



Webinar: Sector risk with the Regulator of Social Housing

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Tuesday 2 December 2025



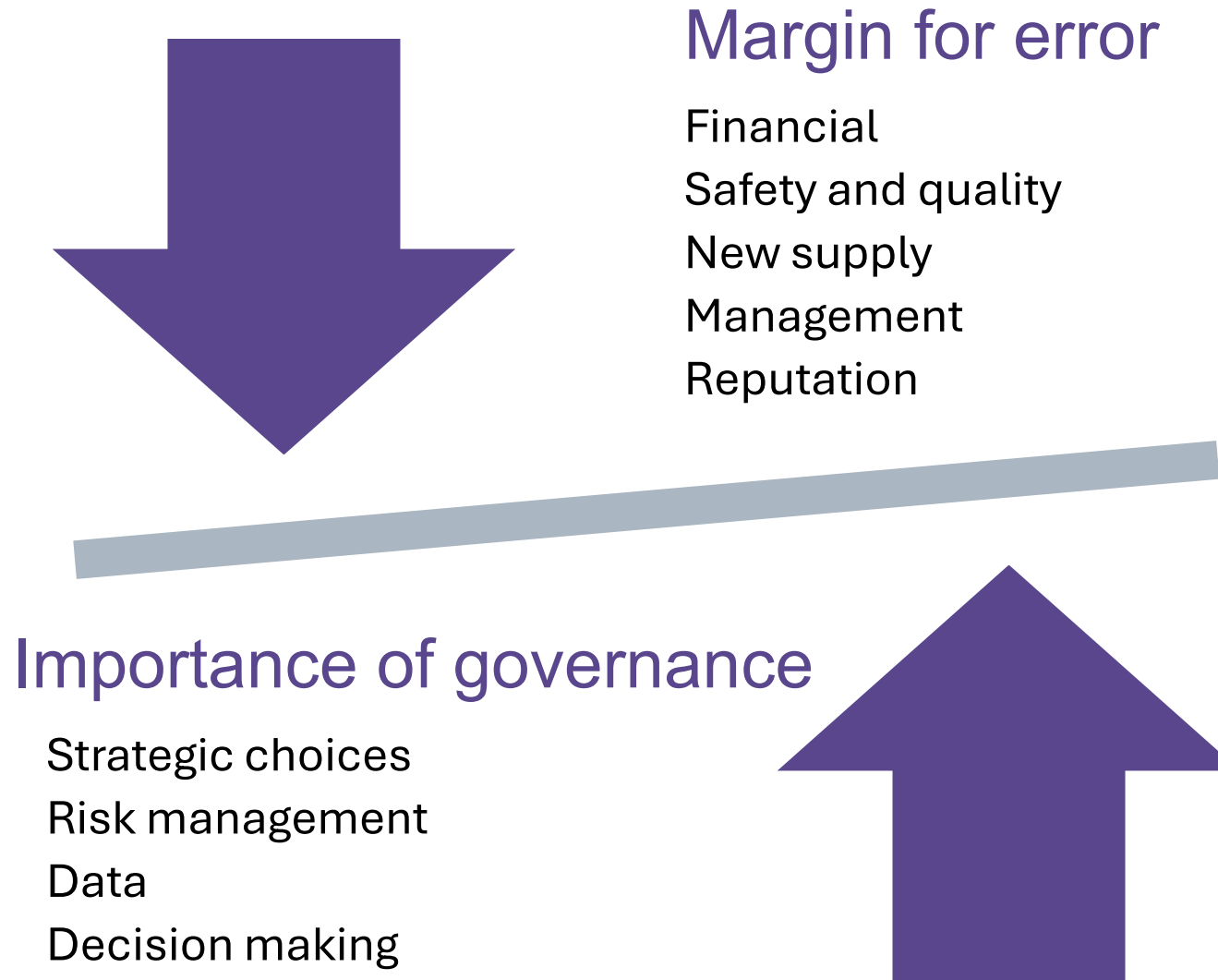
Regulator of
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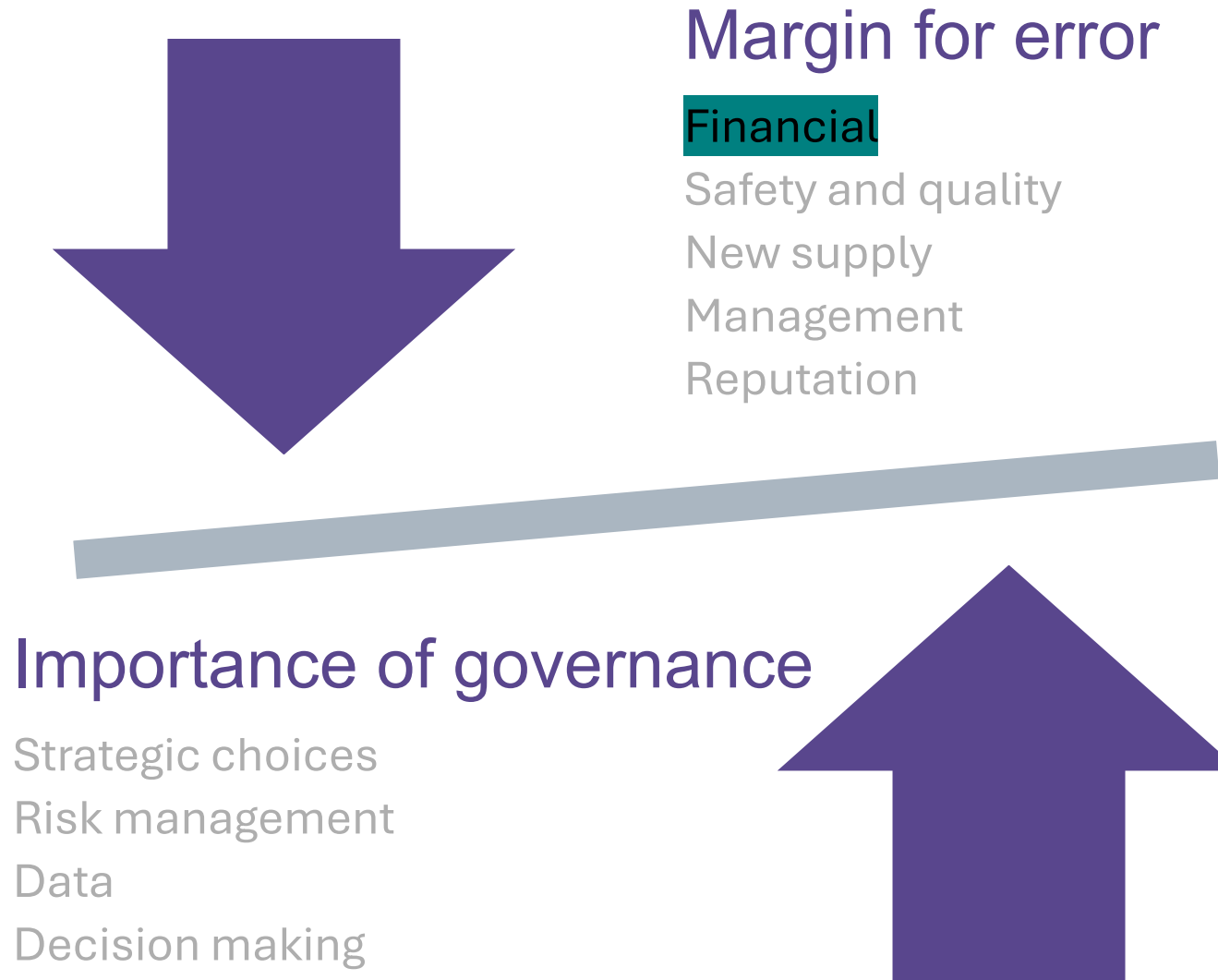
Sector risk

