy with their repairs

Next year, we aim to continue to exceed 98% satisfaction with repairs carried out.

Provide quality repairs and minimise return visits

Next year, we aim to exceed 99% of repairs requiring only one visit.

Work efficiently and respectfully in customers' homes

Next year, we plan to complete 98% of all planned works on time.

Damp and Mould

We continue to take a proactive approach, adopting smart technology to monitor and track trends in "at-risk" homes. Remote sensors installed in properties with a greater probability of damp and mould alert us to issues and enable us to remedy problems early. Our Awaab's Law Action Group continues to focus on key issues, ensuring our processes are continuously reviewed and consistent with current legislative requirements.

DMC has also factored into our internal audit plan to provide further assurance of our policies, procedures, and controls. A deep-dive audit took place in our 2025-26 audit programme, and a follow-up annual review will take place in 2026-27. We will also undertake an internal audit as part of the 2026-27 internal audit plan.

Maintain financial capacity

The current RCF of £20m remains available until 2028. The refinancing project was finalised in June 2024, and we have secured a new RCF of £30m until 2034. This will enable the continued expansion of our development capacity and capital investment in improvements for our existing stock.

Remain Financially Strong

In 2026–27, the operating margin is budgeted at 14.2%, reflecting the impact of inflation and ongoing global conflicts, including those in Iran and Ukraine, which have driven repairs and maintenance costs to rise faster than rental income. Within the business plan, the operating margin is forecast to improve to 17.1% in 2027–28 and 18.4% in 2028–29, as cost pressures stabilise and planned efficiencies are realised.

Assurance and Internal Control

The Board of Teign Housing has overall responsibility for establishing and maintaining an effective system of internal control. The systems of internal control are measures designed to ensure that Teign Housing is working successfully toward its objectives and that risks to achieving those objectives are identified and properly managed. Such a system can provide reasonable but not absolute assurance and cannot eliminate risk.

The Board reviews the system of internal controls, assesses its effectiveness, and takes any steps it considers necessary to maintain or improve it.

Teign Housing's system of internal controls includes the measures set out below:

Policy and strategy – a range of policies and strategies are in place that determine and guide the company's activities and arrangements.

Internal Deep Dives and Reviews – regular reviews of the risks and assurance frameworks are supported by a robust internal audit programme. We also undertake internal deep dives across the business. The Audit & Assurance committee monitors the progress of any internal audit actions through to completion.

Prevention and detection of fraud

The system of internal control includes measures designed to prevent or detect fraud.

The Board has established a policy on the prevention, detection and investigation of fraud, which includes a whistle-blowing procedure and an anti-money laundering policy. The company uses different measures to prevent and detect fraud, which include but are not limited to:

- A Risk Management Framework
- Policies on staff conduct
- Declarations of interest
- Key reconciliations
- Authorisation controls
- Access controls
- Exception reports
- Financial Regulations

Board's assessment of assurance and internal control

The Board has conducted a review and made enquiries of the Executive and Senior Management Team to inform its view on the effectiveness of Teign Housing's internal controls. A full report on Internal Controls Assurance was provided to the Audit Committee on 12 May 2026. The results of the Board's review are the basis of this statement.

Teign Housing has assessed its compliance with the Regulator of Social Housing's Governance and Financial Viability Standard and considers itself to be compliant.

The Board confirms that an effective system of internal control has been in place throughout the year ending 31 March 2026 and up to the date of signing this report.

The Strategic Report, incorporating the Value for Money Statement, was approved by the Board of Directors on 9 July 2026 and signed on its behalf by

Richard Gammage
Chair of the Board

Directors Report

The Directors present their report for the year ending 31 March 2026.

Directors

The directors who served the company during the year are shown on page 1.

Information for auditors

The directors who held office at the date of approval of this Board Report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Statement of Compliance

The company has chosen, in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. This includes information that would have been included in the business review, as well as the principal risks and uncertainties.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Board Report and the financial statements in accordance with applicable law and regulations.

Company law requires 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 company law, 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 company and the surplus or deficit of the company for that period.

In preparing these 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
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts 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 company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for the maintenance and integrity of the Company’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the Board of Directors on 9 July 2026 and signed on its behalf by:

Richard Gammage
Chair of the Board

Independent Auditor's Report

Opinion

We have audited the financial statements of Teign Housing (the 'parent Company') and its subsidiary (the 'Group') for the year ended 31 March 2026 which comprise the Consolidated and parent Company Statement of Comprehensive Income, the Consolidated and parent Company Statement of Financial Position, the Consolidated and parent Company Statement of Changes in Reserves, the Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2026 and of the Group's income and expenditure and the parent Company'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 parent Company 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 Group's or the parent

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

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

We have nothing to report in this regard.

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent Company 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 directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 35, 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's and the parent Company'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 Group or the parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

- We obtained an understanding of laws, regulations and guidance that affect the Group and parent Company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance 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, NHF Code of Governance 2020, 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 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 regulated nature of the Group's activities.
- We reviewed financial statements disclosures and 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 Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the

Company'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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:
Menzies LLP
0F8E80190A27458...

George Shillam ACA (Senior Statutory Auditor)
For and on behalf of
Menzies LLP
Chartered Accountants and Statutory Auditors
4th Floor
95 Gresham St
London
EC2V 7AB

Date: 29-Jul-2026

Statement of Comprehensive Income

	Note	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Turnover	2	**26,035**	25,838	**26,183**	25,983
Cost of sales	2	**(902)**	(1,063)	**(902)**	(1,063)
Operating expenditure	2	**(20,159)**	(22,712)	**(20,334)**	(22,887)
Gain on disposal of property, plant and equipment	2	**1,080**	268	**1,080**	268
Movement of investments property value	2	-	-	-	-
Operating surplus	2	**6,054**	2,331	**6,027**	2,301
Interest receivable	4	**45**	52	**72**	82
Interest and financing costs	5	**(2,885)**	(2,812)	**(2,885)**	(2,812)
Surplus/(Deficit) before tax		**3,214**	(429)	**3,214**	(429)
Taxation	7	-	-	-	-
Surplus/(Deficit) after tax		**3,214**	(429)	**3,214**	(429)
		3,214	(429)	**3,214**	(429)
Other Comprehensive Income					
SHPS - Actuarial gain/(loss) in respect of pension schemes	20	33	121	33	121
Total		33	**121**	33	**121**
Total comprehensive income for the year		**3,247**	**(308)**	**3,247**	**(308)**

The financial statements on pages 42 to 80 were approved and authorised for issue by the Board on 9 July 2026, and were signed on its behalf by:

Helen Hilditch	**Richard Gammage**	**Steve Higginson**
Company Secretary	**Chair of the Board**	**Chair of Audit Committee**

The results relate wholly to continuing activities, and the notes on pages 46 to 80 form an integral part of these accounts.

