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SOCIAL HOUSING KNOW-HOW

April 2026



Last month, we focused on our presence at the NHF Housing Finance Conference – it was great to see so many of you there and thank you to everyone who stopped by to say hello.

If you didn't get the chance to attend or speak with us, you can still get in touch with our team [here](#).

This month, we focus on several key developments shaping the sector, including the publication of the updated Housing SORP, alongside wider regulatory, financial and ESG pressures that continue to influence decision-making for registered providers.

This month's Social Housing Know-How includes:

- Housing SORP – key changes and implications
- Building safety, ESG and financial resilience
- Fraud in social housing – latest podcast insights
- Service line focus and upcoming FRS 102 sessions

As always, if you would like to discuss any of the issues raised or explore how these developments may affect your organisation, please contact us on ☎ **03330 910411** or visit [Social Housing - Menzies](#).

Housing SORP Update - What you need to know

The updated Statement of Recommended Practice (SORP) has now been published following a consultation on proposed amendments released in October 2025, with the consultation period closing in January 2026.



The Housing SORP applies to all registered social housing providers in the UK and provides guidance, and interpretation of, financial reporting standards. This update represents a significant revision to the previous version issued in 2018.

The revised SORP reflects three key areas:

- Changes to FRS 102 arising from the Periodic Review 2024 amendments, particularly in relation to revenue recognition and lease accounting.
- Accounting for repairs responsibilities under the new Shared Ownership model and Right to Shared Ownership requirements which had previously been issued as draft guidance in 2023.
- Clarity on accounting treatment in areas such as building safety costs, sustainability investment and decarbonisation expenditure.

A new 'Basis for Conclusions' document has also been introduced, providing additional context and insight into the decisions made by the SORP working party.

The amendments are effective for accounting periods beginning on or after 1 January 2026.

What this means for providers:

- Lease accounting changes may have a significant impact on balance sheets and covenant positions, requiring early assessment.
- Greater scrutiny is expected around how repair and maintenance obligations are recognised and reported.
- Providers will need to carefully consider the treatment of building safety and sustainability-related expenditure.
- Additional disclosures and documentation may be required to support new accounting approaches.

Early planning and impact assessment will be critical to ensure a smooth transition and avoid pressure during year-end reporting.

👉 [Access the SORP via the NHF website here](#)

[Fraud in social housing – latest podcast](#)



We're pleased to share that our latest Social Housing podcast episode is now live, focusing on fraud within the sector.

The episode explores evolving fraud risks, including procurement and cyber-related threats, and provides practical insights into strengthening prevention and detection

frameworks.

If you want to speak to our experts about prevention and detection, please contact Julie & Dan via: socialhousing@menzies.co.uk

👉 [Listen to our latest podcast here](#)

Sector insight: key pressures in 2026

Building safety and regulatory scrutiny

Regulatory expectations remain high following recent legislative developments. Providers are expected to demonstrate strong governance, clear accountability and robust oversight of building safety programmes, alongside accurate tracking of associated costs.



Financial resilience and funding

Ongoing cost pressures, coupled with investment requirements in existing housing stock and new developments, continue to impact financial performance. Providers are placing increased focus on covenant compliance, treasury management and long-term financial planning.

ESG and decarbonisation

Sustainability and ESG considerations are now central to the sector. Decarbonisation programmes, reporting requirements and stakeholder expectations are influencing both operational and strategic decision-making, as well as access to funding.

Service-line Focus

ESG and sustainability

As mentioned above, sustainability and ESG considerations continue to rise up the agenda for housing providers, driven by regulation, funding requirements and stakeholder expectations. Through our work with Grain Sustainability, we support organisations in understanding their environmental and social impact, enhancing reporting and embedding ESG into long-term strategy.

👉 [Find out more here](#)

Grant audit and assurance

With ongoing scrutiny around funding and compliance, robust grant audit processes are essential. We support registered providers in meeting requirements, strengthening internal controls and providing assurance to funders and stakeholders on the use of funds.

👉 [Find out more here](#)

Outsourced Business Services (OBS)

Strong finance functions are critical in an increasingly complex operating environment. Our OBS team works alongside social housing providers to deliver flexible, scalable support – from core finance operations through to strategic insight – helping improve efficiency, strengthen controls and support better decision-making.

👉 [Find out more here](#)



FRS 102 Technical Update

There's still time to book onto our remaining in-person FRS 102 update sessions in **Manchester and Cardiff**.

As a reminder, these sessions are designed for those with a basic understanding of the upcoming amendments to FRS 102. If you haven't already, we strongly recommend watching our recorded webinar from last year, which covers the key changes and their practical implications.

👉 [You can access the recording here](#)

👉 [Sign up here](#)

During the sessions, we'll explore key areas in more depth, including lease incentives, contracts with both service and lease elements, sub-leasing, warranty treatment under the new revenue model, agent vs principal considerations, contract modifications, and the sectors most impacted by these changes.

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It helps recognise the team locally and supports others in understanding the service we provide and value to this sector.

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