Will Perry

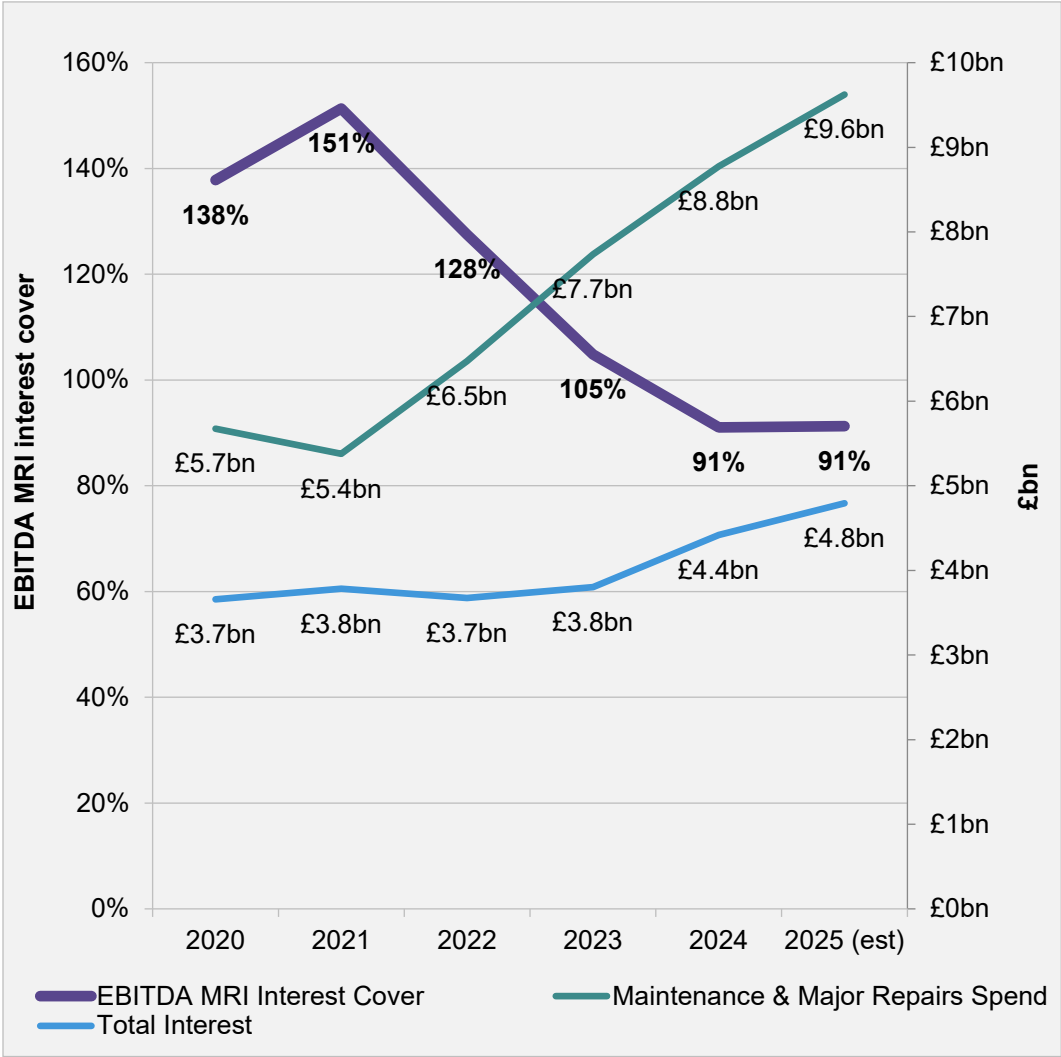
December 2025







Outturn results for the year to March 25

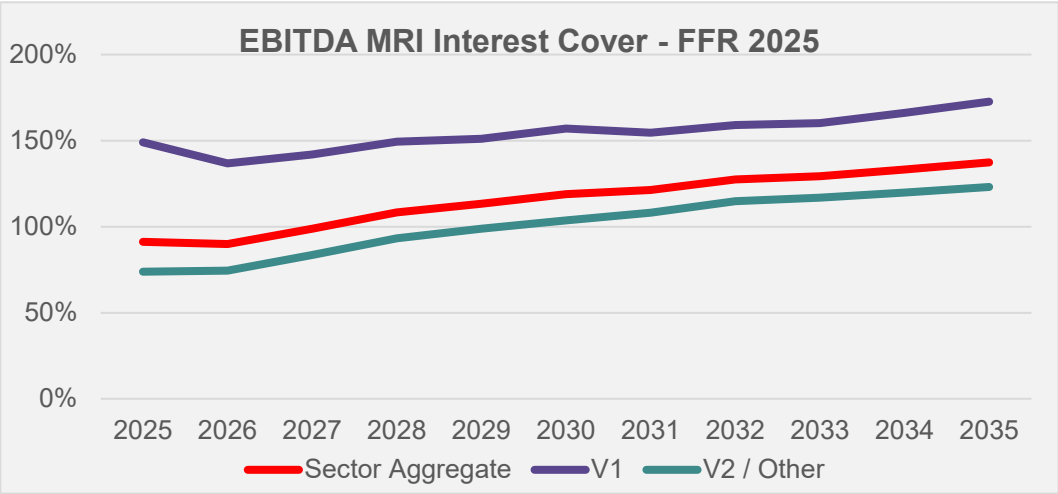


	GA 2024	2024 FFR yr1	2025 FFR yr0
EBITDA MRI margin	16.3%	17.0%	16.4%
Debt to turnover	4.1	3.8	3.9
EIR	4.4%	4.7%	4.6%
EBITDA MRI interest cover	91%	96%	91%

