



Southern Housing

AUGUST 2025

CREATING
COMMUNITIES
TOGETHER

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Presenting team



Paul Hackett CBE
Chief Executive



Tom Paul
Chief Financial
Officer



Steve Sharples
Director of
Corporate Finance

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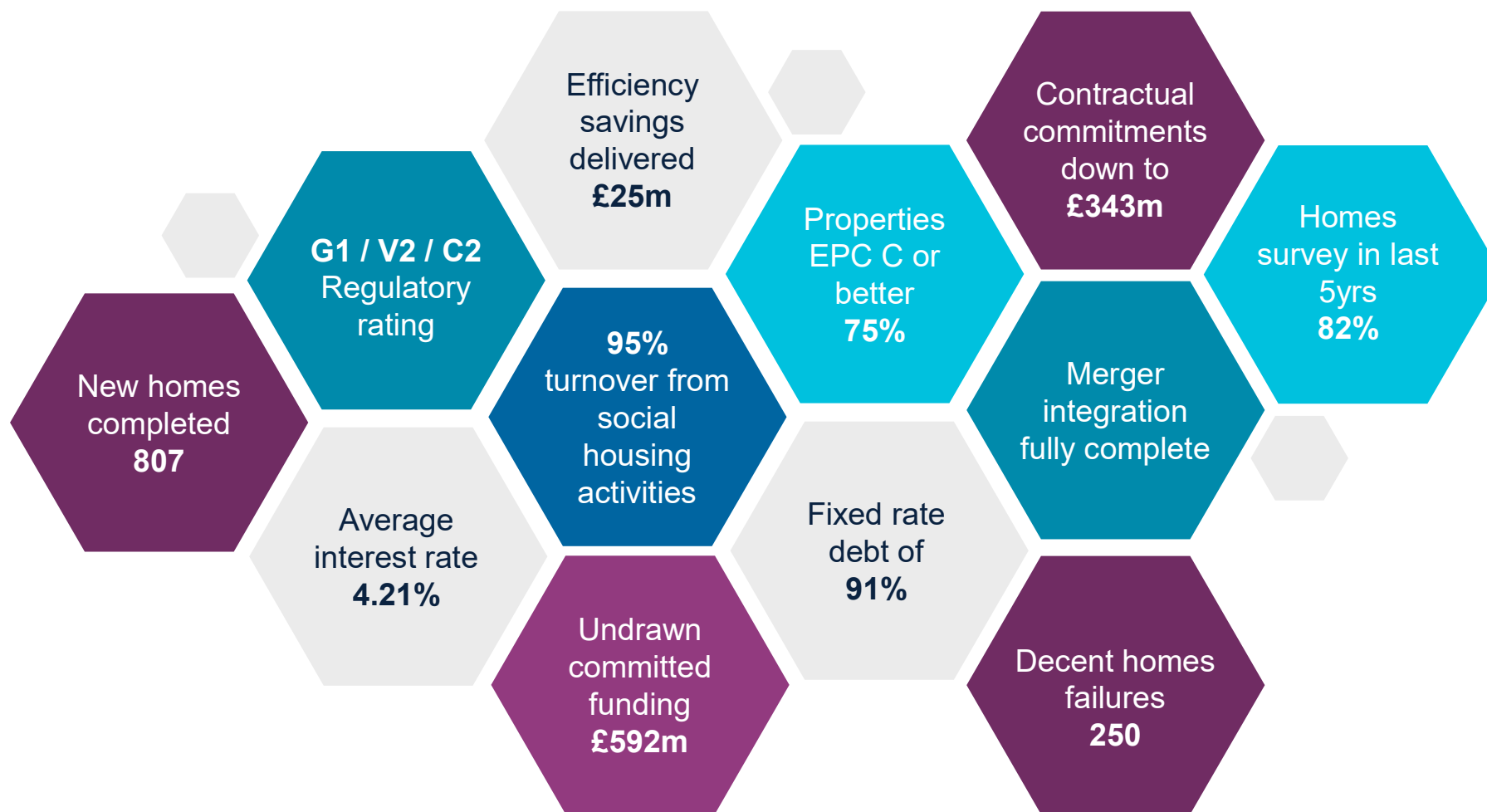
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Remarks



1

Highlights

Key credit highlights



Note: Figures are shown on a Group basis as at 31 March 2025 throughout the presentation unless otherwise stated



2

Sector, Environment & Strategy

Focused on core business in our core geographies



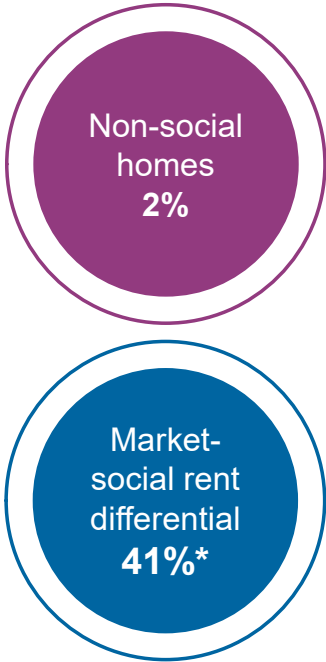
Southern Housing has more than 80,000 homes and over 167,000 residents



- London North
- London South
- Midlands
- South and Isle of Wight
- Sussex
- Kent and Essex



	General Needs	65%
	Shared Ownership	12%
	Supported & HOPS	9%
	Temporary & Intermediate	2%
	Key workers	2%
	Leasehold	8%
	Non-Social Housing	2%