Statement of Financial Position

	Note	**Group At 31-Mar-26 £'000**	Group At 31-Mar-25 £'000	**Association At 31-Mar-26 £'000**	Association At 31-Mar-25 £'000
Fixed Assets					
Intangible Assets	8	**59**	91	**59**	91
Tangible Assets	9	**189,356**	180,815	**189,356**	180,815
Investment Properties	10	**525**	525	**525**	525
		189,940	181,431	**189,940**	181,431
Current Assets					
Property held for sale	11	**1,262**	949	**1,262**	949
Debtors due in less than one year	12	**2,946**	1,093	**3,417**	1,585
Debtors due in greater than one year		**964**	964	**964**	964
Cash and cash equivalents	13	**2,194**	2,829	**1,983**	2,517
		7,366	5,835	**7,626**	6,015
Less creditors: amounts falling due within one year	14	**(20,574)**	(14,531)	**(20,834)**	(14,711)
Net Current Liabilities		**(13,208)**	**(8,696)**	**(13,208)**	**(8,696)**
Total assets less current liabilities		**176,732**	172,735	**176,732**	172,735
Creditors: amounts falling due after more than one year	15	**(69,676)**	(68,742)	**(69,676)**	(68,742)
Provisions for Liabilities					
Pension Liability	20	**(250)**	(414)	**(250)**	(414)
Other provisions	17	**(2,685)**	(2,705)	**(2,685)**	(2,705)
Total Net Assets		**104,121**	**100,874**	**104,121**	**100,874**
Reserves					
Income and Expenditure reserve		**72,552**	69,152	**72,552**	69,152
Revaluation reserve		**31,569**	31,722	**31,569**	31,722
Total Reserves		**104,121**	**100,874**	**104,121**	**100,874**

These financial statements on pages 42 to 80 were approved and authorised for issue by the Board on 9 July 2026 and were signed on its behalf by:

Helen Hilditch	**Richard Gammage**	**Steve Higginson**
Company Secretary	**Chair of the Board**	**Chair of Audit Committee**

The notes on pages 46 to 80 form an integral part of these accounts

Statement of Changes in Reserves

Group:

	Income and expenditure reserve £'000	Revaluation reserve £'000	Total £'000
Balance at 31st March 2024	**69,401**	**31,781**	**101,182**
Deficit from Statement of Comprehensive Income	(429)	-	(429)
Actuarial gain relating to the year	121	-	121
Transfer to/(from) revaluation reserve to income and expenditure reserve restated	59	(59)	-
Balance at 31st March 2025	**69,152**	**31,722**	**100,874**
Surplus from Statement of Comprehensive Income	3,214	-	**3,214**
Actuarial gain relating to the year	33	-	**33**
Transfer to/(from) income and expenditure reserve to revaluation reserve	153	(153)	-
Balance at 31st March 2026	**72,552**	**31,569**	**104,121**

Association:

	Income and expenditure reserve £'000	Revaluation reserve £'000	Total £'000
Balance at 31st March 2024	**69,401**	**31,781**	**101,182**
Deficit from Statement of Comprehensive Income	(429)	-	(429)
Actuarial gain relating to the year	121	-	121
Transfer to/(from) revaluation reserve to income and expenditure reserve restated	59	(59)	-
Balance at 31st March 2025	**69,152**	**31,722**	**100,874**
Surplus from Statement of Comprehensive Income	3,214	-	**3,214**
Actuarial gain relating to the year	33	-	**33**
Transfer to/(from) income and expenditure reserve to revaluation reserve	153	(153)	-
Balance at 31st March 2026	**72,552**	**31,569**	**104,121**

The notes on pages 46 to 80 form an integral part of these accounts

Consolidated Statement of Cash Flows

	Group 2026 £'000	Group 2025 £'000
Cash flows from operating activities		
Surplus/(Deficit) for the year after tax	**3,214**	(429)
Adjustments for investing or financing activities		
(Gain) on sale of fixed assets	**(1,080)**	(268)
Interest receivable	**(45)**	(52)
Interest and financing costs	**2,885**	2,812
	1,760	2,492
Adjustments for non-cash items:		
Depreciation	**3,222**	3,099
Impairment of Fixed assets	-	-
Government grant utilised in the year	**(92)**	(85)
(Increase)/Decrease in stock	**(313)**	(26)
(Increase)/Decrease in Investment properties	-	-
(Increase)/Decrease in trade and other debtors	**(1,852)**	(112)
Increase/(Decrease) in trade and other creditors	**2,257**	1,377
Pension costs less contributions payable	**(151)**	(163)
(Decrease)/ Increasein other provision	**(20)**	2,705
	3,051	6,795
Net cash generated from operating activities	**8,025**	8,858
Cash flow from investing activities		
Capital expenditure on housing properties	**(12,207)**	(9,161)
Net proceeds on sale of housing properties	**1,890**	700
Purchase of other fixed assets and intangible assets	**(115)**	(442)
Government grant received	**1,157**	515
Interest received	**45**	52
Net cash used in investing activities	**(9,230)**	(8,336)
Cashflow from financing activities		
Interest paid	**(3,180)**	(3,105)
Loan Break Fees	-	-
Interest element of finance lease rental payment	-	-
Loans received	**3,750**	2,750
Loans repaid	-	-
Net cash used in financing activities	**570**	(355)
Net change in cash and cash equivalents	**(635)**	167
Cash and cash equivalents at beginning of year	**2,829**	2,662
Cash and cash equivalents at year end	**2,194**	2,829

The notes on pages 46 to 80 form an integral part of these accounts.

Notes to the Financial Statements

Legal Status

Teign Housing is a company limited by guarantee incorporated in England and Wales under the Companies Act 2006, it is a registered charity under the Charities Act 2011 and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing. The registered office is Millwood House, Collett Way, Newton Abbot, Devon TQ12 4PH.

1 Principal Accounting Policies

Basis of Accounting

The Group's financial statements have been prepared in accordance with applicable United Kingdom Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice for registered social housing providers (2018). The Group is required under the Companies Act (Group Accounts) Regulations 2006 to prepare consolidated Group accounts.

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. The financial statements have been prepared in compliance with FRS 102. The financial statements are prepared on the historical cost basis of accounting as modified by the valuation of the transferred rented housing stock to deemed cost on the transition to FRS 102 and are presented in £000's. Investment properties are included in the financial statements at valuation.

As a public benefit entity, Teign Housing has applied the public benefit entity 'PBE' prefixed paragraphs of FRS 102.

The Group financial statements consolidate the financial statements of Teign Housing (the parent) and its subsidiary undertaking, Templer HomeBuild, for the year ended 31 March 2026.

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the parent company.
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company, as their remuneration is included in the totals for the group.

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of Teign Housing and entities controlled by the Group (its subsidiary). Control is achieved where the Group has the power to govern the financial and operating policies of an entity to obtain benefits from its activities.

Intercompany transactions and balances between group entities are eliminated in full upon consolidation.

Going Concern

The company's financial statements have been prepared on a going concern basis, which assumes the ability to continue operating in the foreseeable future. The impact of ongoing regional and global conflicts is being monitored, and the company has adapted to new ways of working. The future budget and business plans have been constructed with this in mind, and no significant concerns have been noted.