Social units developed (000s)	54	56	51
Debt	99.7	102.8	104.1

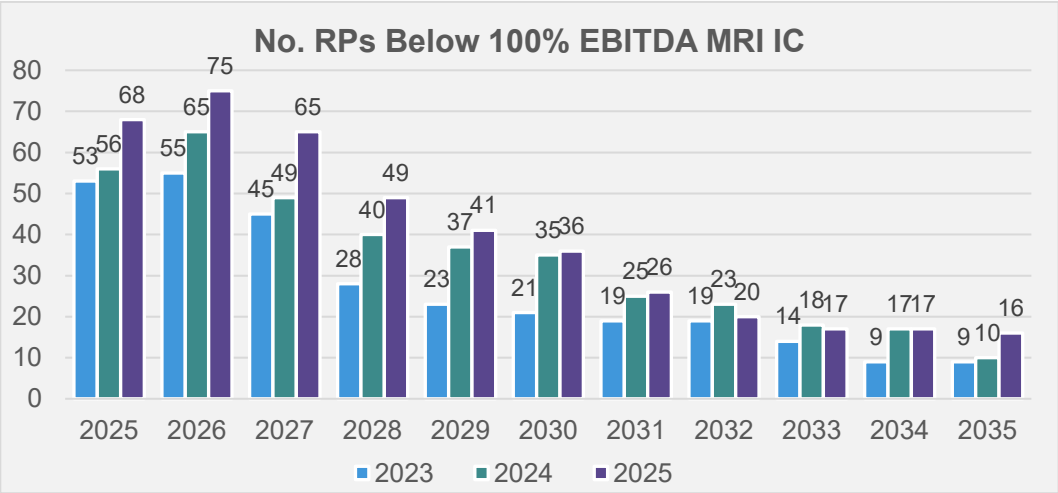
- Outturn figures for the year ending March 2025 show a continuation of the financial pressures reported in recent publications (note: audited figures to be included in the 2025 Global Accounts may vary).
- Repairs and maintenance spend has increased by 10% on the record levels reported for the year in the 2024 Global Accounts.
- Interest costs are 8% greater than the previous year as both the amount of debt and the effective interest rate increased by around 4%.
- The impact of higher interest and repairs costs was offset by a 9% increase in turnover – driven by permitted rent increases of 7.7% (based on September 2023 CPI of 6.7%).

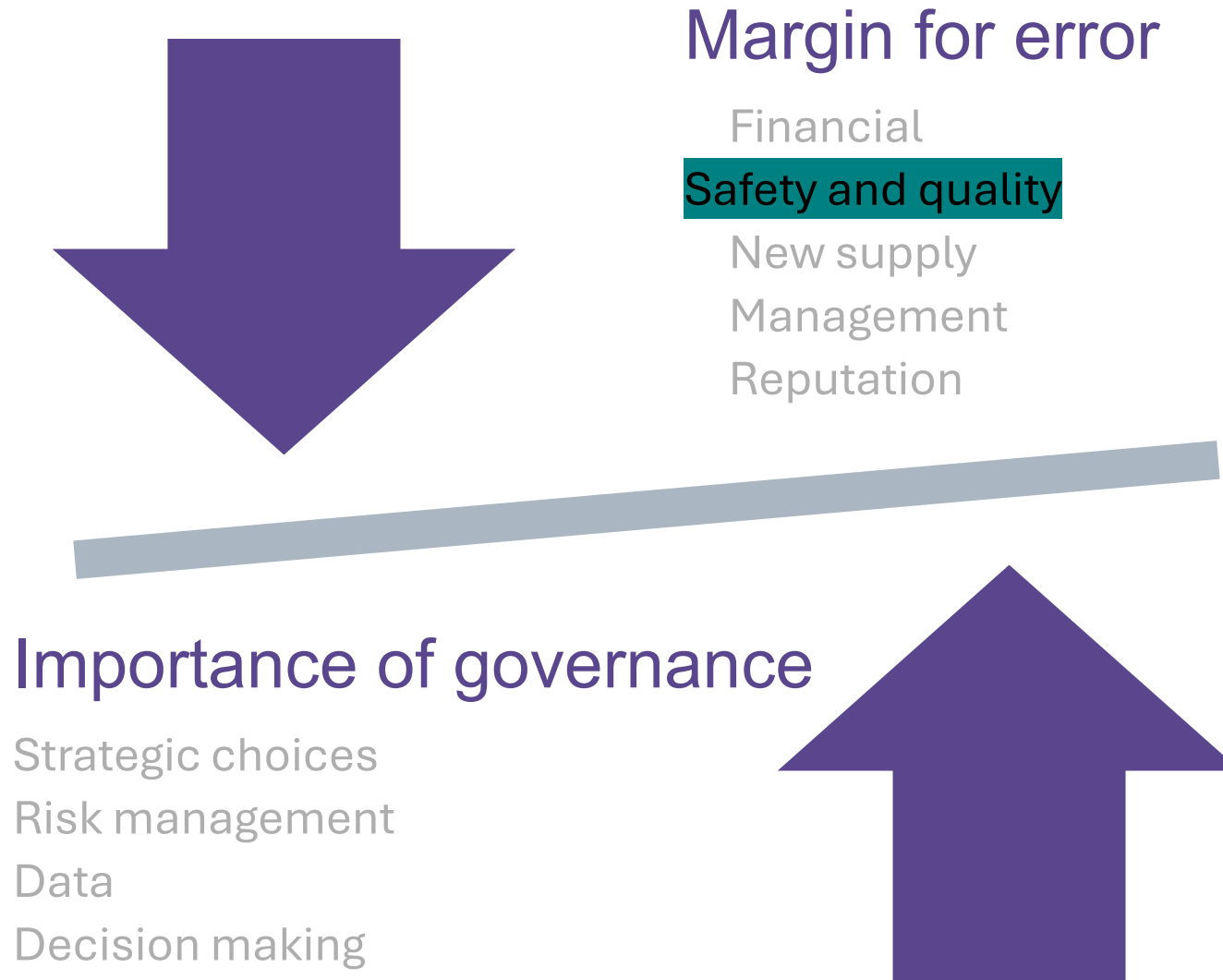
Forecast interest cover performance varies by stratification



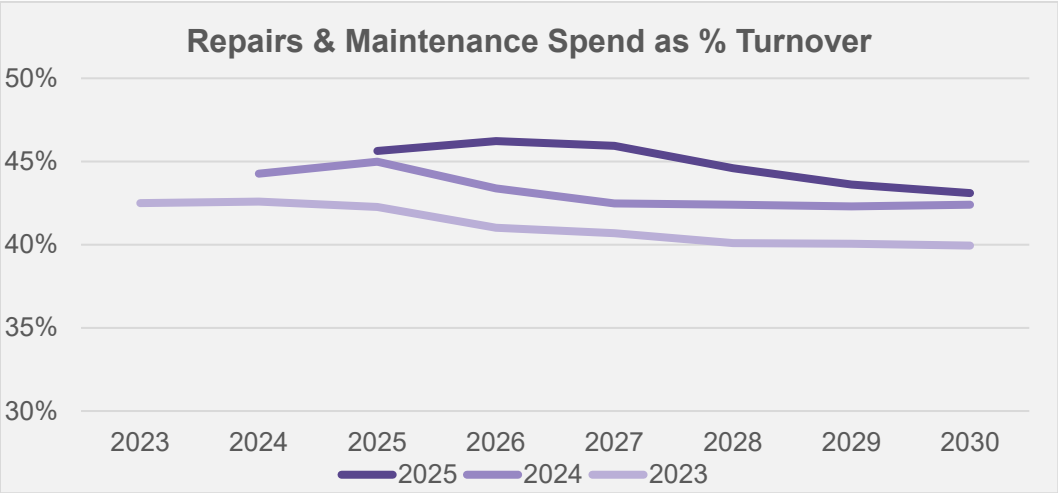
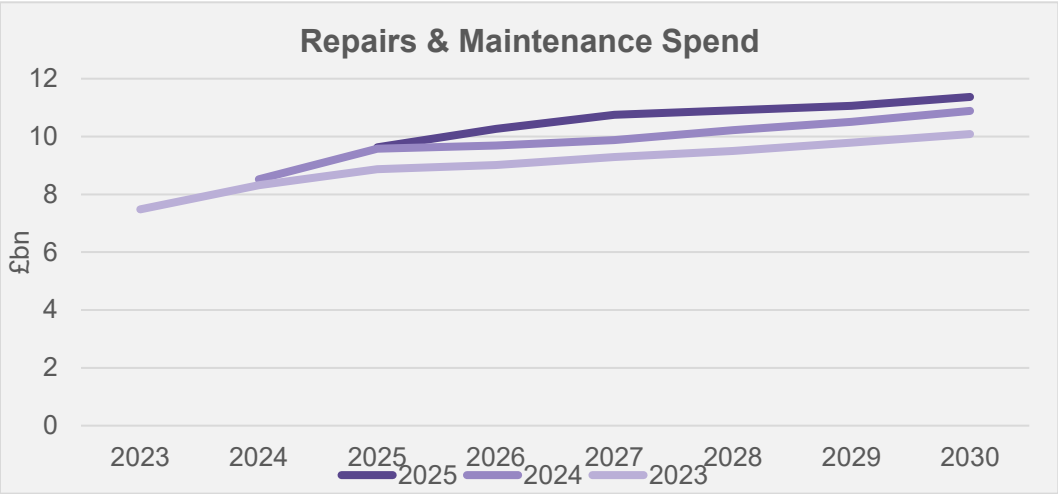
EBITDA MRI cover %	FY 1-5
Large and Complex	98.8%
Medium - Diverse	134.4%
Medium - Less Diverse	105.7%
Small - Diverse	125.2%
Small - Less Diverse	109.3%
Profit	120.1%
Sector Total	106.4%
G15	81.7%