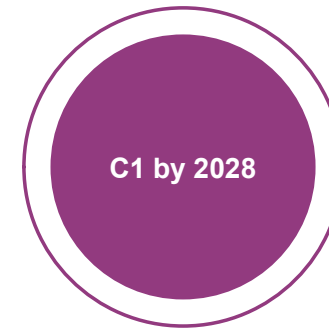
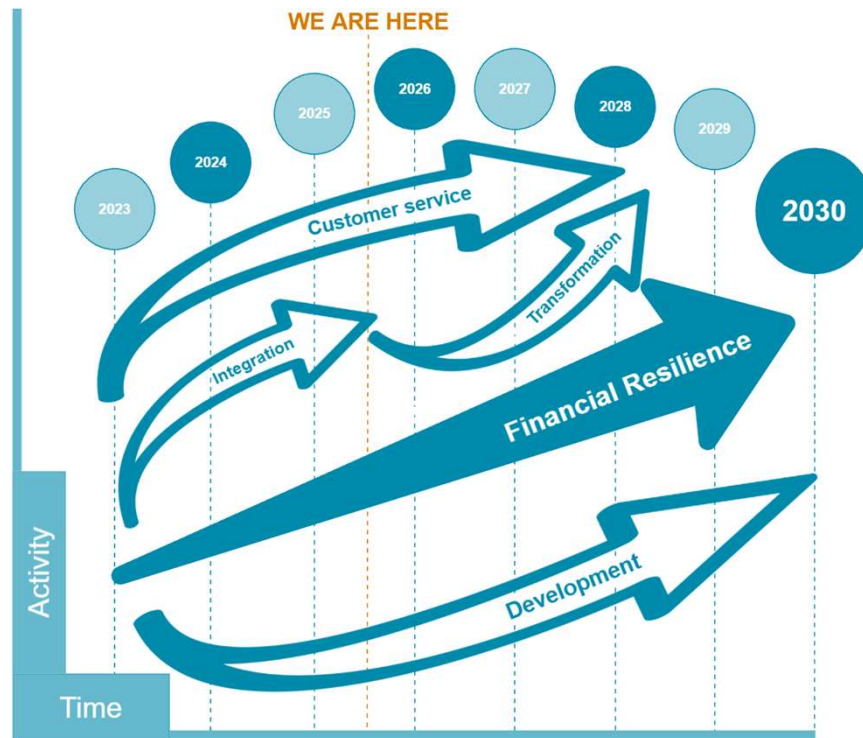
*Further details of our rent differentials can be found in our [ESG Report](#)

Supportive policy landscape

We asked and the Government listened



Strategic plan 2030: Building on a strong foundation



Board members

Experienced, independent governance

Sir Peter Dixon



Chair

Janet Collier



Vice Chair

Paul Hackett CBE



Chief Executive

Eugenie Turton



Resident Services
Committee Chair

Damien Règent



Audit & Risk
Committee Chair

Michelle Dovey



Treasury
Committee Chair

Mark Everard



Trudi Elliott CBE



Incoming Chair

Robert Clark



Development & Assets
Committee Chair

Geanna Bray



Member Responsible for
Complaints

Billy Brown



Resident Member
Chair of Resident
Strategy Group

Daisy Armstrong



Resident Member

Phil Blume



Resident Member

Ian Wilson



Resident Member

Executive team

Proven leadership team with a track record of delivery



Paul Hackett CBE
Chief Executive



Tom Paul
Chief Financial
Officer



Richard White
Executive Director
of Development



Wam Dawson
Executive Director
of People &
Culture



Karin Stockerl
Executive Director of
Assets & Sustainability



Troy Francis
Executive Director
of Operations



Yvette Carter
Executive Director
of Contract Services

Resident voice is at the heart of our service delivery



Repairs Transaction Survey Results	Rented 2024-25	Rented 2023-24
Repairs service	88%	71%
Suitable appointment	87%	76%
Repairs quality	91%	84%
Operative timekeeping	94%	87%
Operative was respectful	98%	97%
Easing of dealing with us	87%	75%
Kept informed	84%	68%
Follow-on works	75%	53%
Repairs reporting	86%	75%

TSM Results	Rented 2024-25	Rented 2023-24
Overall satisfaction	63%	67%
Satisfaction with repairs	65%	68%
Satisfaction with time taken to complete most recent repair	62%	63%
Satisfaction that the home is well maintained	72%	73%
Satisfaction that the home is safe	78%	78%
Satisfaction that we listen to tenant views and act upon them	59%	63%
Satisfaction that we keep residents informed about things that matter to them	76%	78%
Agreement that we treat residents fairly and with respect	80%	81%
Satisfaction with our approach to handling complaints	33%	34%
Satisfaction that we keep communal areas clean and well maintained	67%	69%
Satisfaction that we make a positive contribution to neighbourhoods	73%	80%
Satisfaction with our approach to handling anti-social behaviour	64%	68%

Four Courts

Delivering regeneration that meets local needs



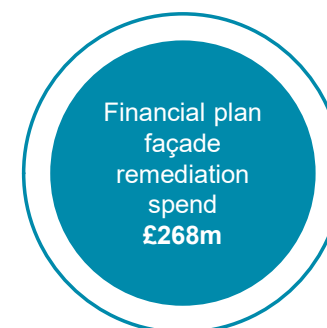
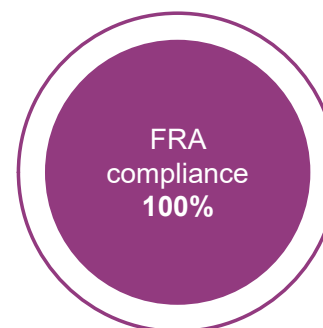
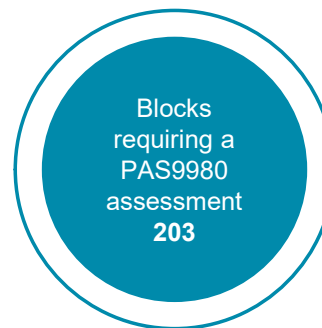
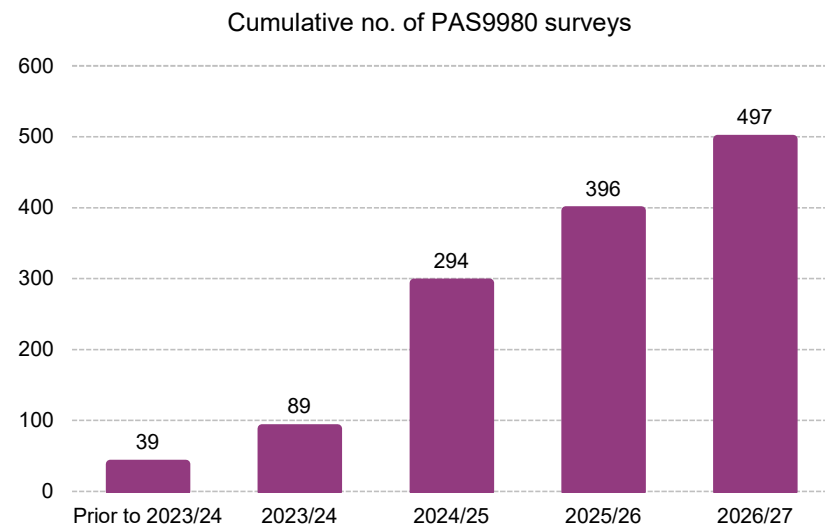
- ◉ We've 392 homes at the Four Courts an estate consisting of four 17-storey blocks, built in the 1960s
- ◉ These buildings now face significant challenges around fire safety and accessibility
- ◉ Instead of relying on short-term fixes, we're planning a 12-year programme to rehouse residents, demolish the blocks and replace them with at least the same number of homes
- ◉ All the new homes will be social housing, providing a mix of home types to meet local housing needs
- ◉ Residents will have a direct say through a steering group and regular engagement. We're working closely with local MPs, councillors and community stakeholders to ensure the process is clear, open and transparent
- ◉ Phase one of the construction of the new homes is expected to start at the end of the decade

