

Social housing sector was in a good financial position at end of March 2020 but faces considerable challenges due to coronavirus

Press release

Regulator of Social Housing publishes its latest quarterly survey results



The Regulator of Social Housing today (21 May) published the results of its [latest quarterly survey](#) of private regulated providers' financial data.

Data submitted by providers up to the end of March confirms that in aggregate the social housing sector was in a good financial position leading up to the unprecedented challenges caused by coronavirus.

Available cash in the sector increased by £1.2 billion between December 2019 and March 2020 and £2.4 billion of new finance was agreed over the same period, with many reporting doing so directly in response to coronavirus.

However the number of unsold market and shared ownership units increased, in line with a growth in development of new properties for these tenures. The number of units acquired or developed between April and December 2019 was nearly a third higher than the longer-term average.

Providers indicated that they intended to decrease their development and housing market exposure, and other capital expenditure over the next year in response to the current situation. Income collection up to the end of March was generally in line with or outperforming business plan assumptions but there is significant uncertainty about the impact the coronavirus restrictions and response will have in the coming months.

The forecasts that providers have made reflect their understanding and intentions at the end of March, since when operating conditions have continued to change. RSH expects providers to adjust their forecasts and

stress test their plans as the situation develops.

As it set out in its [letter of 26 March](#), RSH will engage with providers facing higher risks to their viability and may request that they share their own cashflow monitoring information.

Fiona MacGregor, RSH Chief Executive said:

Our quarterly survey shows that the social housing sector has started from a strong financial position to face the current crisis.

In the months ahead, providers will need to keep a continuous watch on the risks to their viability and be prepared to take prompt action, particularly their liquidity and exposure to the housing market. We will continue to monitor the financial impacts, including on income collection, and support providers as needed.

Notes to editors

1. This quarterly survey report is based on regulatory returns from 215 private registered providers and private registered provider groups who own or manage more than 1,000 homes. The survey provides a regular source of information regarding the financial health of private registered providers, in particular with regard to their liquidity position. The quarterly survey returns summarised in the report cover the period from 1 January 2020 to 31 March 2020.
2. 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.
3. For press office contact details, see the [Media enquiries page](#). For general queries, please email enquiries@rsh.gov.uk or call 0300 124 5225.

Published 21 May 2020