



Regulator of
Social Housing

Hastoe Housing Association Limited (L0018) Regulatory Judgement

30 April 2025

Our Judgement

	Grade/judgement	Change	Date of assessment
Consumer	C2 Our judgement is that there are some weaknesses in the landlord delivering the outcomes of the consumer standards and improvement is needed.	First grading	April 2025
Governance	G1 Our judgement is that the landlord meets our governance requirements.	Assessed and unchanged	April 2025
Viability	V2 Our judgement is that the landlord meets our viability requirements. It has the financial capacity to deal with a reasonable range of adverse scenarios but needs to manage material	Regrade	April 2025

Grade/judgement	Change	Date of assessment
risks to ensure continued compliance.		

Reason for publication

We are publishing a regulatory judgement for Hastoe Housing Association (Hastoe) following an inspection completed in April 2025.

This regulatory judgement confirms a consumer grading of C2, a governance grading of G1 and a financial viability regrade to V2.

Prior to this regulatory judgement, the governance and financial viability gradings for Hastoe were last updated in December 2023 following a stability check to confirm a G1 grade for governance and a V1 grade for financial viability. This is the first time we have issued a consumer grade in relation to this landlord.

Summary of the decision

From the evidence and assurance gained during the inspection, it is our judgement that there are some weaknesses in Hastoe delivering the outcomes of the consumer standards and improvement is needed, specifically in relation to outcomes in our Safety & Quality Standard and the Transparency, Influence and Accountability Standard. Based on this assessment, we have concluded a C2 grade for Hastoe.

Our judgement is that Hastoe meets our governance requirements. Hastoe has provided evidence to demonstrate the effectiveness of its governance arrangements and that it continues to effectively manage the risks of its activities, allowing it to deliver its strategic and charitable objectives. Based on this assessment, we have concluded a G1 grade for Hastoe.

Our judgement is that Hastoe meets our financial viability requirements. It has access to sufficient liquidity, continues to forecast covenant compliance with reasonable headroom and is able to withstand a reasonable range of adverse economic scenarios. However, due to increased investment in existing stock alongside developing new homes, Hastoe has reduced capacity to respond to adverse events. Based on this assessment, we have concluded a V2 grade for Hastoe.

How we reached our judgement

We carried out an inspection of Hastoe to assess how well it is delivering the outcomes of the consumer standards and meeting our governance and financial viability requirements, as part of our regulatory inspection programme. During the inspection, we considered all four of the consumer standards: Neighbourhood and Community Standard, Safety and Quality Standard, Tenancy Standard, and the Transparency, Influence and Accountability Standard.

During the inspection we observed a board meeting, a resident strategy and performance session, and a customer complaints scrutiny session. We spoke with tenants, held meetings with Hastoe, including its non-executive directors, and reviewed a wide range of documents provided by Hastoe.

Our regulatory judgement is based on a review of all of the relevant information we obtained during the inspection as well as analysis of information supplied by Hastoe in its regulatory returns and other regulatory engagement activity.

Summary of findings

Consumer– C2

April 2025

During the inspection, Hastoe provided evidence-based assurance that it has systems in place for ensuring the health and safety of tenants in their homes and communal areas. Hastoe understands its landlord health and safety requirements and its performance reporting demonstrates a good level of compliance. We saw evidence that Hastoe has implemented mitigating actions whilst seeking to address fire remediation works for its high-rise blocks.

In order to fully meet the requirements of the Safety & Quality standard, Hastoe needs to improve the quality of information it holds on the condition of its homes and ensure it is kept up to date. Hastoe has implemented an action plan to deliver improvements, but this is not fully reflected across all its plans to help inform future investment decisions. We will continue to engage with Hastoe while it delivers the actions required to complete the gaps in its understanding of the condition of its homes.

Analysis of tenant satisfaction levels, performance information and complaints has demonstrated weaknesses in Hastoe's provision of an effective, efficient and timely repairs and maintenance service, and improvement is required. Hastoe has a plan in place to address this so that improved outcomes for tenants can be delivered.

During the inspection, we observed that Hastoe treats its tenants with fairness and respect, has considered the requirements of the Transparency, Influence and Accountability Standard, and has put in place a range of meaningful opportunities for tenants to influence and provide scrutiny. However, existing levels of tenant engagement are low and Hastoe needs to do more to demonstrate that tenant views gathered through engagement are meaningfully reflected in strategies and policies and used to improve its services.

We saw evidence that Hastoe regularly reviews performance information on complaints handling, that it learns from information on complaint types and outcomes and uses this to shape the design and delivery of services to improve outcomes for tenants.

