

RSH quarterly survey published for Q2 (July to September) 2022 to 2023

The Regulator of Social Housing has today (24 November 2022) published the results of its latest quarterly survey of private registered providers' financial health.

The report covers the period from 1 July 2022 to 30 September 2022. It shows that the sector continues to have enough liquidity to cover forecast spend on interest costs, loan repayments and investment in new homes over the next 12 months. However, it is clear that significant wider economic challenges were starting to have an impact on providers' finances before the end of September.

Providers expect to see an average operating interest cover, excluding sales, of 92% over the next 12 months. This compares to 111% in the previous year. Although both the forecast and outturn averages exclude surpluses from sales activity, they are still among the lowest levels on record. Providers report this to be a result of higher spend on repairs and capital investment, as well as rising interest payments.

The sector continues to secure new capital, with total agreed borrowing facilities reaching £119.7 billion at the end of September – up £0.4 billion in the quarter. New finance of £1.4 billion was agreed in the quarter, with 58% of new facilities from capital markets.

Providers invested £1.6 billion in repairs and maintenance over the quarter. This was 12% higher than the previous quarter but lower than forecast. Providers reported that material and labour shortages continue to cause delays to repair programmes.

Providers invested £3 billion in new homes between July and September; higher than the previous quarter but 15% below forecast for contractually committed schemes. Total spend on new homes is expected to reach £17.3bn over the next 12 months, a 38% increase compared to the previous year, as earlier underspends are reprofiled.

Will Perry, Director of Strategy at RSH, said:

While registered providers continue to maintain sufficient liquidity, we are starting to see the impact of very challenging economic conditions on providers' finances, particularly forecast interest cover.

Boards will need to take a strategic approach to monitoring economic risks as they focus on their key objectives of investing in new and existing homes, and providing quality services to their tenants.

The [quarterly surveys](#) are available on the RSH website.

Notes to editors

1. The quarterly survey provides a regular source of information regarding the financial health of private registered providers, in particular with regard to their liquidity position.
2. The quarterly survey returns summarised in the report cover the period from 1 July 2022 to 30 September 2022. The [latest report](#) is based on regulatory returns from 205 PRPs and PRP groups which own or manage more than 1,000 homes.
3. Additional disclosures have been added to the quarterly survey return from April 2022: new lines have been added to the cashflow statement to provide an enhanced breakdown of sales receipts and repairs costs, and narrative questions regarding delays or changes to repairs and maintenance programmes have been introduced.
4. For press office contact details, see our [media enquiries page](#). For general queries, please email enquiries@rsh.gov.uk or call 0300 124 5225.
5. The Regulator of Social Housing promotes a viable, efficient and well-governed social housing sector able to deliver homes that meet a range of needs. It does this by undertaking robust economic regulation focusing on governance, financial viability and value for money that maintains lender confidence and protects the taxpayer. It also sets consumer standards and may take action if these standards are breached and there is a significant risk of serious detriment to tenants or potential tenants.