

## **Regulatory judgement finds that L&Q is fully compliant**

The Regulator of Social Housing (RSH) has today published its latest judgement of L&Q, confirming that we remain compliant across its governance and financial viability requirements and meet the new consumer standard.

Following the planned inspection, we have been awarded a first consumer grade of C2, an unchanged financial viability grade of V2, and a governance rating of G2.

### **Consumer summary**

Resident safety is a top priority for us, so we are very pleased that the Regulator was assured that we have a good understanding of requirements with systems in place to meet these, and that we are effectively managing our significant and complex building safety programme, which will see over 2,000 buildings inspected by April 2026.

The Regulator saw evidence that we are managing risks relating to damp and mould, by installing 19,000 humidity sensors in homes and strengthening our skills and specialist contractors. It also acknowledged recent improvements in our wider repairs service, and the work we are doing to improve help for residents seeking adaptations to their homes. This is underpinned by increasing repairs delivered in-house to 70%, giving us better value and control.

The Regulator agreed that we address complaints fairly and effectively and were assured that we have made improvements to understanding resident needs, and treating them with fairness and respect. It recognised that we need to improve satisfaction with our handling of anti-social behaviour, but that the plans we have in place are beginning to deliver positive change.

The Regulator agreed that we support residents who need our help to sustain their tenancy, take residents' views into account when making decisions, and provide a wide range of meaningful opportunities for residents to influence and scrutinise us.

Following the Regulator's feedback we are planning to improve how damp and mould cases are prioritised and how we consider the diverse needs of residents when delivering repairs and maintenance, and handling complaints. We'll also be accelerating work to clear our small backlog of non-emergency repairs, and strengthening our approach to requests for aids and adaptations, as well building on improvements to the management of anti-social behaviour.

### **Governance summary**

The Regulator awarded a compliant G2 rating for governance, which is a re-grade from our previous G1 rating. It agreed that our Group Board is appropriately skilled and experienced, that our governance arrangements are effective in delivering our strategic objectives and social purpose, and that we make best use of our resources. The Regulator also noted that we demonstrate strategic decision-making in line with our risk appetites and legal and regulatory obligations.



Our financial reporting was judged to be effective and evidenced Board oversight of stress testing and mitigation strategies to inform decision-making. However, the Regulator said that we needed to build on existing improvements to Board reporting on service performance, and also evidence that we have measures in place to ensure the continuous improvement of Board and Governance performance. To address this we will continue with a planned review of our governance arrangements, working closely with the Regulator.

### **Viability summary**

The Regulator maintained our compliant V2 rating for financial viability, concluding that there was appropriate assurance that our financial plans are consistent with and support our financial strategy. We evidenced that we have an adequately funded business plan and are forecast to meet our financial covenants.

In awarding a V2 rating, the Regulator recognised that like other large housebuilders in the sector, we balance a number of material risks within our financial plan related to our development and sales programme, and our increased investment in existing homes, but that these risks are managed through effective reporting and oversight.

### **Comments on the judgement**

**Fiona Fletcher-Smith, Group Chief Executive of L&Q, said:** “We welcome the publication of today’s judgement and the Regulator’s feedback, recommendations and ongoing engagement.

“Overall, we are very pleased to remain compliant with regards to governance and viability, and to have achieved a C2 against the new consumer standards. The Regulator has acknowledged the significant progress we have made against our stated objectives to improve existing homes and services for residents while maintaining financial stability, and also recognised that we know where we have work to do. We’ll continue to put our residents at the heart of these improvements.”

**Liam Coleman, L&Q Group Chair, said:** “We’re pleased that the Regulator has recognised our work to deliver effective and compliant services, our responsible financial management, and most importantly that we involve and listen to our residents when making decisions.”

“The governance rating of G2 is disappointing, however we already have plans in place to address the areas for improvement, and we look forward to continued dialogue with the Regulator as we enact these plans and enhance our performance.”

The Regulator’s judgement can be reviewed in full here: [London & Quadrant Housing Trust \(L4517\) - Regulatory Judgement: 27 August 2025 - GOV.UK](#)