Tenants receive appropriate service and performance information through a range of channels and Hastoe actively reviews how this information is provided. Hastoe is increasing the volume of information it holds about its tenants and will use this to improve its services.

In relation to the Neighbourhood and Community Standard, Hastoe provided assurance that it is delivering the required outcomes.

Hastoe is meeting the requirements of the Tenancy standard and lets its homes in a fair and transparent way, reflecting the needs of tenants. Hastoe operates across a wide geographical area and works closely with third parties to allocate homes according to individual need.

Governance - G1

April 2025

During the inspection we gained assurance that Hastoe's governance arrangements are effective and support the delivery of its strategic objectives, social purpose and value for money. Hastoe has effective business planning arrangements in place, and we observed that the board provides relevant scrutiny and challenge. An appropriate risk management and control framework is aligned to the organisation's activities and Hastoe maintains a good understanding of the risks facing the organisation, acting when necessary. We observed that the actions it takes are consistent with its code of governance and its legal and regulatory obligations.

Hastoe has recently reviewed its strategy and has reconfirmed its focus on the provision of rural social housing. The board needs to continue to ensure that it proactively reviews its approach to delivering its purpose and considers alternative options to ensure it is making the best use of resources. Hastoe has provided evidence that appropriate performance monitoring arrangements are in place, and we observed how the information provided is used by the board to inform decision making.

Board skills, experience and knowledge are aligned with the activities of the organisation and additional board members are recruited where skills gaps are identified. Appropriate board succession plans are in place and board effectiveness is monitored through regular internal and external reviews. Hastoe's board is supported by board reporting that provides effective oversight across the organisation.

Viability – V2

April 2025

Based on the evidence gained through the inspection, we have assurance that Hastoe's financial plans are consistent with, and support the delivery of, its strategy. Hastoe has an adequately funded business plan, with access to sufficient liquidity and security and is forecasting compliance with covenants under a reasonable range of scenarios.

Hastoe's most recent business plan demonstrates that financial resilience has weakened, primarily as a result of increased expenditure on existing stock, alongside the development of new homes. Hastoe needs to manage material risks in order to deliver its objectives, while continuing to meet the requirements of the financial viability standard over the medium to long term.

We have assurance that Hastoe has appropriate monitoring processes in place, supplemented by the use of golden rules. As financial performance has weakened, these have become increasingly important, alongside the need for enhanced stress testing.

Background to the judgement

About the landlord

Hastoe is a predominantly rural housing association, owning and managing approximately 7,000 homes in 70 local authorities across the east, south east and south west of England. It is a charitable community benefit society and has three unregistered subsidiaries:

- Hastoe Capital Plc
- Hastoe Homes Limited
- Sustainable Homes Limited

At 31 March 2024, Hastoe employed 100 full-time equivalent staff and turnover in 2024 was £38.3m. The 2024 business plan aims to deliver approximately 400 new homes by 2028, all of which will be in rural locations.

Our role and regulatory approach

We regulate for a viable, efficient, and well governed social housing sector able to deliver quality homes and services for current and future tenants.

We regulate at the landlord level to drive improvement in how landlords operate. By landlord we mean a registered provider of social housing. These can either be local authorities, or private registered providers (other organisations registered with us such as non-profit housing associations, co-operatives, or profit-making organisations).

We set standards which state outcomes that landlords must deliver. The outcomes of our standards include both the required outcomes and specific expectations we set. Where we find there are significant failures in landlords which we consider to be material to the landlord's delivery of those outcomes, we hold them to account. Ultimately this provides protection for tenants' homes and services and achieves better outcomes for current and future tenants. It also contributes to a sustainable sector which can attract strong investment.

We have a different role for regulating local authorities than for other landlords. This is because we have a narrower role for local authorities and the Governance and Financial Viability Standard, and Value for Money Standard do not apply. Further detail on which standards apply to different landlords can be found on our [standards page](#).

We assess the performance of landlords through inspections and by reviewing data that landlords are required to submit to us. In Depth Assessments (IDAs) were one of our previous assessment processes, which are now replaced by our new inspections programme from 1 April 2024. We also respond where there is an issue or a potential issue that may be material to a landlord's delivery of the outcomes of our standards. We publish regulatory judgements that describe our view of landlords' performance with our standards. We also publish grades for landlords with more than 1,000 social housing homes.

The Housing Ombudsman deals with individual complaints. When individual complaints are referred to us, we investigate if we consider that the issue may be material to a landlord's delivery of the outcomes of our standards.

For more information about our approach to regulation, please see [Regulating the standards](#).