- Aggregate projections hide a range of performance levels – some of the largest PRPs continue to have the weakest levels of interest cover particularly those with a base in London.
- The number of PRPs with interest cover below 100% is greatest in forecast years 1 to 3
- A smaller number of V2 PRPs have sustained sub-100% EBITDA MRI interest cover performance.



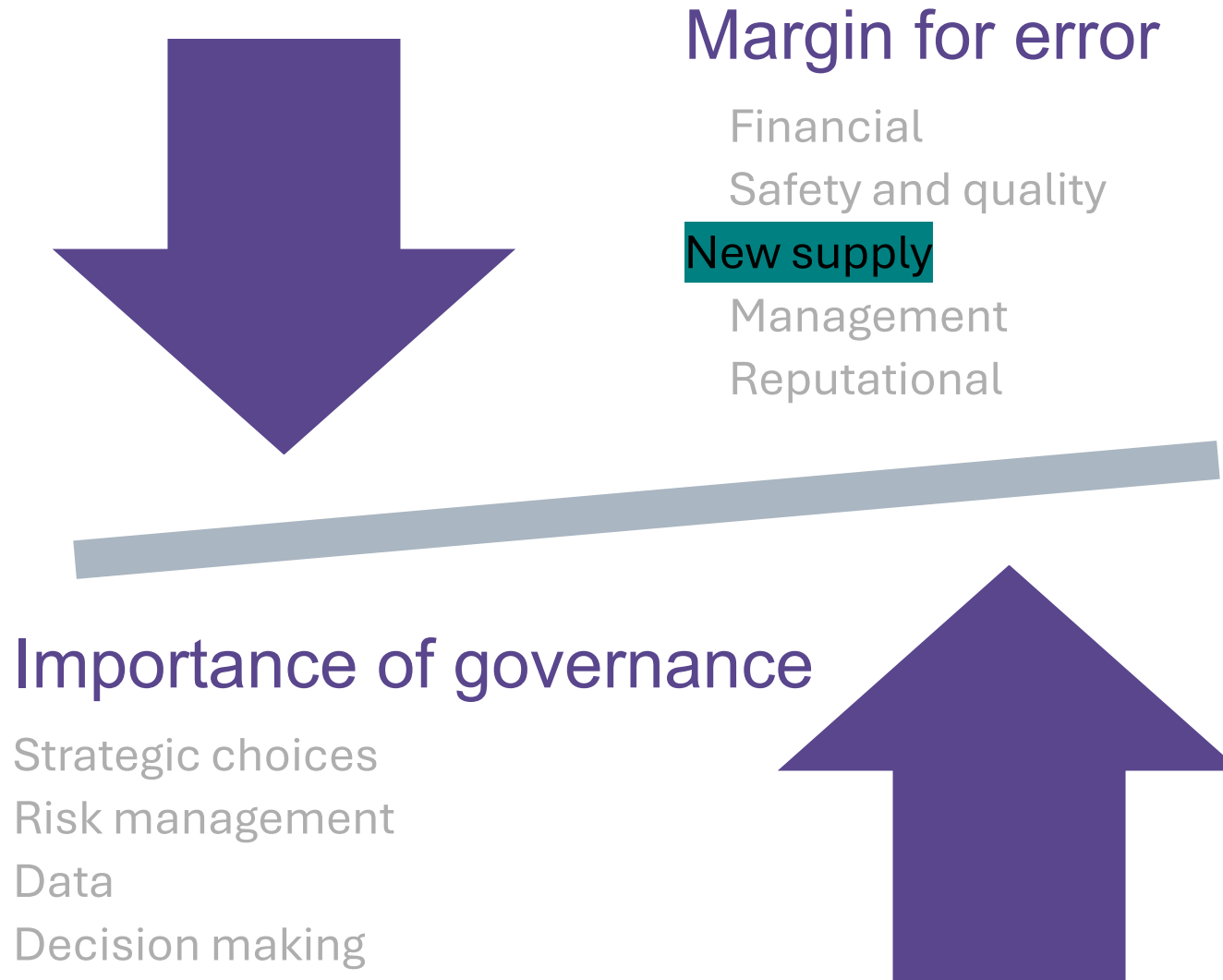


Forecast repairs and maintenance spend is still increasing

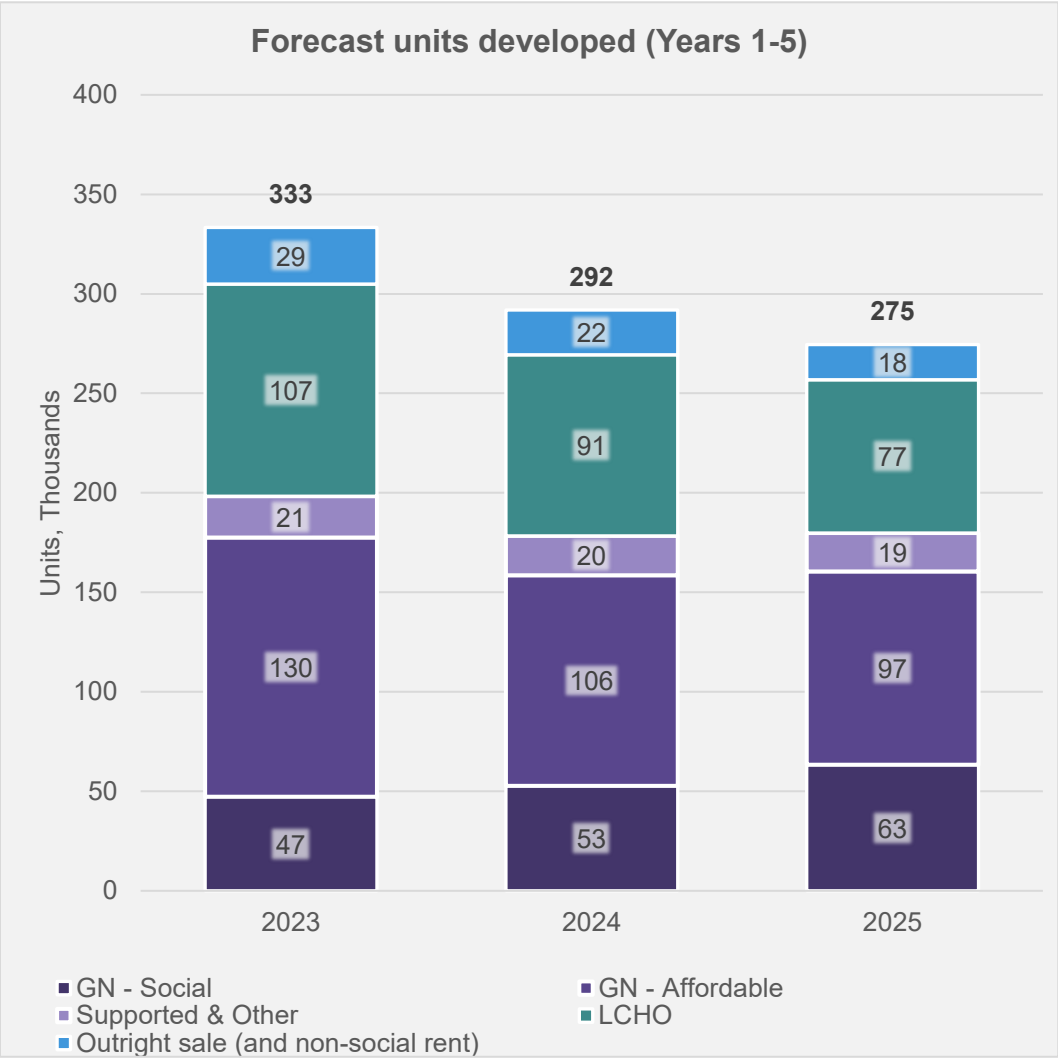


Forecast spend (£bn) yrs 1-5	2023 FFRs	2024 FFRs	2025 FFRs	% change
Routine maintenance costs	20.8	22.9	24.9	8.7%
Major repairs costs	4.4	4.6	5.0	7.9%
Capitalised major repairs costs	19.7	22.3	24.4	9.5%
Total	45.0	49.9	54.4	9.0%
Of which building safety	4.3	4.5	5.5	23.0%

- 5-year forecast repairs and maintenance spend has increased by £4.5bn on last year's projections (equivalent to 7% increase on a per-unit basis).