The business plan was stress-tested and assessed for any imminent or likely future breach of borrowing covenants. No significant concerns have been noted, and we consider it appropriate to continue to prepare the financial statements on a going concern basis.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

a. **Development expenditure.** The company capitalises development expenditure when the Board approve the agreement for contract. Initial capitalisation of costs is based on management's judgement that the development scheme is confirmed, usually when Board approval has taken place, including access to the appropriate funding. In determining whether a project is likely to cease, management monitors developments and considers whether changes have occurred that result in impairment.

b. **Categorisation of housing properties.** The company has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the company has considered whether the asset is held for social benefit or for commercial rental income.

c. **Tangible fixed assets.** Other than investment properties, tangible fixed assets are depreciated over their useful lives, with residual values considered where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on several factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are considered. Residual value assessments consider factors such as future market conditions, the remaining life of the asset and projected disposal values.

d. **Pension and other post-employment benefits.** The cost of defined benefit pension plans and other post-employment benefits are determined using actuarial valuations, and these valuations involve making assumptions. The critical underlying assumptions in relation to the estimate of the pension defined benefit scheme obligation are standard rates of inflation, property valuations, mortality, discount rate and anticipated future salary increases. Variations in these assumptions have the ability to significantly influence the value of the liability recorded and annual defined benefit expense. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 20.

e. **Impairment of non-financial assets.** Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is normally a group of properties at scheme level whose cash income can be separately identified.

A review of void losses in the year has been carried out, and no properties have been identified as impaired.

A review of the schemes in development has been carried out, and no properties have been identified as impaired.

Following the assessment of impairment, no impairment losses were identified in the reporting period.

f. **Provision for bad debts.** A provision is made for bad debts based on the age of the debt. The provision rate increases from 10% for debts over 13 weeks to 50% for debts over 52 weeks. Former tenant arrears are provided for at 100%.

g. **Valuation of investment properties.** Investment properties are held at fair value at each year-end. The last external valuation was undertaken by Jones Lang LaSalle, an independent valuer, on 31 March 2024. For the year ending 31 March 2026, fair value was arrived at following an internal assessment derived from the current market leases, demand and investment property indices for comparable real estate and the nature and location of the specific asset. The valuation represents fair value and remains unchanged at the year-end.

Turnover and revenue recognition

Turnover represents rental income receivable from tenants and leaseholders, amortised capital grants, revenue grants from Local Authorities and Homes England, income from the sale of shared ownership properties and income from other service suppliers, excluding VAT.

Income is recognised in relation to the period when the goods or services have been supplied. Rental income is recognised when the property is available for let, net of voids. Income from property sales is recognised on legal completion.

Service charges

Service charge income and costs are recognised on an accrual basis. The company operates variable service charges on a scheme-by-scheme basis in full consultation with residents.

Operating Leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

Loan interest costs

Loan interest costs are calculated using the effective interest method, based on the difference between the loan amount at initial recognition and the amount due at maturity of the related loan.

Capitalised Interest

Interest on our development schemes is capitalised from the point at which the Board approves the project, and the company begins incurring development costs.

Categorisation of Debt

The Group's debt has been treated as "basic" in accordance with paragraphs 11.8 and 11.9 of FRS 102.

Corporation Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity, respectively.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.
- Any deferred tax balances are reversed when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, the Group can control their reversal, and such reversal is not considered probable in the foreseeable future.

Value Added Tax

The company charges VAT on some of its income and can recover part of the VAT it incurs on expenditure. All amounts disclosed in the accounts are inclusive of VAT to the extent that it is suffered by the company and not recoverable.

Intangible Assets

Intangible assets are for IT software. They are stated at cost less accumulated depreciation.
The useful economic life is 3 to 5 years.

Tangible Assets

Properties for social rent transferred from the Local Authority are stated at deemed cost less accumulated depreciation; all other properties and tangible fixed assets are stated at historic cost less accumulated depreciation. Donated land/assets or assets acquired at below market value from a government source, i.e., local authority, are included as a liability in the Statement of Financial Position at the fair value less consideration paid. Housing properties under construction are stated at cost and are not depreciated. These are reclassified as housing properties on practical completion of construction. Cost includes the cost of acquiring land and buildings, development costs, and interest charges incurred during the development period. Staff costs and overheads directly attributable to bringing housing properties into working condition for their intended use are capitalised. Freehold land is not depreciated.

Where a housing property comprises two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

The company depreciates freehold housing properties by component on a straight-line basis over the estimated UELs of the component categories.

UELs for identified components are as follows:

Structure	100 Years
Cornish Units	50 Years
Kitchens	20 Years
Bathrooms	30 Years
Wiring	30 Years
Heating/boilers	15 Years
Windows and Doors	30 Years
Pitched Roof	70 Years
Flat Roof	20 Years
Disabled adaptations	10 Years

Low-Cost Home Ownership

The costs of low-cost home ownership properties are split between current and fixed assets based on the first tranche portion. The first tranche portion is accounted for as a current asset, and the sale proceeds are shown in turnover. The remaining element of the shared ownership property is accounted for as a fixed asset, and subsequent sales are treated as sales of fixed assets. Interest on loans used to finance the development of new housing properties is capitalised during the construction period.

Other Tangible Fixed Assets

Other tangible fixed assets are stated at cost less accumulated depreciation. Leased assets are depreciated over the lease term if it is shorter than their useful economic life. Depreciation is provided on a straight-line basis, at rates considered appropriate to write off the assets over their useful economic lives as follows:

IT equipment	3 to 5 years
Leasehold Improvements	5 to 10 years
Office premises	90 years
Office fixtures and fittings	3 to 5 years
Alarm Equipment	3 to 10 years
Motor Vehicles	4 years
Electrical works	40 years
New technology	15 years
Gas installations	25 years

Investment Property

Investment property includes commercial properties not held for the company's social benefit. Investment property is measured at cost on initial recognition, which includes purchase cost and any directly attributable expenditure, and subsequently at fair value at the reporting date. Fair value is determined annually and derived from the current market rents and investment property yields for comparable real estate, adjusted, if necessary, for any difference in the nature, location, or condition of the specific asset. An independent valuer evaluates the investment properties at least every three years, and an internal assessment is carried out each year. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Social Housing Grant (SHG)

Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in Turnover over the estimated useful life of the associated asset structure (excluding land), under the accruals model.

When SHG in respect of housing properties in the course of construction exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

SHG must be recycled by the company under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by Homes England. However, SHG may have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as Turnover. In certain circumstances, SHG may be repayable, and, in that event, is a subordinated unsecured repayable debt.

Revaluation Reserve

The revaluation reserve represents the difference on transition between the fair value of transfer rented social housing properties and their historical cost carrying value, where deemed cost transitional relief was taken.