3

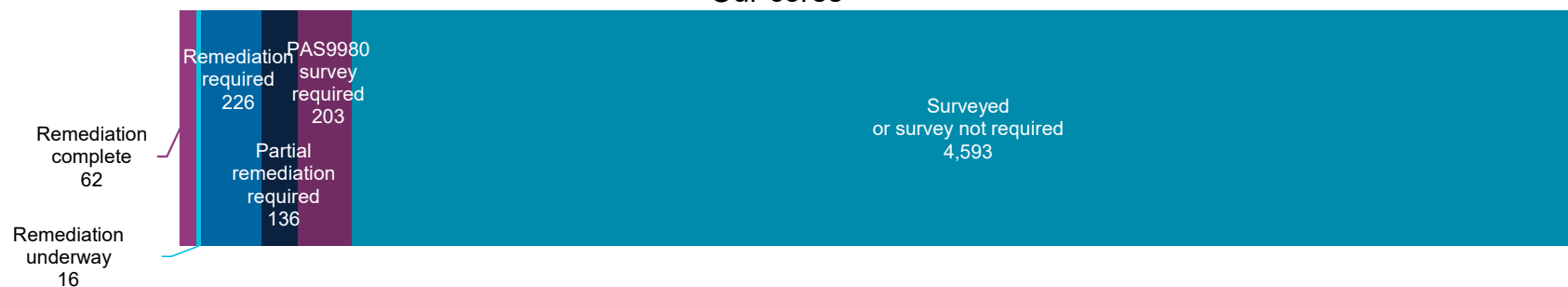
Asset Management

Building safety

A measured risk-based approach to remediation



Our cores

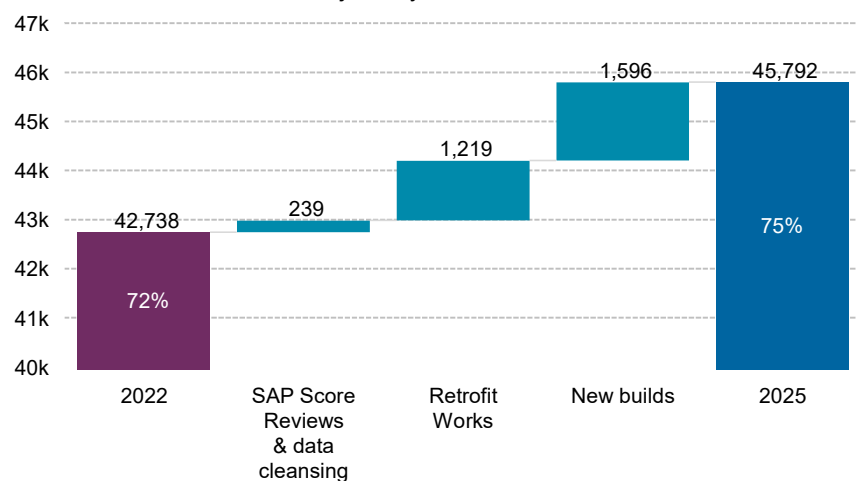


Decarbonisation & sustainability

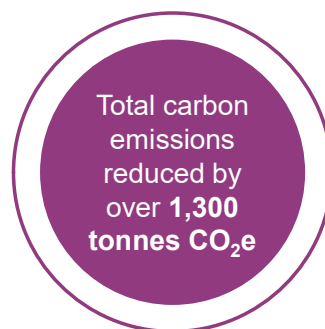
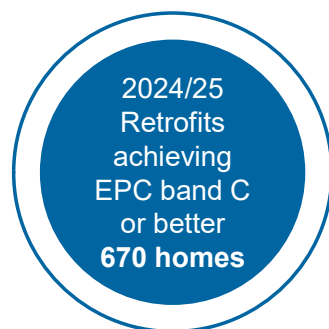
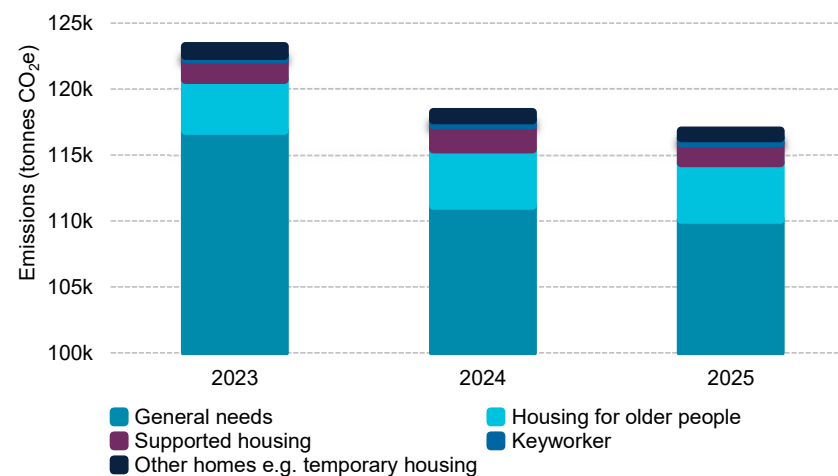
We're taking practical steps towards greener, more efficient homes