- Over the first 5 forecast years this levels of spend is equivalent to 45% of SHL turnover (2024 FFRs 43%, 2023 FFRs 41%).
- The largest increases are in respect of capitalised costs.
- Total building and fire safety costs are £5.5bn over the first 5 forecast years, a £1bn increase on 2024 FFRs.
- **The plans on which the latest FFRs are based were approved by PRP boards earlier in 2025, prior to the consultations on DHS and MEES. There is scope for repairs and maintenance costs to increase again when plans are revised.**



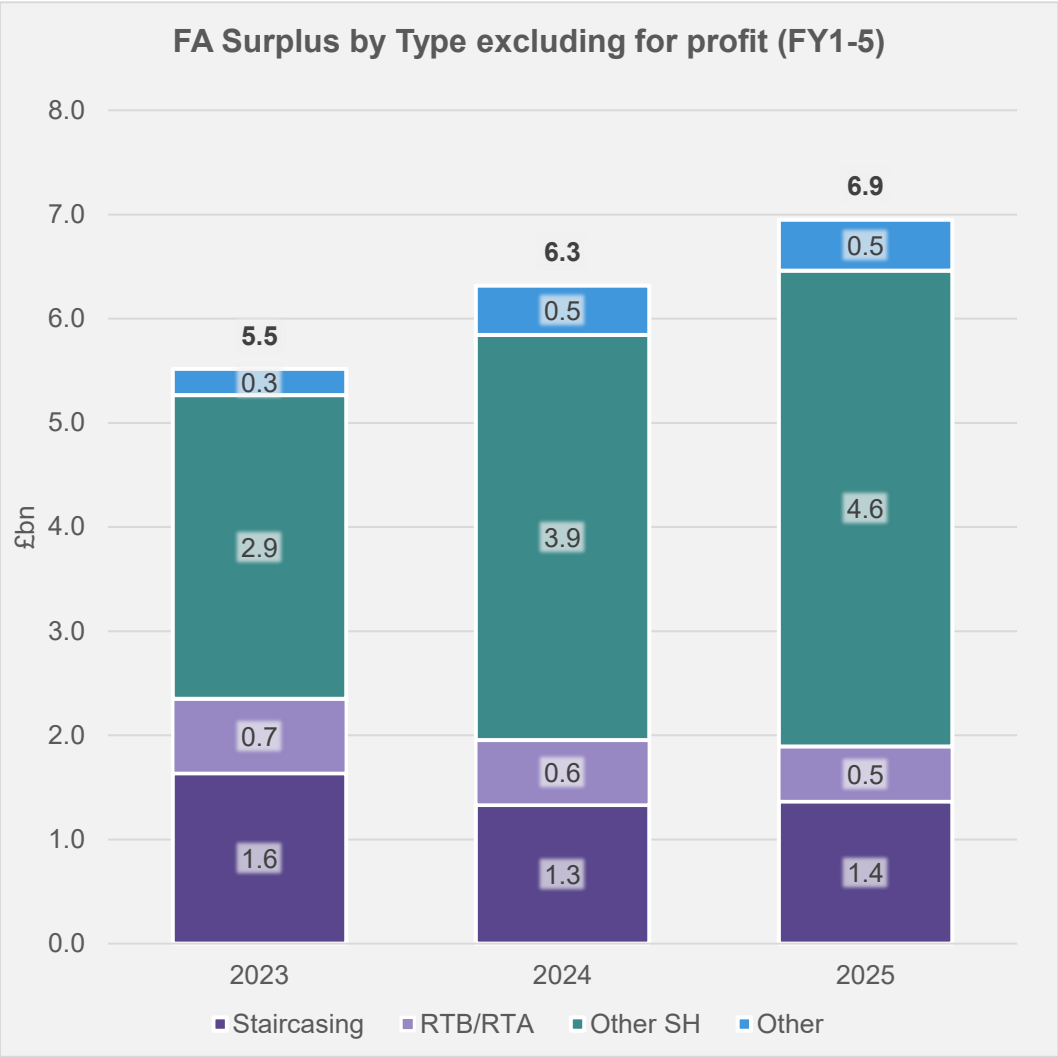
Forecast development has dropped again, reflecting reduced capacity



Forecast spend (£bn) yrs 1-5	2023 FFRs	2024 FFRs	2025 FFRs	% change
Committed	27.8	27.1	24.7	(8.8%)
Uncommitted	46.4	43.1	39.6	(8.0%)
Total	74.2	70.2	64.4	(8.3%)