2 Turnover, cost of sales, operating expenditure, and operating surplus

Group	Turnover	Cost of sales	Operating expenditure	2026 Operating surplus	Turnover	Cost of sales	Operating expenditure	2025 Operating surplus
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Social housing lettings (note 2a)	**23,831**	**-**	**(19,416)**	**4,415**	22,987	-	(19,448)	3,539
Other social housing activities								
Other Services	**191**	**-**	**(180)**	**11**	151	-	(59)	92
Expensed Development Costs	**-**	**-**	**(48)**	**(48)**	-	-	(90)	(90)
First tranche low cost home ownership sales	**1,103**	**(902)**	**-**	**201**	1,536	(1,063)	-	473
Fire Safety Remediation Costs	**-**	**-**	**-**	**-**	-	-	(1,924)	(1,924)
Activities other than social housing								
Other activities (note 2b)	**910**	**-**	**(515)**	**395**	868	-	(895)	(27)
Fire Safety Remediation Grant	**-**	**-**	**-**	**-**	296	-	(296)	-
Total	**26,035**	**(902)**	**(20,159)**	**4,974**	25,838	(1,063)	(22,712)	2,063
Gain on disposal of property, plant and equipment (note 2c)				**1,080**				268
(Decrease)/Increase in value of investment properties				**-**				-
Operating surplus				**6,054**				2,331

2 Turnover, cost of sales, operating expenditure, and operating surplus cont'd.

Association	Turnover	Cost of sales	Operating expenditure	2026 Operating surplus	Turnover	Cost of sales	Operating expenditure	2025 Operating surplus
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Social housing lettings (note 2a)	**23,831**	-	**(19,614)**	**4,217**	22,987	-	(19,635)	3,352
Other social housing activities								
First tranche low cost home ownership sales	**1,103**	**(902)**	-	**201**	1,536	(1,063)	-	473
Other Services	**258**	-	**(157)**	**101**	213	-	(47)	166
Expensed Development Costs	-	-	**(48)**	**(48)**	-	-	(90)	(90)
Fire Safety Remediation Costs	-	-	-	-	-	-	(1,924)	(1,924)
Activities other than social housing								
Other activities (note 2b)	**991**	-	**(515)**	**476**	951	-	(895)	56
Fire Safety Remediation Grant	-	-	-	-	296	-	(296)	-
Total	**26,183**	**(902)**	**(20,334)**	**4,947**	25,983	(1,063)	(22,887)	2,033
Gain on disposal of property, plant and equipment (note 2c)				**1,080**				268
(Decrease)/Increase in value of investment properties				-				-
Operating surplus				**6,027**				2,301

2a Income and expenditure from social housing lettings

Group	General needs	Housing for older people	Low cost home ownership	Other	Total 2026	Total 2026
	£'000	£'000	£'000	£'000	£'000	£'000
Income						
Rent receivable, net of identifiable service charge and voids	**16,221**	**5,134**	**830**	-	**22,185**	21,521
Service charge income	**445**	**830**	**49**	-	**1,324**	1,249
Amortised government grants	**76**	**2**	**14**	-	**92**	85
Government grants taken into income	**105**	-	-	-	**105**	-
Other income from social housing lettings	**86**	**27**	**12**	-	**125**	132
Turnover from social housing lettings	**16,933**	**5,993**	**905**	-	**23,831**	22,987
Operating expenditure						
Management	**(5,074)**	**(1,416)**	**(414)**	-	**(6,904)**	(6,982)
Service charge costs	**(511)**	**(962)**	**(47)**	-	**(1,520)**	(1,695)
Routine maintenance	**(521)**	**(182)**	-	-	**(703)**	(849)
Planned maintenance	**(2,958)**	**(1,038)**	**(10)**	-	**(4,006)**	(3,195)
Major repairs expenditure	**(2,407)**	**(845)**	-	-	**(3,252)**	(3,798)
Bad debts	**(31)**	**(11)**	-	-	**(42)**	(106)
Depreciation of housing properties	**(2,021)**	**(811)**	**(112)**	-	**(2,944)**	(2,778)
Amortisation	**(32)**	**(11)**	**(2)**	-	**(45)**	(45)
Impairment of housing properties	-	-	-	-	-	-
Operating expenditure on social housing lettings	**(13,555)**	**(5,276)**	**(585)**	-	**(19,416)**	(19,448)
Operating surplus on social housing lettings	**3,378**	**717**	**320**	-	**4,415**	3,539
Void losses	**(109)**	**(35)**	-	-	**(144)**	(152)

2a Income and expenditure from social housing lettings cont'd.

Association	General needs	Housing for older people	Low cost home ownership	Other	Total 2026	Total 2025
	£'000	£'000	£'000	£'000	£'000	£'000
Income						
Rent receivable, net of identifiable service charge and voids	16,221	5,134	830	-	22,185	21,521
Service charge income	445	830	49	-	1,324	1,249
Amortised government grants	76	2	14	-	92	85
Government grants taken into income	105	-	-	-	105	-
Other income from social housing lettings	86	27	12	-	125	132
Turnover from social housing lettings	16,933	5,993	905	-	23,831	22,987
Operating expenditure						
Management	(5,134)	(1,436)	(418)	-	(6,988)	(7,059)
Service charge costs	(521)	(970)	(49)	-	(1,540)	(1,715)
Routine maintenance	(528)	(185)	-	-	(713)	(859)
Planned maintenance	(2,986)	(1,048)	(10)	-	(4,044)	(3,232)
Major repairs expenditure	(2,441)	(857)	-	-	(3,298)	(3,841)
Bad debts	(31)	(11)	-	-	(42)	(106)
Depreciation of housing properties	(2,021)	(811)	(112)	-	(2,944)	(2,778)
Amortisation	(32)	(11)	(2)	-	(45)	(45)
Impairment of housing properties	-	-	-	-	-	-
Other costs	-	-	-	-	-	-
Operating expenditure on social housing lettings	(13,694)	(5,329)	(591)	-	(19,614)	(19,635)
Operating surplus on social housing lettings	3,239	664	314	-	4,217	3,352
Void losses	(109)	(35)	-	-	(144)	(152)

2b Turnover from activities other than social housing

	Group 2026 £'000	Group 2025 £'000	**Association 2026 £'000**	Association 2025 £'000
Garage Lettings	**393**	381	**393**	381
Commercial Lettings	**46**	40	**46**	40
Market Rent	**35**	35	**35**	35
Other Non-Social Housing Activities	**436**	412	**436**	412
Gift Aid Donation	-	-	**81**	83
	910	868	**991**	951

2c Gain on disposal of assets

Group and Association	**Right to Buy/Acquire Sales** £'000	**Low Cost Home Ownership** £'000	**Open Market Sales** £'000	**Other Disposals** £'000	**Total 2026 £'000**	Total 2025 £'000
Proceeds of sales	1,010	939	-	-	**1,949**	752
Less: Costs of sales	(292)	(540)	-	(37)	**(869)**	(484)
Gain/(Loss)	**718**	**399**	-	**(37)**	**1,080**	268

3 Directors' emoluments, key management personnel & employee information

	2026 **£'000**	2025 £'000
The aggregate emoluments paid to or receivable by non executive Directors and former Directors	**57**	43
The aggregate emoluments paid to or receivable by executive Directors and former Directors	**167**	152
	224	195
The emoluments paid to the highest paid Director excluding pension contributions	**146**	138

The number of full time equivalent staff whose remuneration payable fell within bands of:	**Group 2026 £'000**	Group 2025 £'000	**Association 2026 £'000**	Association 2025 £'000
£80,000 to £89,999	-	-	-	-
£90,000 to £99,999	-	-	-	-
£100,000 to £109,999	**1**	2	**1**	1
£110,000 to £119,999	-	1	-	1
£120,000 to £129,999	-	1	-	1
£130,000 to £139,999	**1**	-	**1**	-
£140,000 to £149,999	**1**	-	-	-
£150,000 to £159,000	**1**	1	**1**	1
£160,000 to £169,000	**1**	-	**1**	-
£170,000 to £179,000	-	-	-	-

The Chief Executive is an ordinary member of the pension scheme; no enhanced or special terms apply. There are no additional pension arrangements. Nil (2024-25: nil) contribution was made by the company in addition to the personal contributions of the Chief Executive. Directors (key management personnel) are defined as the members of the Board and the Chief Executive.