Our journey to 75% EPC C

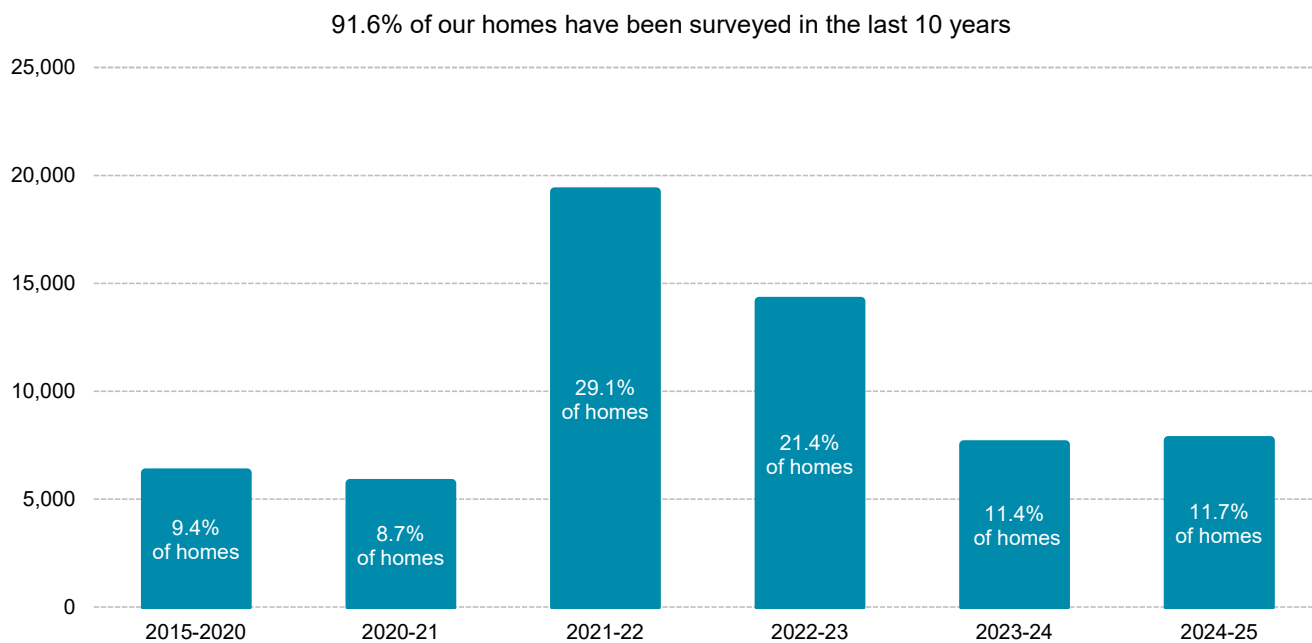


Estimated scope 3 carbon emissions of social homes



Stock condition surveys

Strong asset intelligence underpins investment decisions



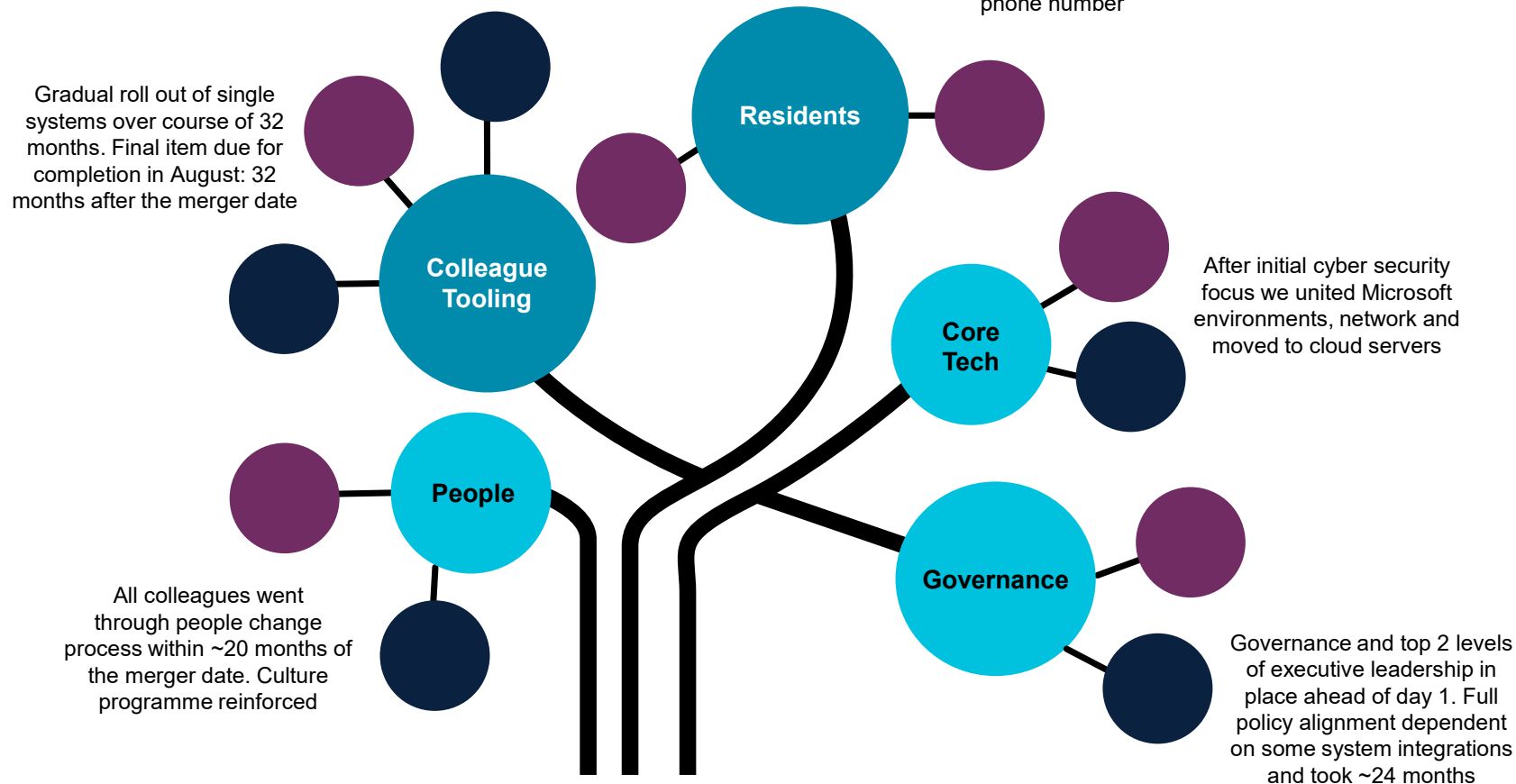


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Productivity

Integration

Completed in just 32 months at £6m



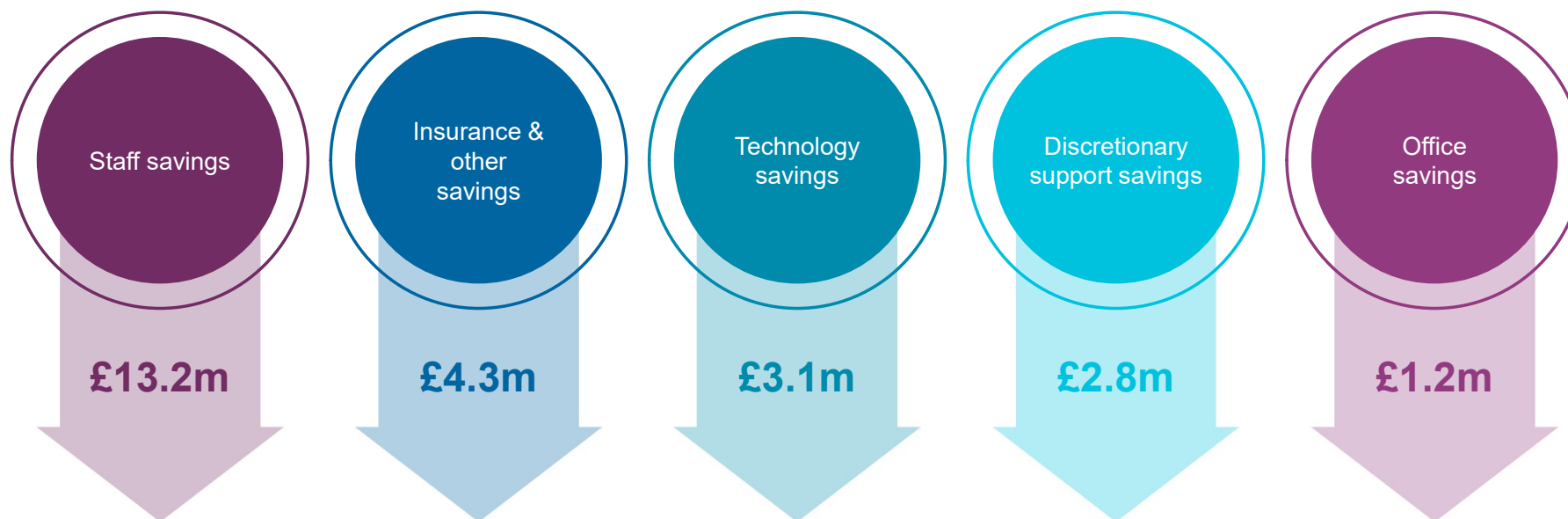
Transformation



Service Improvements	High	Local Links	Resident Comms	Repairs Service
	Medium	Third Party Blocks	Asset Systems	Service Charges
	Low	HR System	Data Core	Work Smarter
		Low £	Medium ££	High £££
		Efficiency		