- Outturn figures for the year ending March 2025 suggest 51k new social units were completed in the year – this is below the 54k figure from the 2024 GA.
- Relative to last year’s plans - total new units developed in years 1-5 of forecasts are down by 6% and development spend is down by 8%.
- Forecast new outright sale units have decreased again (22% down on FFR24); LCHO development is also down in latest plans (15% below FFR24).
- In contrast, the number of units to be developed for general needs social rent has increased by 20% to 63k over the first 5 forecast years.
- Of the £64.4bn spend in forecast years 1-5, 38% is committed - by year 3 of plans more than 70% of development spend is uncommitted.
- **The FFRs are based on business plans approved by PRP boards earlier in the year – before the spending review announcement and the confirmation of a new 10-year SAHP.**

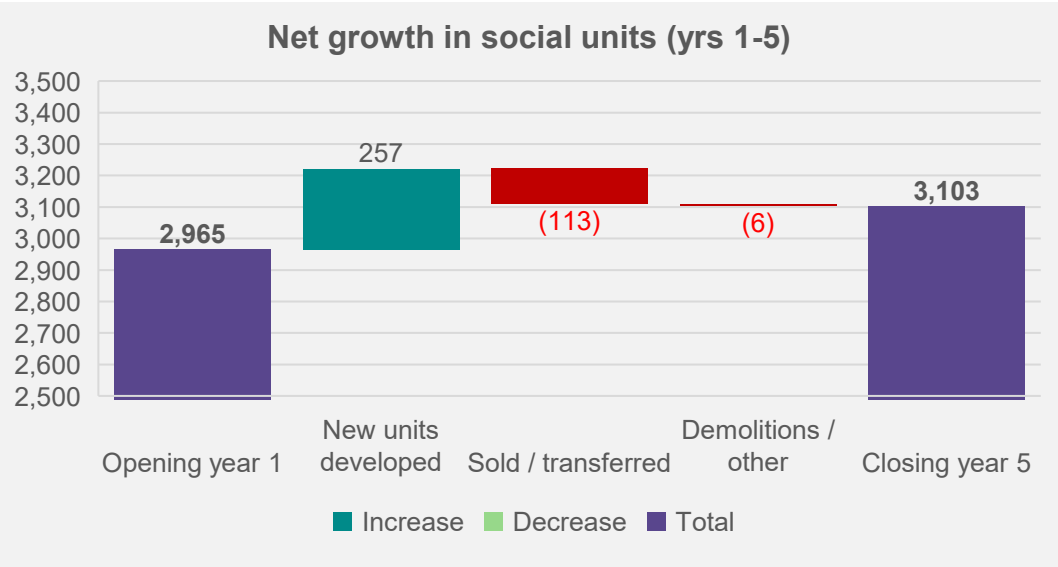
Fixed asset sales (excluding for-profits)



Social units sold / transferred yrs 1-5	2023 FFRs	2024 FFRs	2025 FFRs	% change
Cash receipts (£bn)	13.3	19.1	18.1	(6%)
Units disposed (000's)	73	80	83	3%
Net units transferred (000's)	21	26	21	(20%)
Units disposed or transferred (000's)	94	107	104	(3%)

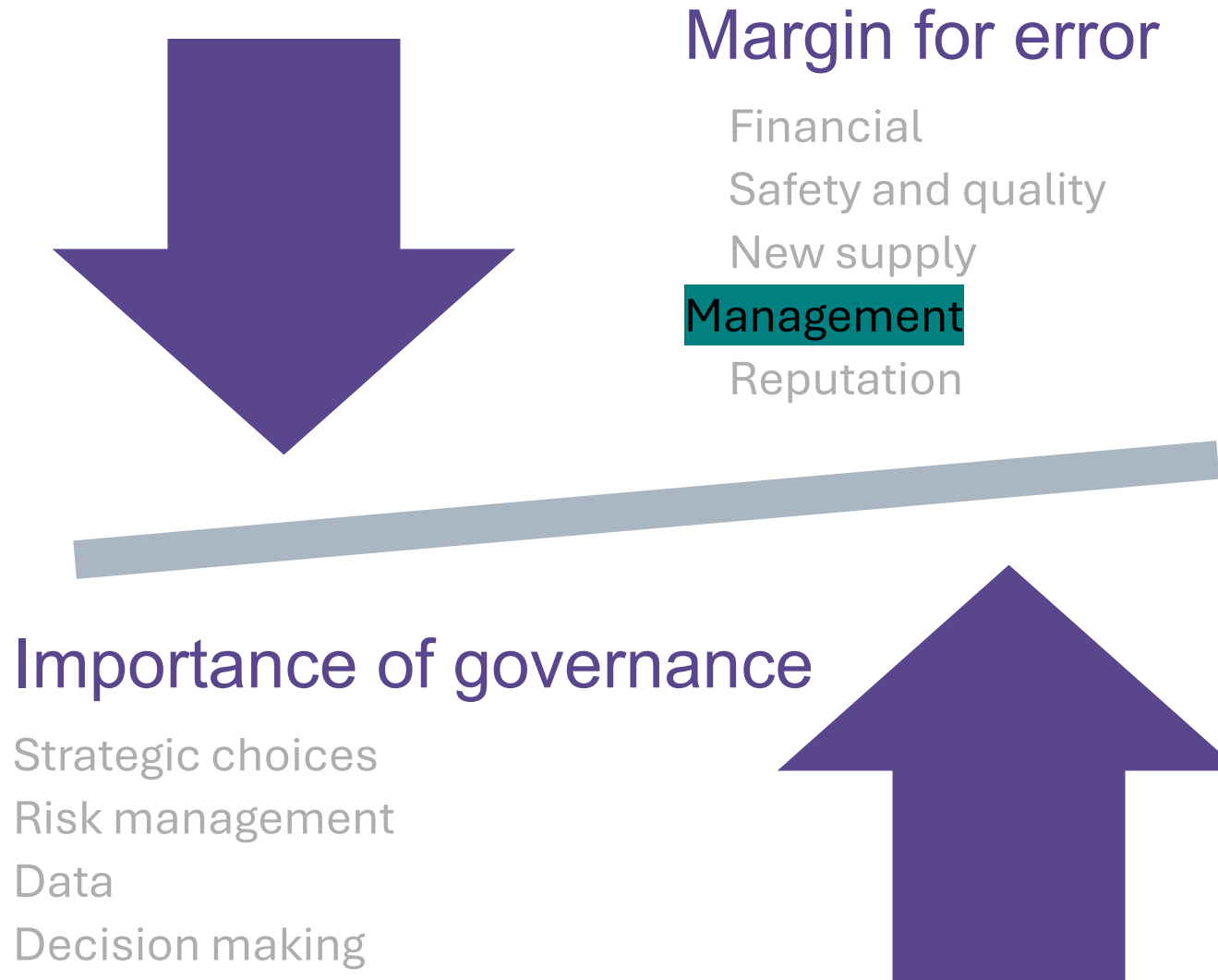
- Of the 104k units sold or transferred in forecasts, 62% are SR, 29% LCHO, 4% Supported and just 1% AR. The remaining 4% are 'other' SH units
- Cash receipts and the surplus generated through forecast fixed asset sales remain at raised levels
- New FFR disclosures allow us to split sales by type - of the £18.1bn generated c.60% relates to individual sales to tenants or open market disposals
- The remaining 40% relates to the bulk disposal of portfolios of housing assets
- Disposals are concentrated in a small number of providers. Of the £18.1bn forecast receipts, 9 PRPs account for £11.4bn of the total – all of which are large, and many are active in the London area