Employee information

The average number of persons employed during the year expressed in full time equivalents (37 hours per week) was:	**Group 2026**	Group 2025	**Association 2026**	Association 2025
Office staff	**114**	111	**86**	86
Wardens, caretakers and cleaners	**20**	21	**20**	21
Maintenance staff	**49**	55	-	-
	183	187	**106**	107

Staff costs (for the above employees)	**Group 2026 £'000**	Group 2025 £'000	**Association 2026 £'000**	Association 2025 £'000
Wages and salaries	**7,244**	6,869	**4,233**	3,945
Social Security costs	**904**	689	**530**	388
Other Pension costs	**678**	634	**530**	526
Non Executive Director Wages and salaries	**57**	43	**57**	43
Holiday Pay Accrual	**70**	60	**37**	32
	8,953	8,295	**5,387**	4,934

4 Finance income and other income

	Group 2026 £'000	Group 2025 £'000	**Association 2026 £'000**	Association 2025 £'000
Bank finance income	**45**	52	**45**	52
Interest received from Group entities	-	-	**27**	30
	45	52	**72**	82

5 Finance costs and similar charges

	Group 2026 £'000	Group 2025 £'000	**Association 2026 £'000**	Association 2025 £'000
On loans repayable within 5 years	**609**	546	**609**	546
On loans wholly or partly repayable in more than five years	**2,334**	2,325	**2,334**	2,325
Costs associated with financing	**137**	133	**137**	133
Net interest on the defined liability	**20**	29	**20**	29
Less finance costs capitalised on housing properties under construction	**(219)**	(225)	**(219)**	(225)
Other interest charges	**4**	4	**4**	4
Charged to income and expenditure account	**2,885**	2,812	**2,885**	2,812

6 Surplus on ordinary activities before taxation

Is stated after charging/(crediting)	**Group 2026 £'000**	Group 2025 £'000	**Association 2026 £'000**	Association 2025 £'000
Depreciation of housing properties	**2,957**	2,870	**2,957**	2,870
Depreciation of other fixed assets	**217**	182	**217**	182
Amortisation of intangible fixed assets	**47**	48	**47**	48
Operating lease rentals (land and buildings)	-	-	-	-
Operating lease rentals (other)	**37**	-	**37**	-
Auditors remuneration (excluding VAT)				
- Audit of the Group financial statements	**30**	28	**30**	28
- Audit of subsidiaries	-	-	-	-
- Other service	**5**	2	**5**	2
Amortisation of government grant	**(92)**	(85)	**(92)**	(85)

7 Taxation on surplus on ordinary activities

Teign Housing is a registered charity. Charitable activities of the Company are exempt from United Kingdom Corporation Tax.

Analysis of charge/(credit) for the year	**Group 2026 £'000**	Group 2025 £'000	**Association 2026 £'000**	Association 2025 £'000
Current tax				
UK corporation tax at 25% (2024/25: 25%)	-	-	-	-
Adjustment in respect of prior years	-	-	-	-
Total current tax charge/(credit)	-	-	-	-
Deferred tax				
Total deferred tax charge/(credit)	-	-	-	-
Tax on surplus on ordinary activities	-	-	-	-
Reconciliation of tax charge				
Surplus/(deficit) on ordinary activities before taxation	**3,214**	(429)	**3,214**	(429)
Tax on surplus/(deficit) at corporation tax rate of 25% with profits over £250,000 (2024/25: 25%)	**804**	(107)	**804**	**(107)**
Effects of:				
Non-taxable surplus on charitable activities	**(804)**	107	**(804)**	**107**
Expenses not deductible for tax purposes	-	-	-	-
Non trade charges utilised in period	-	-	-	-
Tax charge/(credit) for the year	-	-	-	-

8 Intangible assets – IT software

	2026
	£'000
Cost	
At 1st April 2025	1,104
Additions	15
Disposals	(182)
At 31st March 2026	**937**
Amortisation	
At 1st April 2025	(1,013)
Charge for year	(47)
Disposals	182
At 31st March 2026	**(878)**
Net book value	
At 31st March 2026	**59**
At 31st March 2025	91

9 Tangible fixed assets

	Social Housing Properties for Letting Completed	Social Housing Properties for Letting Under Construction	Low Cost Home Ownership Properties Completed	Low Cost Home Ownership Properties Under Construction	**Total Housing Properties**	Land	IT Equipment	Office	Supported Housing Equipment	Fixtures & Fittings	Motor Vehicles	**Total Fixed Assets**
	£'000	£'000	£'000	£'000	**£'000**	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**
Cost												
At 1st April 2025	175,883	8,237	16,228	(500)	**199,848**	65	346	1,176	447	358	156	**202,396**
Non-Property Additions	-	-	-	-	-	-	82	-	7	6	-	**95**
Newly Built Properties	-	5,182	-	2,138	**7,320**	-	-	-	-	-	-	**7,320**
Works to Existing Properties	7,073	-	-	-	**7,073**	-	-	-	-	-	-	**7,073**
Capitalised Interest	-	180	-	39	**219**	-	-	-	-	-	-	**219**
AUC Transfers	5,279	(5,279)	1,131	(1,131)	-	-	-	-	-	-	-	-
Trans. to Current Assets	(37)	-	-	(2,149)	**(2,186)**	-	-	-	-	-	-	**(2,186)**
Disposals	(483)	-	(507)	-	**(990)**	-	(101)	-	-	(6)	-	**(1,097)**
At 31st March 2026	**187,715**	**8,320**	**16,852**	**(1,603)**	**211,284**	**65**	**327**	**1,176**	**454**	**358**	**156**	**213,820**
Depreciation & Impairment												
At 1st April 2025	(20,032)	-	(633)	-	**(20,665)**	-	(252)	(165)	(124)	(273)	(102)	**(21,581)**
Depreciation	(2,806)	-	(152)	-	**(2,958)**	-	(59)	(15)	(101)	(22)	(20)	**(3,175)**
Trans. to Current Assets	5	-	-	-	**5**	-	-	-	-	-	-	**5**
Disposals	159	-	21	-	**180**	-	101	-	-	6	-	**287**
At 31st March 2026	**(22,674)**	-	**(764)**	-	**(23,438)**	-	**(210)**	**(180)**	**(225)**	**(289)**	**(122)**	**(24,464)**
Net book Value												
At 31st March 2026	**165,041**	**8,320**	**16,088**	**(1,603)**	**187,846**	**65**	**117**	**996**	**229**	**69**	**34**	**189,356**
At 31st March 2025	155,851	8,237	15,595	(500)	179,183	65	94	1,011	323	85	54	180,815

9 Tangible fixed assets cont'd

Number of units owned and managed

Group and Association

Social Housing Accommodation	**Opening Balance**	**Started in Year**	**Corrected in Year**	**Completed in Year**	**Closing Balance**
Under development					
General needs housing	**34**	22	-	20	**36**
Social rent	*11*	*2*	*5*	*2*	*6*
Affordable rent	*23*	*20*	*(5)*	*18*	*30*
Supported housing and housing for older people	-	-	-	-	-
Low cost home ownership	**10**	3	-	3	**10**
	44	25	-	23	**46**