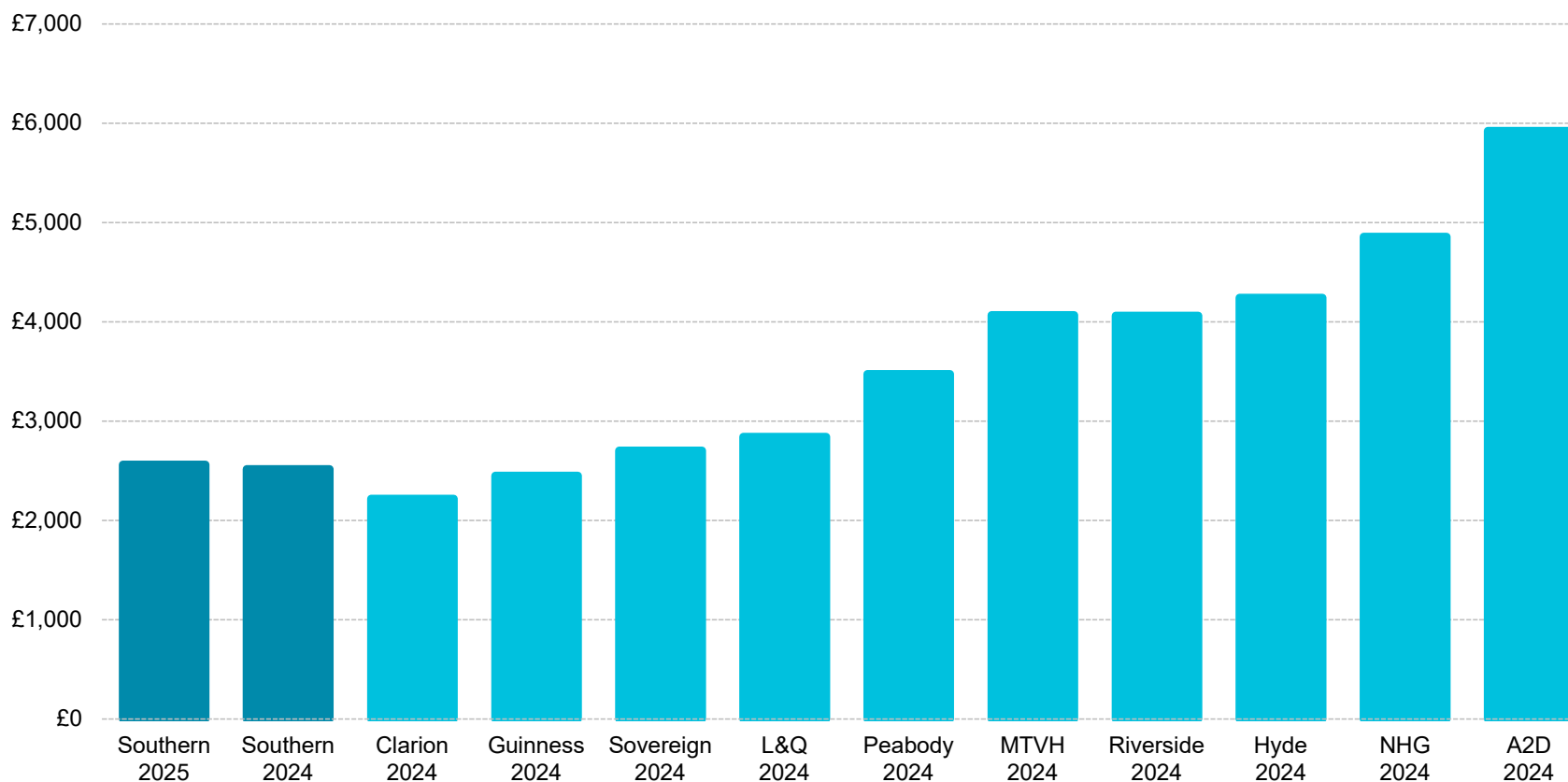
Efficiencies

Between 2023/24 and 2025/26 we've delivered £25m of efficiency savings



Cost per unit – management & other costs

Maintaining performance while controlling overheads

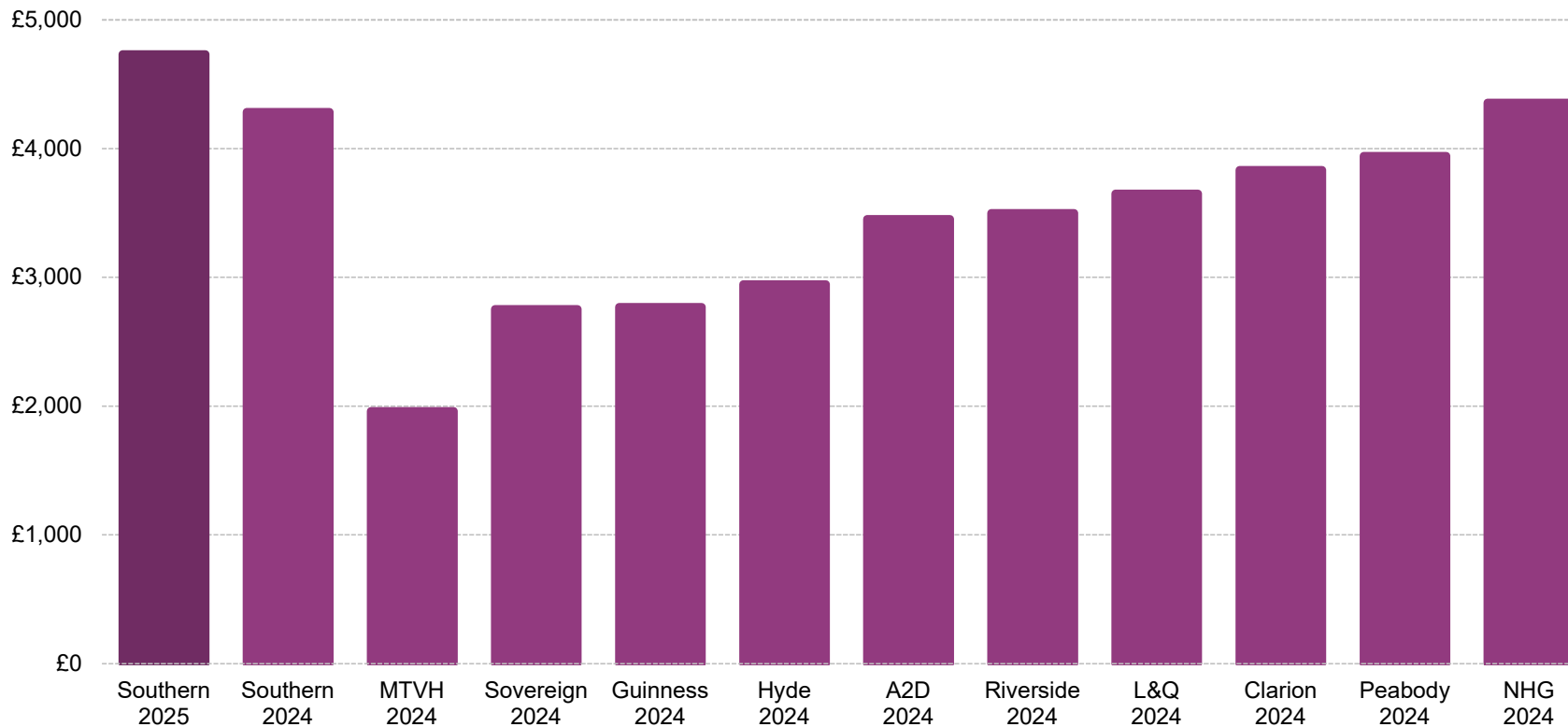