Net growth in social units



- Net growth in social units between April 25 (start of year1) and March 2030 (end of year 5) is +138k social units, equivalent to 4.7% growth.
- Based on the latest SDR data Between April 2019 and March 2024 the net increase was 181k social units, equivalent to 6.2% growth.
- In proportion to the amount of stock held at the beginning of year 1, net growth is lowest amongst the large and complex group of PRPs (particularly the G15)
- 19 not-for profit PRPs are planning to reduce the number of social housing units owned and managed. 5 PRPs are shrinking by 500 units or more

Provider type (units 000s)	SH units April 25 (yr 1 start)	Forecast SH units March 2030 Yr 5 end)	Net growth (units)	Net growth (%)
Large and complex	1,267	1,292	25	2.0%
Medium - Diverse	238	254	16	6.7%
Medium - Less Diverse	923	975	52	5.6%
Small - Diverse	99	107	8	8.2%
Small - Less Diverse	407	433	26	6.4%
Profit	31	43	12	37.7%
Total	2,965	3,103	138	4.7%
G15	770	770	0	0.0%



Management

Competence
and Conduct

STAIRs

Insurance

Awaab's Law

Rents

Future
change

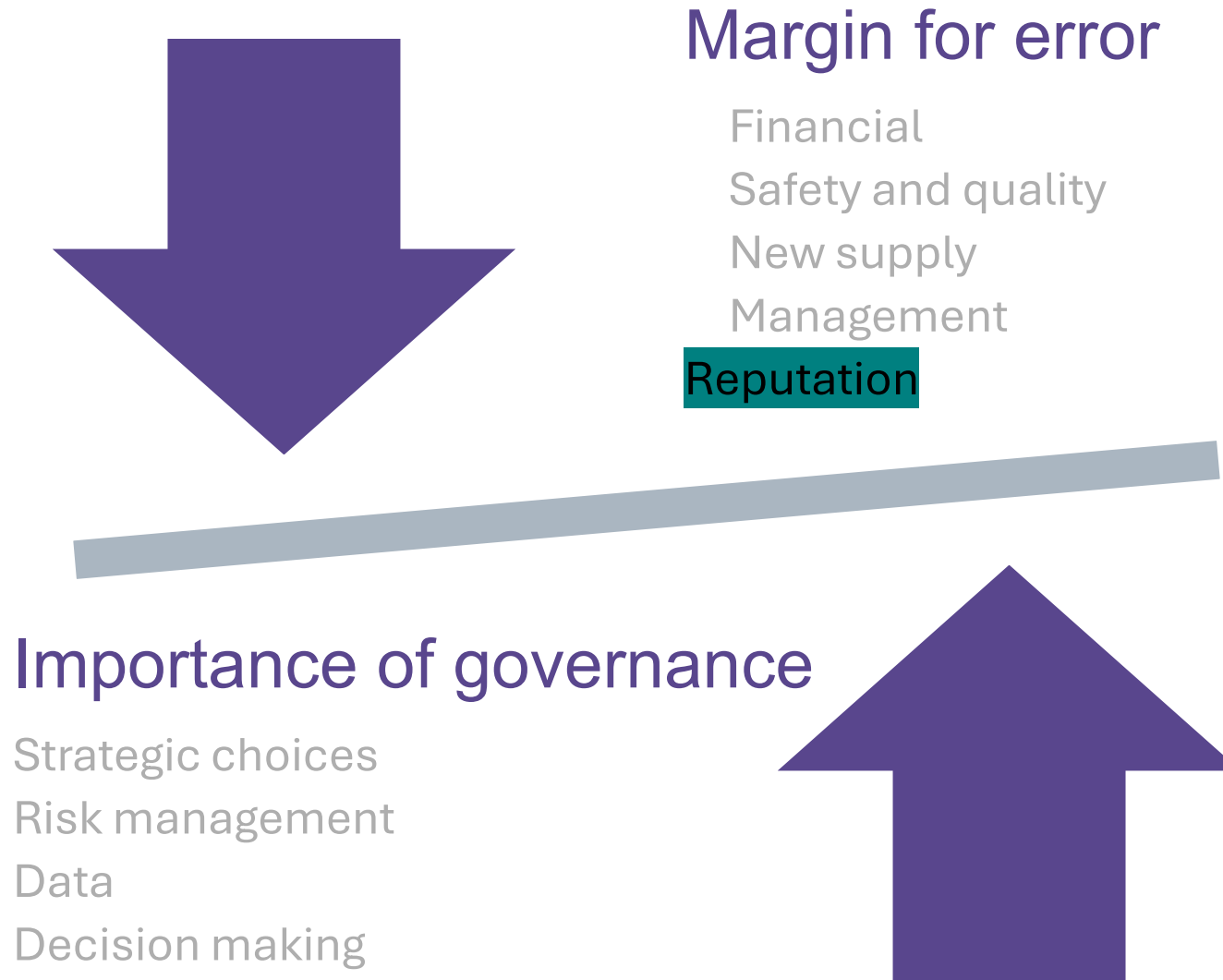


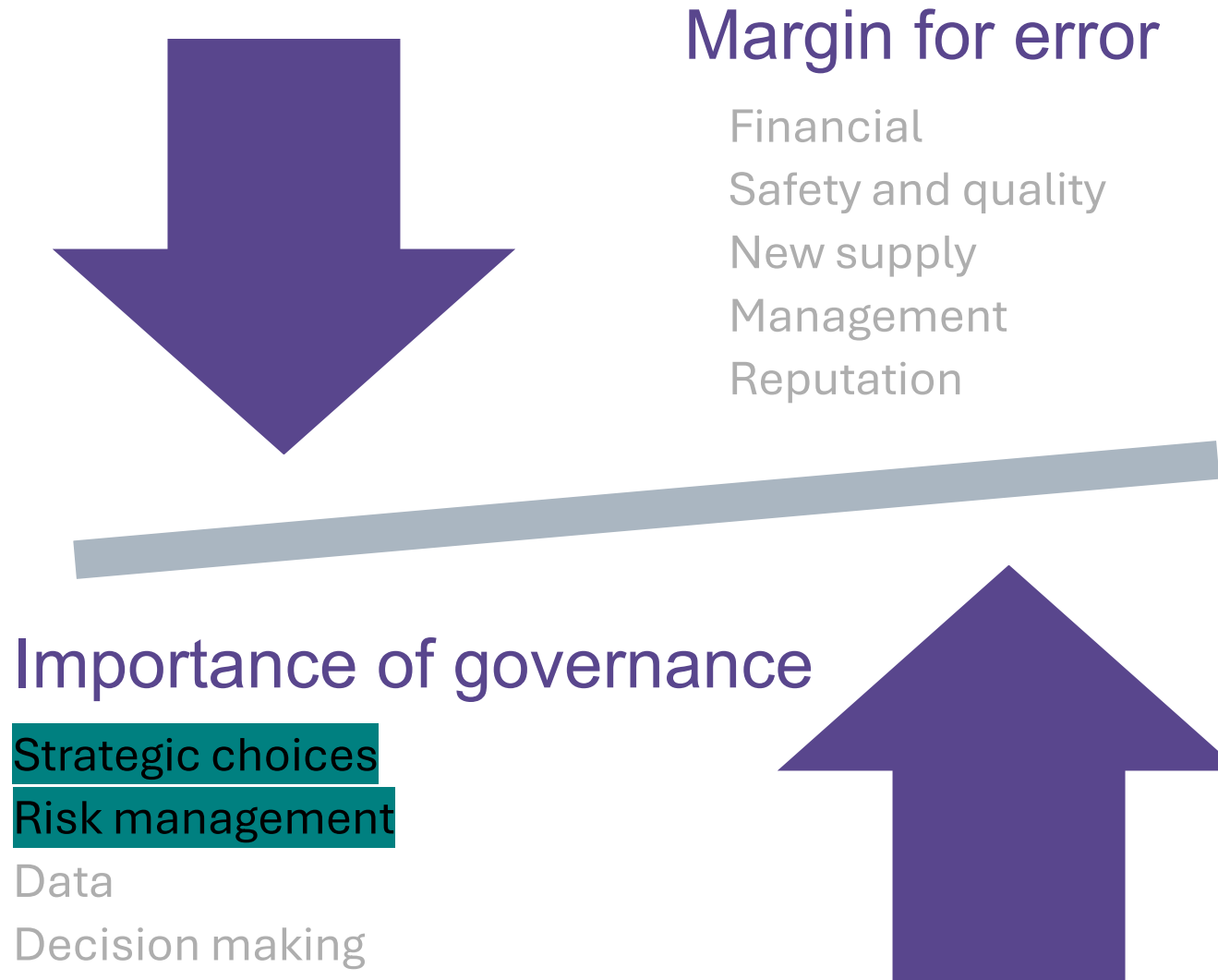
Perception TSM results – landlord median

