

Developing an oversight regime for assurance of sustainability related financial disclosures

AREF's response was submitted [online](#) on 17 September 2025

2. A registration regime for UK sustainability assurance providers

Establishing a register of sustainability assurance providers

Question 1

Do you agree or disagree with the government's core proposal to create a voluntary registration regime for sustainability assurance? Provide justification.

We have no response to this question.

Question 2

In your view, what are the advantages and disadvantages of the opt-in approach?

We have no response to this question.

Creating the category of 'sustainability assurance provider'

Question 3

Do you agree or disagree with the government taking a profession-agnostic approach to sustainability assurance? Provide justification.

We have no response to this question.

Role of firms and individuals

Question 4

Do you agree or disagree that both individuals and firms should be able to be registered as sustainability assurance providers? Provide justification and explain whether any specific requirements are needed to ensure appropriate accountability.

We have no response to this question.

ARGA's role in operating the registration regime

Question 5

In broad terms, what are the main principles that ARGA should consider when developing a registration regime for sustainability assurance providers?

ARGA should take into consideration that real estate funds require tailored ESG metrics as set out in the ESG Metrics for Real Estate paper¹.

Assurance providers should be equipped to assess real estate transition plans, especially as real estate funds align with net-zero trajectories. This includes evaluating plans against frameworks like CRREM and the UK Net Zero Carbon Buildings Standard.

We would note that the regime must balance rigour with proportionality, especially for smaller or niche real estate funds. It should recognise the diversity of fund structures and investment strategies and there shouldn't be excessive compliance burdens.

¹ <https://www.inrev.org/system/files/2025-02/Submission-to-FCA-IFRS-Foundation-Reporting-Principles-ESG%20Metrics-for-Real%20Estate-29-January-2025.pdf>

Question 6

How should ARGA work with other organisations when developing a future registration regime?

To understand the unique ESG metrics and reporting needs for real estate funds, ARGA should collaborate with Industry bodies like AREF, INREV, and IPF who have already developed ESG metrics for real estate (referred to in our response to question 5). ARGA should liaise with technical standard-setters such as GRESB, CRREM, PCAF and also, the Net Zero Carbon Buildings Standard initiative. This ensures the regime and its criteria reflects sector-specific frameworks and avoids over-reliance on generic standards like SASB.

ARGA should work closely with the FCA on SDR and investment labels, FRC on audit and governance standards and HM Treasury on ESG ratings and fund regulation. This will ensure coherence across the UK's regulatory landscape and avoids duplication or regulatory gaps.

Scope of information being assured

Question 7

Do you agree or disagree that the UK's registration regime should recognise 'sustainability assurance providers' as being capable of providing high-quality assurance over multiple reporting standards (that is, TCFD, UK SRS, ESRS)? Provide justification.

Real estate funds operate across jurisdictions and must comply with overlapping frameworks. Recognition by the UK registration regime of assurance providers who can work across TCFD, UK SRS, and ESRS enables consistency in disclosures for investors, reduces duplication and regulatory friction, and supports cross-border investment and comparability. This is especially important given the UK Government's intent to align UK SRS with ISSB's IFRS S1 and S2, which themselves are designed to be interoperable with TCFD and ESRS.

High-quality assurance across multiple standards enhances investor trust in sustainability disclosures. It promotes efficient capital allocation by enabling clearer risk and opportunity assessments. Also, it supports the UK's ambition to remain a global financial hub for sustainable finance

Real estate funds require tailored ESG metrics and transition planning frameworks (see reference to ESG Metrics for Real Estate paper in our response to question 5). Assurance providers must be able to evaluate disclosures aligned with CRREM, UK Net Zero Carbon Buildings Standard, and financed emissions guidance. They should assess transition plans under UK SRS S2 and TCFD, which are critical for real estate asset valuation and risk management.

Use of sustainability assurance standards

Question 8

Do you agree or disagree that sustainability assurance providers must follow UK-equivalent standards to ISSA 5000? Provide justification and, if you disagree, indicate whether any other standards are considered appropriate.

We have no response to this question.

Question 9

How should ARGA exercise its proposed functions in respect of sustainability assurance standard setting in the future?

We have no response to this question.

Oversight and enforcement

Question 10

What factors should ARGA consider when developing its approach to enforcement. Provide justification.

We have no response to this question.

3. Looking ahead

Question 11

Do you agree or disagree that assurance of UK SRS disclosures is desirable in the long term? Explain your view and also indicate whether there are any implementation approaches (for example, timelines for phasing-in requirements) or alternative measures to regulation that the government should consider.

We have no response to this question.

Question 12

Provide evidence where assurance providers have been excluded from or where you anticipate future barriers to competing for CSRD assurance engagements, due to a lack of UK registration regime or other reasons. Where possible, include quantitative estimates of the scale of impact on UK companies.

We have no response to this question.

Question 13

13. Provide evidence where the non-audit services cap has been a barrier to accessing or providing high-quality sustainability assurance. Where possible, include quantitative estimates of the scale of impact.

We have no response to this question.