Cost per unit – property costs

We're committed to safe, sustainable homes for our residents



Property costs per unit





5

Financial Performance

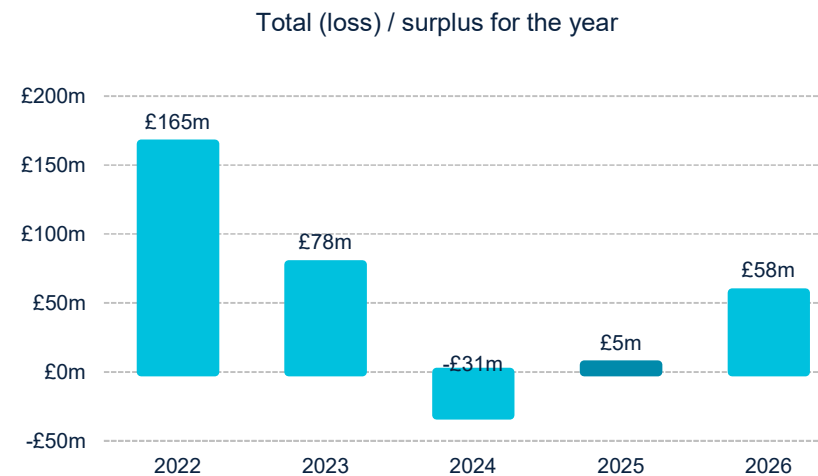
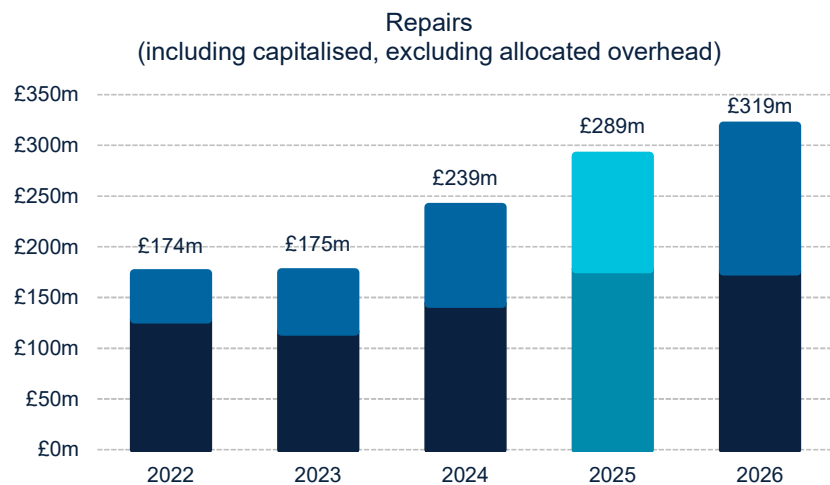
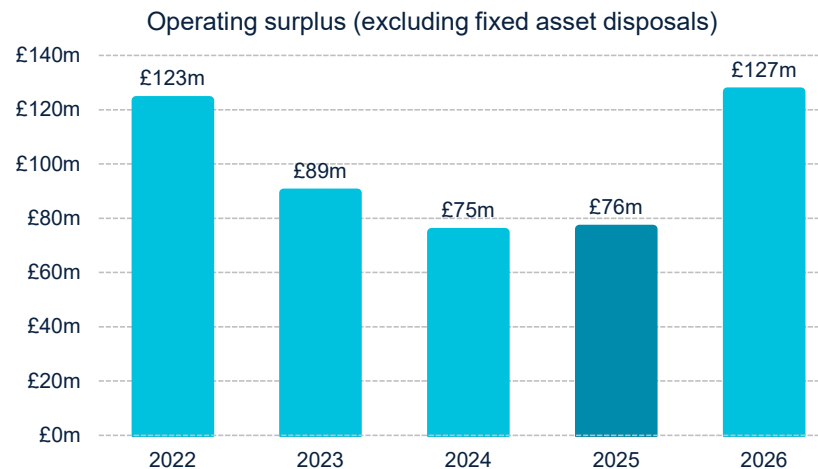
Income & expenditure



