Tax Policy 2026/27

Version Number	2
Date Applies From	01/04/2026
Policy Owner	Executive Director of Finance
Next Review Date	01/04/2027
Strategy Link	• Making the most of our resources

Key connected legislation/regulation:

- Housing Act 1988 (as amended)
- Housing Act 1996 (as amended)
- Finance Act 2011 (as amended)
- VAT Act 1994 (as amended)
- Finance Act Schedule 19 (as amended)

Annual Checks

Policy owners should ensure that an annual check of hyperlinks, roles, and names is undertaken. These checks are in addition to formal review process. Please see Policy and Procedure framework guidance for further details.

If you need this information in an alternative language please call

0161 605 7260

For other formats please call

0300 123 5522

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Introduction

The aim of ForHousing's Tax Policy is to ensure financial sustainability, compliance, and support the delivery of the ForHousing Strategy.

Scope of Policy

This policy sets out the tax objectives for ForHousing Group for the financial year ending 31 March 2027, in accordance with Schedule 19 of the Finance Act 2016. The Policy sets out the Group's general tax arrangements, as well as the Group's approach to tax risk management, attitude to tax planning and working with His Majesty's Revenue and Customs (HMRC).

Group Structure

The ForHousing Group is made up of charitable and non-charitable subsidiaries working collaboratively to provide safe, well-maintained homes and deliver customer focused, equitable and efficient services. An overview of the companies within the Group is outlined below.

Legal Status	Entity	Overview
Community Benefit Society	ForHousing Limited	Registered with the Regulator of Social Housing and holds all housing assets and benefits from charitable tax status. ForHousing Limited, the parent entity, is a non-profit-making company limited by guarantee.
	Stockbridge Village Trust Limited	Dormant Company
Private Limited Company	ForLiving Limited	Management of market rent properties
	ForHousing DevCo Limited	Provides in house design and build services to ForHousing Limited. ForHousing DevCo has its own VAT registration, so the VAT on new build costs can be recovered.
	ForCapital Limited	The Group's Special Purpose Treasury Vehicle, which raises finance. The proceeds of which are lent on to other Group Companies.

The Group generates most of its income from social housing lettings and other social housing activities such as shared ownership sales. It also generates income from non-social activities, including market rent and the development of units for market sale (from time to time) and other smaller revenue streams.

Managing Tax Risk

The Group recognises that eliminating tax risks entirely is not possible. It therefore seeks to reduce the level of tax risk arising from its operations as far is reasonable through the corporate Group structure and by implementing a range of internal tools for the business to follow.

An overview of the range of taxes the Group is subject to, alongside an overview of how

compliance is achieved, is outlined below.

Corporation Tax and Gift Aid

Overview

ForHousing Limited has been granted charitable tax status by HMRC and therefore benefits from tax exemptions on income generated in accordance with its primary purpose; to carry on for the benefit of the community the business of providing and managing social housing, and providing assistance to help house people and associated facilities and amenities or services for poor people or for the relief of aged, disabled (whether physically or mentally) or chronically sick people.

ForHousing DevCo Limited, ForLiving Limited and ForCapital Limited are liable for corporation tax based on their share of taxable surpluses.

Roles and Responsibilities

The Executive Director of Finance is responsible for setting the Tax Policy.

Responsibility for day-to-day compliance sits with the Director of Finance who, in conjunction with appointed external advisers is responsible for the production and submission of all statutory tax returns.

- The Director of Finance is responsible for the provision of timely and accurate financial information to external advisers.
- Disclosures for statutory accounting and final corporation tax returns are provided by the external advisers, subject to clarifications on appropriate treatments.
    - Statutory disclosures are reviewed internally by management and externally by auditors as part of the annual statutory account's approval process; and
    - Final tax computations are reviewed by the Director of Finance, or their nominated representative, prior to submission to HMRC by the external advisers.
- The Director of Finance is responsible for ensuring that all liabilities are settled as they fall due.
- The Director of Finance, or their nominated representative, maintain contact with external advisers during the year, ensuring that any operational or legislative changes and emerging risks are reacted to appropriately.

Employment Taxes – PAYE, NICs (National Insurance Contributions) and CIS (Construction Industry Scheme)

Overview

ForHousing Limited ensures compliance with all relevant taxes as the employing entity within the Group.

Roles and Responsibilities

- Relevant employee data is maintained in the Group's payroll/HR system.
- Payroll is processed by an in-house team under the responsibility of the Director of People.

- Payroll and associated returns are approved by two Executive Directors, prior to payment and/or submission to HMRC.
- Annual returns are produced by the Director of People or their nominated representative.

Value Added Tax (VAT)

Overview

Within the ForHousing Group there are two primary VAT registrations, as outlined below:

- ForHousing VAT Group – covering ForHousing Limited, ForLiving Limited and ForCapital Limited
- ForHousing DevCo Limited

The financial reporting for entities in the Group is undertaken on the Group's finance system under a chart of accounts to homogenise the preparation of returns as far as possible.