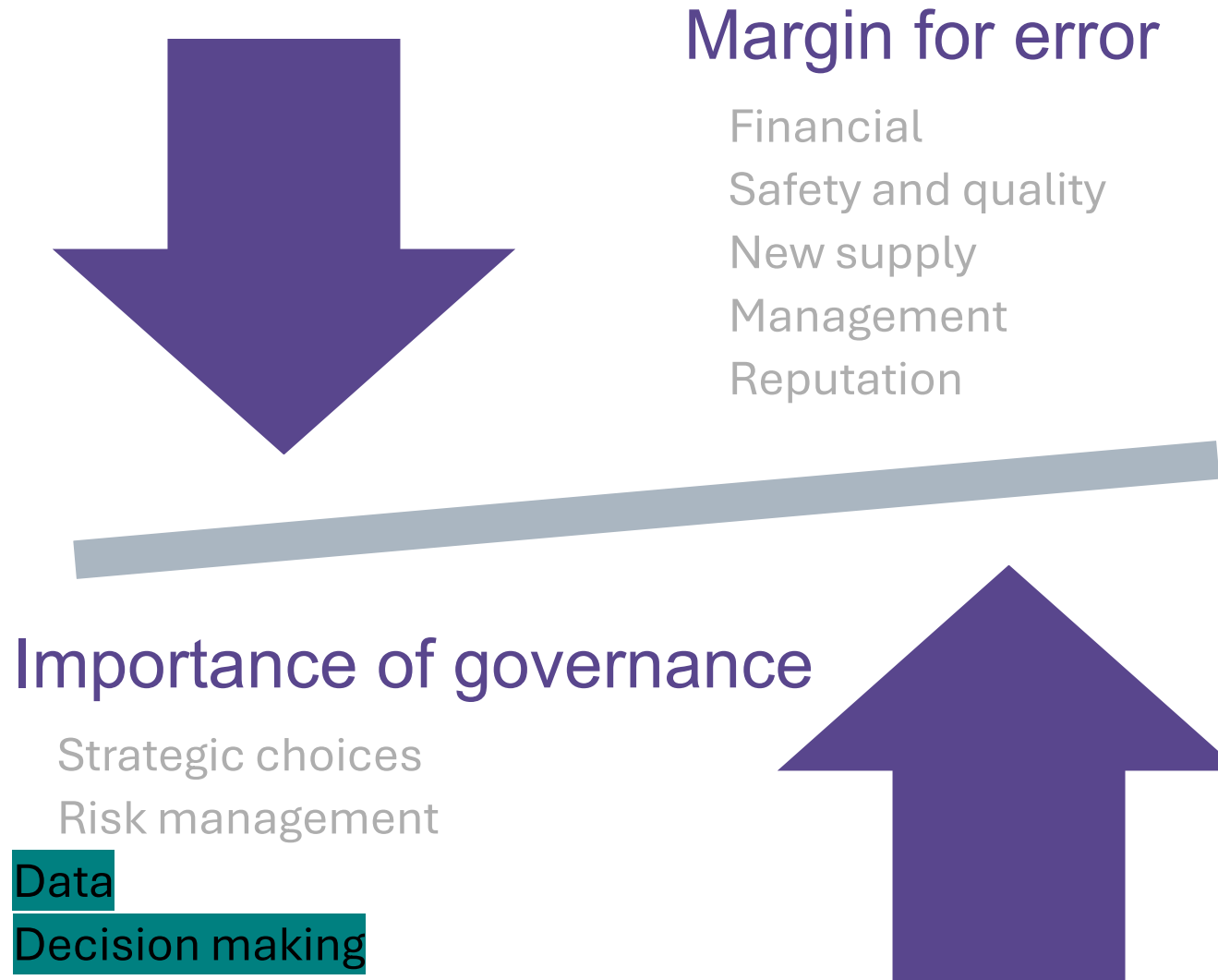


Management information TSMs – landlord median

Tenant satisfaction measure	Median landlord (23/24)		Median landlord (24/25)	
BS01 Proportion of homes for which all required gas safety checks have been carried out (%)	99.9		100.0	
BS02 Proportion of homes for which all required fire risk assessments have been carried out (%)	100.0		100.0	
BS03 Proportion of homes for which all required asbestos management surveys or re-inspections have been carried out (%)	100.0		100.0	
BS04 Proportion of homes for which all required legionella risk assessments have been carried out (%)	100.0		100.0	
BS05 Proportion of homes for which all required communal passenger lift safety checks have been carried out (%)	100.0		100.0	
RP01 Proportion of homes that do not meet the Decent Homes Standard [LCRA only] (%)	0.5		0.5	
RP02 Proportion of non-emergency responsive repairs completed within the landlord's target timescale [LCRA only] (%)	81.5		82.5	
RP02 Proportion of emergency responsive repairs completed within the landlord's target timescale [LCRA only] (%)	95.3		94.9	
NM01 Number of anti-social behaviour cases opened (per 1,000 homes)	35.5		36.0	
NM01 Number of anti-social behaviour cases that involve hate incidents opened (per 1,000 homes)	0.6		0.7	
	LCRA	LCHO	LCRA	LCHO
CH01 Number of stage one complaints received (per 1,000 homes)	42.5	35.2	53.5	40.1
CH01 Number of stage two complaints received (per 1,000 homes)	5.7	9.0	8.3	10.9
CH02 Proportion of stage one complaints responded to within the Housing Ombudsman's Complaint Handling Code timescales (%)	82.2	73.2	89.9	86.0
CH02 Proportion of stage two complaints responded to within the Housing Ombudsman's Complaint Handling Code timescales (%)	83.3	78.6	88.9	86.0









Regulator of
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Discussion



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