Results	*2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m
Turnover	592	642	609	674
Cost of sales	(87)	(105)	(48)	(61)
Operating costs	(382)	(421)	(483)	(532)
Impairment charge	-	(27)	(3)	(4)
Surplus on disposal of fixed assets & investments	42	47	33	46
Operating surplus	165	136	108	123
(Loss) / surplus on commercial sales	-	-	(2)	1
Net interest payable	(89)	(96)	(103)	(114)
Surplus before fair value movements	76	40	3	10
Fair value property & investment movements	9	5	(30)	(5)
Derivative movement	55	35	(1)	-
(Loss) / surplus for the year	140	80	(28)	5

*Combined Southern Housing comparatives

Income & expenditure



**Estimates and projections reflect various assumptions concerning anticipated results and have been included solely for illustrative purposes. No representations are made as to the accuracy of such statements, estimates or projections*

Balance sheet



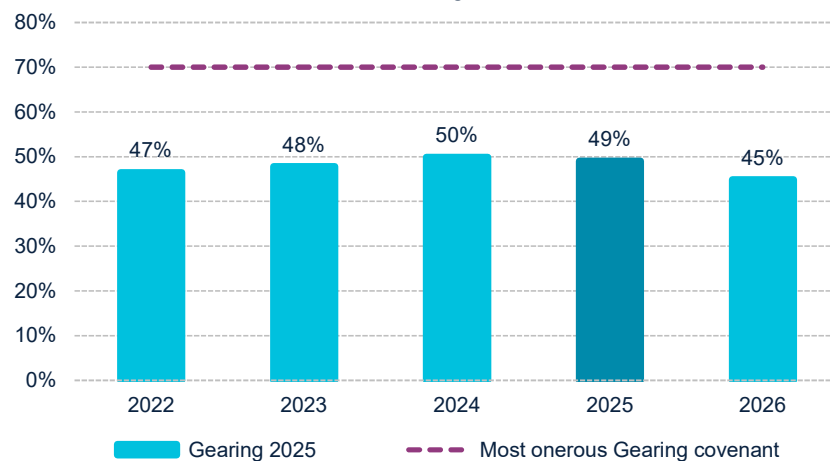
Results	**2021/22 £m	2022/23 £m	2023/24 £m	*2024/25 £m
Total fixed assets	5,945	6,218	6,433	6,595
Net current assets	191	105	54	105
Total assets less current liabilities	6,136	6,323	6,487	6,700
Long term liabilities & provisions	(4,505)	(4,614)	(4,811)	(5,019)
Net assets	1,631	1,709	1,676	1,681
Reserves	1,631	1,709	1,676	1,681

**Draft Financial Statements results as of 30 June 2025, subject to final approval*

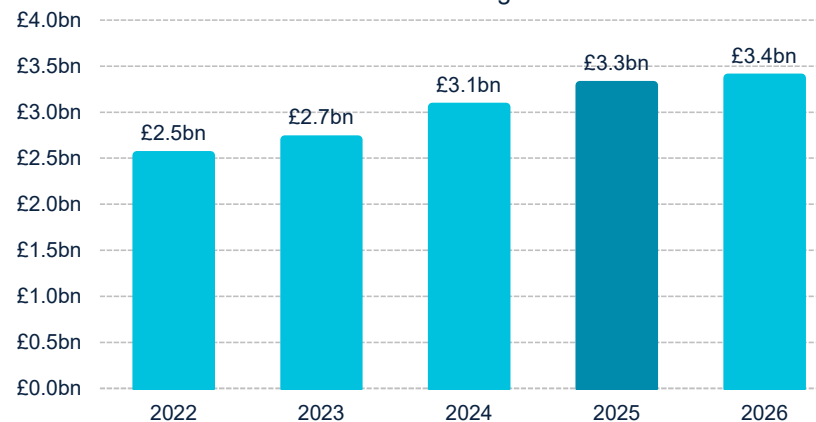
***Combined Southern Housing comparatives*

Balance sheet

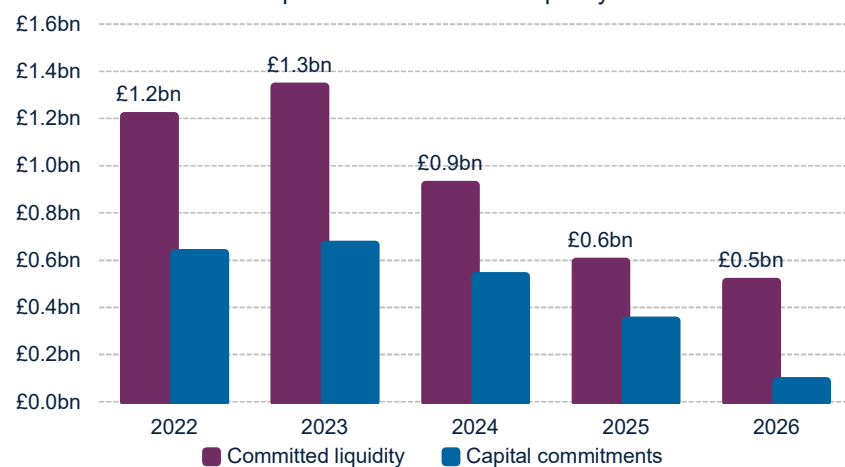
Lender Gearing covenant



Net borrowing



Capital commitments vs liquidity



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Cashflow



Results	**2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m
Surplus/(deficit) for the year	140	80	(28)	5
Adjustment for non-cash items	185	240	235	220
Net cash from operating activities	325	320	207	225
Net cash from investing activities	(374)	(377)	(346)	(306)
Net cash used in financing activities	115	15	102	71
Cash and cash equivalents at start of year	122	188	146	109
Cash and cash equivalents at end of year	188	146	109	100

***Combined Southern Housing comparatives*

Golden rules

Core underlying business remains very strong with a significant focus on resident safety