	Opening Balance	**Completed in Year**	**Disposed in Year**	**Closing Balance**
Owned at end of year				
Social Housing				
General needs housing	**2,749**	20	10	**2,759**
Social rent	*2,400*	*2*	*10*	*2,392*
Affordable rent	*349*	*18*	-	*367*
Supported housing and housing for older people	**997**	-	-	**997**
Low cost home ownership	**177**	3	6	**174**
Social Leasehold	**151**	-	*3*	**148**
Non-Social Housing				
Private sector leasing	**23**	-	-	**23**
Market rent	**3**	-	-	**3**
	4,100	23	16	**4,104**

	Opening Balance	**Taken on in Year**	**Removed in Year**	**Closing Balance**
Accommodation Managed for Others				
Social Housing	**13**	1	-	**14**
Non-Social Housing	**46**	2	-	**48**
	59			**62**
Owned and Managed Properties	**4,159**			**4,166**

The value of property additions includes £219,000 of capitalised finance costs (2024-25: £225,000). Finance costs are charged on all schemes during the development stage. The total cumulative value of capitalised finance costs is £2,769,000 (2024-25: £2,544,000). The average rate of finance costs is 4.25% (2024-25: 4.87%).

Housing properties were valued by Jones Lang LaSalle in accordance with Royal Institute of Chartered Surveyors procedures. Based on the commitments to the funders, some properties are valued at EUV-SH (existing use value), and some are at MV-ST (market value subject to tenancy).

Properties valued annually for funding commitments at 31 March 2026 equated to £134.4m (1,437 properties); Properties valued triennially for funding commitments at 02 April 2024 equated to £91.1m (410 properties); Properties valued triennially for funding commitments at 10 June 2024 equated to £65.2m (265 properties); and unencumbered properties valued at 31 March 2026 equated to £364.2m (1,834 properties), in total 3,942 properties. There are 12 properties that have not been valued for funding commitments; all these were newly handed over and are yet to be valued.

The total capital and revenue expenditure on repairs and maintenance to existing social housing properties in the year was £12,653,000 (2024-25: £13,101,000). Of this £4,295,000 (2024-25 £5,259,000) was capitalised.

The residual value of the housing property assets represents land which is not depreciated. The cost of land as of 31 March 2026 was £36,081,400 (2024-25: £35,851,400).

10 Investment properties held for letting

Group and Association	**2026** **£'000**
Cost	
At 1st April 2025	525
Additions	-
Loss from adjustment in value	-
At 31st March 2026	**525**

Investment properties were revalued as of 31 March 2024 by Jones Lang LaSalle, a professionally qualified external valuer. The valuation of properties was undertaken in accordance with the Royal Institute of Chartered Surveyors' Valuation Global Standards. These properties were part of the original stock transfer from Teignbridge District Council and were transferred at nil value. The shops have been valued at Market Value. The total valuation remains at £525,000 (£525,000, 31 March 2025). The fair value was determined following an internal assessment based on current market leases, demand and investment property indices for comparable real estate, and the nature and location of the specific asset. The valuation represents fair value and remains unchanged at the year-end.

11 Properties held for sale

Group and Association	**2026 £'000**	2025 £'000
Properties held for sale		
Low cost home ownership properties		
Completed	-	825
Under construction	**1,231**	124
Social housing properties		
Held for open market sale	**31**	-
	1,262	949

Twenty-three low-cost home ownership properties were under construction, and there were none completed and available for sale as of 31 March 2026.

One social housing property, 1 Abbotsbury Road, Newton Abbot, is held for open-market sale.

12 Trade and other debtors

Amounts falling due in less than one year

	Group 2026 £'000	Group 2025 £'000	**Association 2026 £'000**	Association 2025 £'000
Arrears of rent and service charges	**607**	621	**607**	621
Provision for bad and doubtful debts	**(259)**	(244)	**(259)**	(244)
	348	377	**348**	377
Prepayments and accrued income	**401**	281	**463**	363
Other trade receivables	**2,197**	435	**2,206**	445
Amounts owed by subsidiary undertakings	-	-	**400**	400
Amounts due in less than one year	**2,946**	1,093	**3,417**	1,585

Amounts falling due in greater than one year

	Group 2026 £'000	Group 2025 £'000	**Association 2026 £'000**	Association 2025 £'000
THFC loan interest paid in advance	**964**	964	**964**	964
Amounts due in greater than one year	**964**	964	**964**	964

13 Cash and cash equivalents

	Group 2026 £'000	Group 2025 £'000	**Association 2026 £'000**	Association 2025 £'000
Cash at bank	**2,194**	2,829	**1,983**	2,517
	2,194	2,829	**1,983**	2,517

14 Creditors: amounts falling due within one year

	Group 2026 £'000	Group 2025 £'000	**Association 2026 £'000**	Association 2025 £'000
Trade payables	**1,918**	451	**1,924**	450
Accruals and deferred income	**2,422**	1,887	**2,422**	1,887
Rent and service charges paid in advance	**788**	878	**788**	878
Amounts owed to subsidiary	-	-	**374**	288
Other creditors	**602**	287	**570**	259
Bank loans (note 15a)	**14,500**	10,750	**14,500**	10,750
Deferred capital grant (note 15b)	**83**	90	**83**	90
Other deferred government grant (note 15d)	**43**	-	**43**	-
VAT creditor	**13**	17	**13**	17
Income Tax (PAYE) and National Insurance	**205**	171	**117**	92
	20,574	14,531	**20,834**	14,711

15 Creditors: amounts falling due after more than one year

	Group 2026 £'000	Group 2025 £'000	**Association 2026 £'000**	Association 2025 £'000
Bank loans (note 15a)	**57,550**	57,530	**57,550**	57,530
Loan Premium	**3,247**	3,363	**3,247**	3,363
Deferred capital grant (note 15b)	**7,753**	7,768	**7,753**	7,768
Recycled Capital Grant Fund (note 15c)	**65**	58	**65**	58
Other deferred government grant (note 15d)	**1,038**	-	**1,038**	-
Sinking Fund (Haldon)	**23**	23	**23**	23
	69,676	68,742	**69,676**	68,742

15a Bank loans

The Group and Association loans are repayable in the following periods:

	Group 2026 £'000	Group 2025 £'000	Association 2026 £'000	Association 2025 £'000
Fixed Rate Loans				
Within one year	-	-	-	-
2 to 5 years	-	-	-	-
In 5 years or more	**57,550**	57,530	**57,550**	57,530
Variable Rate Loans				
Within one year	**14,500**	10,750	**14,500**	10,750
2 to 5 years	-	-	-	-
In 5 years or more	-	-	-	-
	72,050	68,280	**72,050**	68,280

The £25m loan from GBSH and the £33m loan from bLEND PLC are fixed long-term loans which remain in place, resulting in a total drawn debt of £58m.

We have two tranches of revolving credit facility with Nationwide, totalling £50m, which remains in place, and £14,500,000 was withdrawn at the end of March 2026 (2024-25: £10,750,000).

