

Council first to get top consumer upgrade

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The Regulator of Social Housing has published 21 regulatory judgements including a C1 consumer upgrade for Guildford Borough Council.

A Surrey council has become the first local authority to move from a C3 consumer grade to a C1 since the new consumer standards were introduced in April 2024, the Regulator of Social Housing (RSH) confirmed today (Wednesday 25 March 2026).

Guildford Borough Council was graded C3 in July 2024 after a self-referral in December 2023. This was a result of the regulator's responsive engagement with the council that focused on the Safety and Quality Standard and the Transparency, Influence and Accountability Standard.

But after carrying out an improvement plan in agreement with RSH and following a planned inspection of the council, it has now demonstrated that it is delivering the outcomes across the consumer standards. It is now also making effective use of systems to identify and address potential issues and areas for further improvement at the standard required for a C1.

In other regulatory judgements published today, Connexus Homes Limited (Connexus) was given a C3 consumer rating after RSH identified 'serious failings' in delivering the outcomes of the consumer standards, with significant improvement needed.

RSH found:

- Good progress has been made in the delivery of a stock condition survey programme, however, there are gaps in Connexus' understanding of the condition of its homes.
- Connexus has identified issues around the reliability of some of its information and this limits the assurance its board has on compliance with the Decent Homes Standard.
- Performance information, feedback from tenants and complaints volumes demonstrate that improvement is needed so that Connexus' repairs service is efficient, effective and timely.
- Significant improvements are needed in its understanding of the diverse needs of tenants to ensure Connexus is able to demonstrate that its housing and landlord services deliver fair and equitable outcomes for tenants.

Connexus also received a governance downgrade to G2 due to needing improvements in elements of its risk management framework as well as in the quality and reliability of information used to support decision making. Connexus is continuing to strengthen these areas, including through a new data strategy. Its financial viability grade of V2 was unchanged.

Arhag Housing Association Limited (Arhag) was placed on RSH's grading under review list in December 2025 and today's judgement confirmed it is not delivering the required outcomes of the Governance and Financial Viability Standard. Though as a small landlord with fewer than 1,000 homes, Arhag has not been given grades.

The organisation failed to manage its resources effectively and faced significant liquidity issues which put social homes at risk.

Arhag intends to become a subsidiary of Hyde Group on 1 April 2026 and has developed a plan with its merger partner that will ultimately help delivery of good quality homes and services to its tenants.

Kate Dodsworth, Chief of Regulatory Engagement at RSH, said: “Our role is to hold landlords to account and drive continuous improvement, to ensure tenants live in good quality homes and receive effective services.

“Guildford Borough Council is a strong example of how landlords can work with us to put things right - and working to address failings identified through a responsive C3 judgement to achieving a C1 judgement following an inspection shows significant progress.

“A C1 grading means landlords are meeting the minimum standards we expect, so there is always room for improvement even in landlords with the highest grade.”

Other judgements published today are:

- Arawak Walton Housing Association Limited - first consumer grade of C2; unchanged governance and viability grades of G1/V2.
- Connect Housing Association Limited – first consumer grade of C1; unchanged governance rating of G1 and regraded viability rating of V2.
- East Midlands Housing Group Limited – C2/G1/V2 grades unchanged
- Golding Homes Limited - first consumer grade of C1; unchanged governance and viability grades of G1/V2.
- Housing Solutions - first consumer grade of C1; unchanged governance and viability grades of G1/V1.
- Hyde Housing Association Limited - first consumer rating of C1; unchanged governance and viability grades of G1/V2 .
- Karibu Community Homes Limited – first consumer grade C2, governance downgrade to G2 and unchanged viability V2.
- Leeds City Council – first consumer grade C2.
- Legal and General Affordable Homes – judgements issued to the seven for-profit registered providers that form part of the wider Legal & General Affordable Homes business (see table below).
- Unity Housing Association Limited - first consumer grade C2; governance downgrade to G2 and unchanged viability V1.
- Westward Housing Group Limited - first consumer grade of C1; unchanged governance and viability grades of G1/V1.
- Your Housing Group Limited - first consumer grade of C2; unchanged governance and viability G1/V2.

Notes to editors

The full list of judgements published today is provided in the table below. The use of an asterisk (*) against a grade indicates that the assessment refers to a provider that is designated as being for-profit.

Landlord	Consumer	Governance	Viability	Engagement Process
Arawak Walton Housing Association Limited	C2	G1	V2	Inspection
Arhag Housing Association Limited -	-	-	-	Responsive
Connect Housing Association Limited	C1	G1	V2 (regrade)	Inspection
Connexus Homes Limited	C3	G2 (downgrade)	V2	Inspection

Landlord	Consumer	Governance	Viability	Engagement Process
East Midlands Housing Group Limited	C2	G1	V2	Stability check
Golding Homes Limited	C1	G1	V2	Inspection
Guildford Borough Council	C1 (upgrade)	-	-	Inspection
Housing Solutions	C1	G1	V1	Inspection
Hyde Housing Association Limited	C1	G1	V2	Inspection
Karibu Community Homes Limited	C2	G2 (downgrade)	V2	Inspection
Leeds City Council	C2	-	-	Inspection
Legal & General Affordable Homes (AR) LLP	C1*	G1*	V1*	Inspection
Legal & General Affordable Homes (Investment 1) Limited	C1*	G1*	V1*	Inspection
Legal & General Affordable Homes (Investment 2) Limited	C1*	G1*	V1*	Inspection
Legal & General Affordable Homes (Investment 3) Limited	C1*	G1*	V1*	Inspection
Legal & General Affordable Homes Limited	C1*	G1*	V1*	Inspection
Legal and General Affordable Homes (Capital) Limited	C1*	G1*	V1*	Inspection
Legal and General Affordable Homes (Development 3) Limited	C1*	G1*	V1*	Inspection
Unity Housing Association Limited	C2	G2 (downgrade)	V1	Inspection
Westward Housing Group Limited	C1	G1	V1	Inspection
Your Housing Group Limited	C2	G1	V2	Inspection

1. On 1 April 2024 RSH introduced new consumer standards for social housing landlords, designed to drive long-term improvements in the sector. It also began a programme of landlord inspections. The changes are a result of the Social Housing Regulation Act 2023 and include stronger powers to hold landlords to account. More information about RSH's approach is available in its document Reshaping Consumer Regulation.
2. More information about RSH's responsive engagement, programmed inspections and consumer gradings is also available on its website.
3. RSH promotes a viable, efficient and well-governed social housing sector able to deliver more and better social homes. It does this by setting standards and carrying out robust regulation focusing on driving improvement in social landlords, including local authorities, and ensuring that housing associations are well-governed, financially viable and offer value for money. It takes appropriate action if the outcomes of the standards are not being delivered.
4. Where two or more existing landlords merge or a landlord undergoes what we judge to be a significant constitutional change or restructure, we may issue an interim regulatory judgement. This is so that there is an indicative public regulatory judgement of how well the

landlord may be delivering the outcomes of our standards.

5. RSH publishes gradings for consumer, governance and viability. Local authorities only receive consumer gradings. More information can be found on our website.
6. For general enquiries email enquiries@rsh.gov.uk. For media enquiries please see our Media Enquiries page.

<https://www.gov.uk/government/news/council-first-to-get-top-consumer-upgrade>