VAT and any other tax considerations in relation to the purchase of land for development or the construction of development sites are notified to Group Board or the Homes Committee, at project approval.

Roles and Responsibilities

- All returns are reviewed by the Head of Financial Accounting or their nominated representative to ensure they are free from error or omission.
- The Director of Finance is responsible for agreeing an appropriate partial exemption special method, to be applied in the ForHousing VAT Group.

All employees responsible for tax compliance must be experienced in their respective fields and ensure their knowledge is kept up to date via a combination of training and discussions held with professional advisers.

Gift Aid

Overview

Any Gift Aid payments that are made to the parent, ForHousing Limited are approved by the relevant subsidiary Board.

Roles and Responsibilities

- The Head of Financial accounting oversees the financial processing and recording of Gift Aid transactions, ensuring accuracy, audit-readiness, and compliance with internal financial controls.
- The Director of Finance ensures that Gift Aid payments are accurately calculated, compliant with tax legislation and company law, and supported by appropriate financial assessments.
- The subsidiary Board review and approve Gift Aid payments to the parent company, ensuring decisions are financially appropriate and aligned to each subsidiary's governance responsibilities.

Attitude to Tax Planning

ForHousing recognises its responsibility to a range of stakeholders, whilst simultaneously demonstrating value to its customers. By utilising the corporate structure to reduce tax charges and electing to use available tax reliefs and exemptions, ForHousing can retain more of the funds it generates, and re-invest those into the delivery of the ForHousing Strategy.

ForHousing will therefore actively engage in tax planning practices that are in the spirit of, not just in the current letter of, the law. It will not enter arrangements that are overly aggressive, morally questionable, or where doing so would adversely impact the Group or other key stakeholders.

Outlined below are some examples of how ForHousing optimises its tax position:

- Entities that are subject to corporation tax will make qualifying Gift Aid donations to the charitable parent company to reduce, or mitigate, tax liabilities where it is appropriate to do so.
- Acquiring land for the development of social housing in the entity with the most beneficial tax treatment specific to that purchase; and
- Enrolling employees in salary sacrifice arrangements for pension contributions or other qualifying arrangements, reducing tax bills for colleagues and ForHousing accordingly.
- Developing and agreeing a Partial Exemption Special Method (PESM) with HMRC that optimises the Group's VAT position and regularly reviewing the PESM in line with changes to the Group and legislation.

The Level of Risk We Are Prepared to Accept for UK Taxation

ForHousing seeks to operate in a low-risk environment where tax is concerned.

It seeks to do so by making the structure of our operations as simple as possible and minimising the number of complex transactions that could increase subjectivity, which in turn may impact tax liabilities that could arise as a result.

This approach is led by the ForHousing Board, supported by the relevant Committees and subsidiary Boards, and informs the day-to-day decision-making process throughout the organisation.

How We Work with HMRC

The Group aims to foster strong working relationships with HMRC and avoid unnecessary disputes, by:

- Submitting all relevant returns in accordance with statutory deadlines.
- Making all payments of tax before they become due.
- In the event of previously unknown liabilities becoming known, making unprompted disclosures, as early as possible and settling amounts owed.
- In the event of HMRC queries or investigations, responding in full, transparent, and timely fashion.
- Regular meetings are held with our tax advisers, supplemented by annual attendance at conferences that provide updates on HMRC compliance developments.

- Where relevant, in complex or subjective cases, engaging with HMRC via external advisers in advance to agree treatments and/or disclose potential claims before any official submissions are made.

Equity, Diversity, and Inclusion

We value diversity and work to create an inclusive environment for our customers and colleagues, where everyone has access to the same opportunities. We welcome our responsibility to comply with equalities legislation and regulatory requirements that relate to equity, diversity and inclusion and aim to do more. Through our activities we aim to remove systemic barriers to equal opportunities and eliminate all forms of discrimination, harassment, and victimisation within our organisation.

We are committed to providing excellent customer services, which are fair, equitable and inclusive. As such, we will endeavour to understand and make any reasonable adjustments required for customers in line with ForHousing's Reasonable Adjustment Statement and the Equality Act 2010. Any reasonable adjustment provided will be recorded and kept under active review.

Implementation and Communication

This policy will be available on the ForHousing website.

Monitoring, Recording, Reporting

The effectiveness and outcomes of this Tax Policy are monitored on an ongoing basis by the Director of Finance. Compliance with tax legislation is embedded within routine financial controls, reconciliations, procedures and processes.

Related Documents

- Financial Regulations
- Pay Policy

Co-production

The Compliance Team in Finance were involved in the development of the policy.

Approval & Review History

The approval route for the Tax Policy is:

Executive Management Team – Audit & Risk Committee – ForHousing Board

Date	Version	Approved by	Detail
20/03/25	1	FH Board	New Policy.
11/03/26	2	(EMT 30/01/26) (ARC 11/02/26) FH Board	• Annual Review. • Director of Finance responsibilities have been added as no such role in the structure previously. • Gift aid narrative has been expanded. • Key connected legislation has been updated.