All loans are secured by specific charges over the Company's housing properties and are repayable at varying finance costs ranging from 2.922% to SONIA plus 1.18%.

The average rates of finance costs on the long-term loans outstanding as at 31 March 2026 were:

Fixed rate loans 4.07% (2024-25: 3.98%)

As at 31 March 2026, the Group and Association also had the following undrawn loan facilities:

	2026 £'000	2025 £'000
Undrawn facilities (Nationwide)	**35,500**	39,250
	35,500	39,250

15b Deferred capital grant

	Group 2026 £'000	Group 2025 £'000	**Association 2026 £'000**	Association 2025 £'000
At start of the year	**7,858**	7,387	**7,858**	7,387
Received during the year	**7**	515	**7**	515
Grants recycled on disposals to RCGF	**54**	41	**54**	41
Released to income during the year	**(83)**	(85)	**(83)**	(85)
	7,836	7,858	**7,836**	7,858
Amount due to be released < 1 year	**(83)**	(90)	**(83)**	(90)
Amount due to be released > 1 year	**7,753**	7,768	**7,753**	7,768

The total accumulated government grant and financial assistance received or receivable as at 31 March 2026 is £8.888m (2024-25: £8.827m), of which, £7.836m (2024-25: £7.858m) is included as deferred capital grant and £1.052m (2024-25 £969,000) has been recognised as income through the Statement of Comprehensive Income to date.

15c Recycled capital grant fund

	Group 2026 £'000	Group 2025 £'000	**Association 2026 £'000**	Association 2025 £'000
At start of the year	**58**	99	**58**	99
Inputs to RCGF:				
Grants recycle received	**61**	-	**61**	-
Grants recycle disposed	**(54)**	(41)	**(54)**	(41)
At 31 March 2026	**65**	58	**65**	58
Due in more than one year	65	58	65	58
	65	58	**65**	58

All balances relate to Homes England.

15d Other deferred government grant fund

	Group 2026 £'000	Group 2025 £'000	**Association 2026 £'000**	Association 2025 £'000
At start of the year	**-**	-	**-**	-
Received during the year	**1,090**	-	**1,090**	-
Released to income during the year	**(9)**	-	**(9)**	-
	1,081	-	**1,081**	-
Amount due to be released < 1 year	**(43)**		**(43)**	
Amount due to be released > 1 year	**1,038**	-	**1,038**	-

In 2025-26, we have received £1.084m grant from DESNZ (Department for Energy and Net Zero) for the decarbonisation project, and £5,181 grant from MHCLG (Ministry of Housing, Communities and Local Government). £9,000 has been recognised as income through the Statement of Comprehensive Income to date.

16 Operating leases

	Group 2026 £'000	Group 2025 £'000	**Association 2026 £'000**	Association 2025 £'000
Land and buildings:				
Not later than one year	**-**	-	**-**	-
Later than one year and not later than five years	**-**	-	**-**	-
Others:				
Not later than one year	**37**	-	**-**	-
Later than one year and not later than five years	**75**	-	**-**	-
	112	-	**-**	-

All of the Group's operating lease commitments relate to electric vehicles leased by its 100% owned subsidiary, Templer HomeBuild Ltd, under non-cancellable operating lease agreements. These vehicles are used in the ordinary course of the Group's operations. The leases have varying terms and do not include purchase options.

17 Provisions for liabilities and charges

	Group At 2026 £'000	Group At 2025 £'000	**Association At 2026 £'000**	Association At 2025 £'000
At the start of the year	**2,705**	-	**2,705**	-
Increase in the provision of costs (Fire remediation)	-	3,001	-	3,001
Increase in the provision of costs (Others)	**(31)**	-	**(31)**	-
Increase in the provision of income (Fire remediation)	**(104)**	(296)	**(104)**	(296)
Released in the year	**115**	-	**115**	-
Unused amounts reversed in the year	-	-		-
Unused amounts reversed in the year	**2,685**	2,705	**2,685**	2,705

The Building Safety Act 2022 sets out the responsibilities of landlords in relation to the maintenance and safety of higher-risk buildings. The Group has one property that meets the definition of a higher-risk building, being 18 metres or more in height, and which requires remediation works.

The total cost of the remediation project is estimated at £2,200,000. These costs will be treated as revenue expenditure. Grant funding of £1,984,155 has been secured from Homes England to partially fund the remedial works, with the remaining costs to be met by Teign Housing. As of 31 March 2026, £400,000 of the grant had been received, with the balance expected to be received during the year ending 31 March 2027. In parallel with the remediation works, the windows of the property will be replaced at an estimated cost of £780,780. This expenditure will be capitalised.

Initial planning and preparatory works commenced during the year ended 31 March 2026. The main remediation works are scheduled to begin in 2026-27 and are expected to be completed within the same financial year.

During the year ended 31 March 2026, the Group was involved in a housing disrepair claim relating to a residential property. The claim was settled during the year; however, the costs claimed by the claimants' solicitors remain subject to dispute. A provision of £21,284 has been recognised as at 31 March 2026, representing the maximum potential liability under a worst-case outcome. The final settlement of costs is expected to be concluded in the year ending 31 March 2027. Any difference between the provision recognised and the final amount paid will be recognised in the revenue and expenditure account in the same period in which the matter is resolved.

The Group has two low-cost shared ownership homes that are subject to the new shared ownership model, under which landlords are required to cover up to £500 per property per annum for qualifying repairs over a 10-year period from lease commencement. A provision of £10,000 has been recognised in respect of these obligations. During the year ended 31 March 2026, qualifying repair costs of £534 were incurred and charged against the provision, resulting in a closing provision balance of £9,460.

18 Share Capital

Teign Housing is a company limited by guarantee and as such does not have share capital. On 31 March 2026, the company's guarantors were its Company/Board members, and the extent of the guarantee was £1 each.

19 Capital commitments

	2026 **£'000**	2025 £'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	**7,989**	10,308
Capital expenditure that has been authorised by the Board but has not yet been contracted for	**11,975**	1,695
	19,964	12,003

The company expects these commitments to be financed over the life of the committed development program over a period of 3 years with:

	2026 **£'000**	2025 £'000
Proceeds from sale of shared ownership properties	**2,067**	2,436
Uncommitted loan facilities	**17,897**	9,567
	19,964	12,003

The revolving credit facilities provided by Nationwide (£50,000,000) will fund £17,897,000 of committed expenditure.

20 Pensions Liability

Total Pension Liability	**2026** **£'000**	**2025** £'000
SHPS	**(250)**	(414)
Total	**(250)**	(414)

(a) Social Housing Pension Scheme

During the year, the company participated in a multi-employer scheme that provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK and is accounted for as such.

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, sets out the framework for funding defined benefit occupational pension schemes in the UK.

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 upon withdrawal from the scheme.

The scheme was closed to new members, and on 31st March 2022, the company closed the scheme to the remaining two members.

We have been notified 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 has been advised to seek clarification from the Court on these items. This process is ongoing, and the matter is unlikely to be resolved before August 2026 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but until Court directions are received, it is not possible to accurately calculate the impact of this issue. We have had an indication that our maximum liability would be £68,000. No adjustment has been made in these financial statements in respect of this potential issue.

Fair value of plan assets, present value of defined benefit obligation, and defined benefit asset (liability)

	2026 £'000	2025 £'000
Fair value of plan assets	**2,892**	2,702
Present value of defined benefit obligation	**(3,142)**	(3,116)
(Deficit) in plan	**(250)**	(414)
Unrecognised surplus	**-**	-
Defined benefit (liability)	**(250)**	(414)

Reconciliation of opening and closing balances of the defined benefit obligation

	2026 £'000	2025 £'000
Defined benefit obligation at start of period	**3,116**	3,509
Expenses	**6**	5
Interest expense	**181**	167
Actuarial losses (gains) due to scheme experience	**(18)**	159
Actuarial losses (gains) due to changes in demographic assumptions	**25**	-
Actuarial losses (gains) due to changes in financial assumptions	**(63)**	(503)
Benefits paid and expenses	**(105)**	(221)
Defined benefit obligation at end of period	**3,142**	3,116

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

	2026 £'000	2025 £'000
Fair value of plan assets at start of period	**2,702**	2,840
Interest income	**161**	138
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	**(23)**	(223)
Employer contributions	**157**	168
Benefits paid and expenses	**(105)**	(221)
Fair value of plan assets at end of period	**2,892**	2,702

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2025 to 31 March 2026 was (£138,000) (2025: £85,000).

Defined benefit costs recognised in statement of comprehensive income (SOCI)

	2026	2025
	£'000	£'000
Expenses	**6**	5
Net interest expense	**20**	29
Defined benefit costs recognised in Statement of Comprehensive Income (SoCI)	**26**	34

Defined benefit costs recognised in other comprehensive income (OCI)

	2026	2025
	£'000	£'000
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	**(23)**	(223)
Experience gains and losses arising on the plan liabilities - gain (loss)	**18**	(159)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	**(25)**	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	**63**	503
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	**33**	121
Total amount recognised in Other Comprehensive Income - gain (loss)	**33**	121

Assets

	2026 **£'000**	2025 £'000
Global Equity	**321**	303
Liquid Alternative	**515**	501
Insurance-Linked Securities	**4**	8
Property	**141**	135
Private Equity	**6**	2
Real Assets	**272**	324
Private Credit	**349**	331
Credit	**115**	103
Investment Grade Credit	**170**	83
Cash	**1**	37
Long Lease Property	-	1
Secured Income	**88**	45
Liability Driven Investment	**882**	819
Currency Hedging	-	4
Net Current Assets	**28**	6
Total assets	**2,892**	2,702

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.

Key assumptions

	2026 £'000	2025 £'000
Discount Rate	6.22%	5.90%
Inflation (RPI)	3.27%	3.06%
Inflation (CPI)	3.04%	2.80%
Salary Growth	4.04%	3.80%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2026 imply the following life expectancies:

	2026 Life expectancy at age 65 (Years)	2025 Life expectancy at age 65 (Years)
Male retiring in 2026 (2025)	20.9	20.5
Female retiring in 2026 (2025)	23.2	23
Male retiring in 2046 (2045)	22.2	21.7
Female retiring in 2046 (2045)	24.6	24.5

21 Related parties

Transactions with regulated and non-regulated elements of the business

The company provides management services, other services, and loans to its subsidiary.

The company also receives charges from its subsidiary for labour services provided for property maintenance and compliance.

Gift aid from the subsidiary is recognised at year end on a receivable basis and is calculated based on the profit for the year end.

Payable to the company from non-regulated subsidiaries

Transactions with Templer HomeBuild Limited	**2026 £'000**	2025 £'000
Gift aid	**81**	83
Management & administration	**73**	58
Loan interest	**27**	29
Loan repayments received	**400**	400
	581	570

Payable to non-regulated subsidiaries from the company

Transactions with Templer HomeBuild Limited	**2026 £'000**	2025 £'000
Property services provided	**3,794**	3,073
Loans to subsidiary	**400**	400
	4,194	3,473

Statement of Financial Position balances between Parent and Subsidiary

	Creditors £'000	**Debtors £'000**
Teign Housing	**374**	**504**
Templer HomeBuild	**504**	**374**
	878	**878**

Balances held in respect of the Parent/Subsidiary relationship are eliminated on consolidation.

22 Consolidated structure and investment

On 17 October 2005, Teign Development Limited was formed as a wholly owned subsidiary of Teign Housing. Teign Development Limited changed its name to Templer HomeBuild Limited on 11 April 2017 and commenced trading on 1 July 2017. The principal activity of Templer HomeBuild is providing property maintenance and construction services to the Social Housing sector, including properties for rent and for sale. Templer HomeBuild profit for the year was £81,000 (2024-25: £82,000) and had net assets of nil (2024-25: nil).

23 Low-cost home ownership – buyback liability

Teign Housing has two low-cost home ownership properties that have mandatory buy back clauses, this means that in the event of the owner being unable to sell their property we are obliged to purchase their share. These will be noted as contingent liabilities in the accounts. A contingent liability is one where the outcome of an existing situation is uncertain, and this uncertainty will be resolved by a future event.

<u>10 Lonsee Gardens</u>
Sale date – 24th November 2010
Share percentage bought on 24th November 2010 – 35%
Price of percentage bought - £53,245
Original 100% market value as stated in the Lease - £152,100
The property/shares were transferred to a new shared owner on 21st November 2013.
The current shared owner increased their ownership from 35% to 100% on 20th June 2025.
The 100% market value on 20th June 2025 was £147,500

<u>12 Lonsee Gardens</u>
Sale date – 1st October 2010
Share percentage bought – 25%
Price of percentage bought - £37,537.50
Original 100% market value as stated in the Lease – £150,150

24 Change in Net Debt

Group

	At Beginning of the year £'000	Cash Flows £'000	Non-Cash Movements £'000	At End of the year £'000
Cash and Cash Equivalents	2,829	(635)	-	2,194
Housing Loans Due in One Year	(10,750)	(3,750)	-	(14,500)
Housing Loans Due After One Year	(57,530)	-	(20)	(57,550)
	(65,451)	**(4,385)**	**(20)**	**(69,856)**

Association

	At Beginning of the year £'000	Cash Flows £'000	Non-Cash Movements £'000	At End of the year £'000
Cash and Cash Equivalents	2,517	(534)	-	1,983
Housing Loans Due in One Year	(10,750)	(3,750)	-	(14,500)
Housing Loans Due After One Year	(57,530)	-	(20)	(57,550)
	(65,763)	**(4,284)**	**(20)**	**(70,067)**

25 HomeTeam 2027

Since 2017, the Group has delivered maintenance services through a partnership with Ian Williams Ltd via its wholly owned subsidiary, Templer HomeBuild. The Group employs approximately 80 staff, while Ian Williams Ltd has provided supervisory and back-office support, including IT, HR, fleet, premises, and procurement. Contract values have increased from £4.8m in 2017-18 to £10.8m in 2025-26.

Following investment in internal capability, the Group will fully insource these services when the contract ends in April 2027. The insourcing project requires significant work and investment, with capital investment of £658.0k in 2025-26, generating savings of £500.0k per year until year 5 and £650.0k per year from year 6 onwards