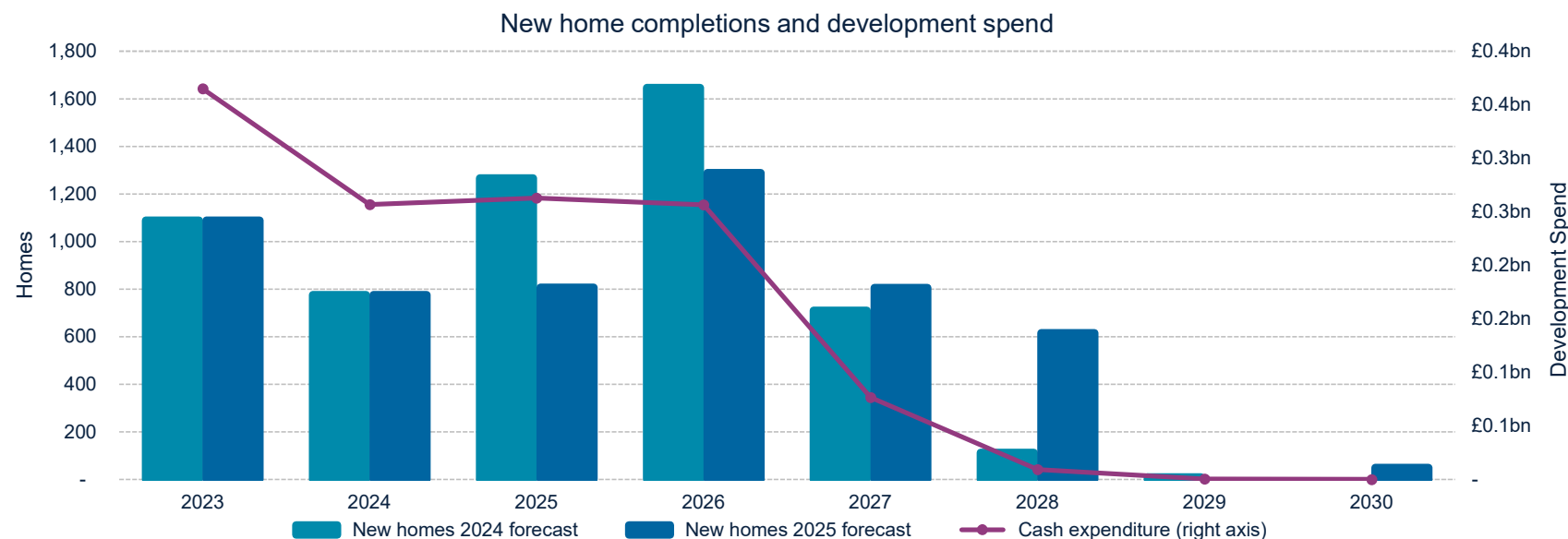


Rule	Cash interest cover	Interest cover	Asset Cover	Gearing	Market Sales	Liquidity
Concept	Our low-risk rented social housing can comfortably cover all interest cost obligations.		Sufficient uncharged assets in case of down valuations, and that total liquidity is within gearing limits.		Limiting our financial exposure to the housing market.	Sufficient cash and undrawn bank facilities to buy us time and give us options.
Basis	EBITDA-MRI Excl. Sales Cash Interest Cover, measured by Operating Surplus / Net Cash Interest Costs.	EBITDA only Interest Cover, measured by Operating Surplus / Net Interest.	Total property security available as a percentage of total debt facilities.	Gearing (Net Debt / Historic Cost of Assets) after liquidity need is taken into account.	Income from trading sales (shared ownership or open market sale) to be no more than 30% turnover.	18-month look-forward policy for liquidity, assuming no sales and including funding to cover debt amortisation.
Threshold	> 100%	> 150%	> 170%	< 65%	< 30%	> £0
2024/25	27%	194%	260%	56%	9%	£221m
Target met	✗	✓	✓	✓	✓	✓

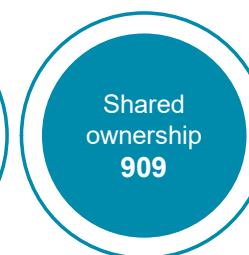
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**Development, Sales &
Asset Disposals**

Building out our existing development programme

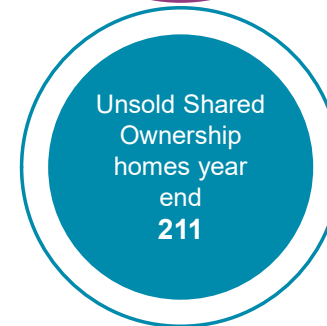
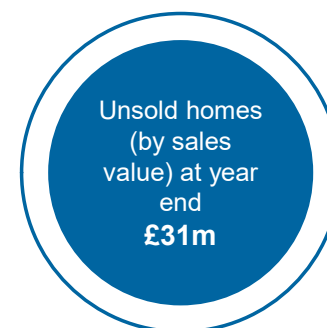
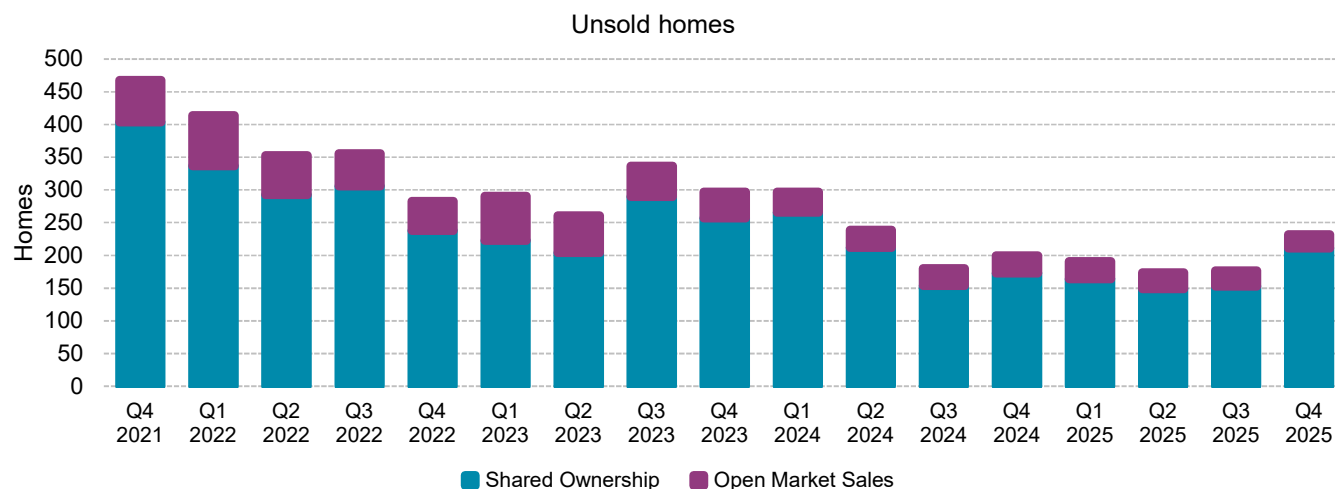
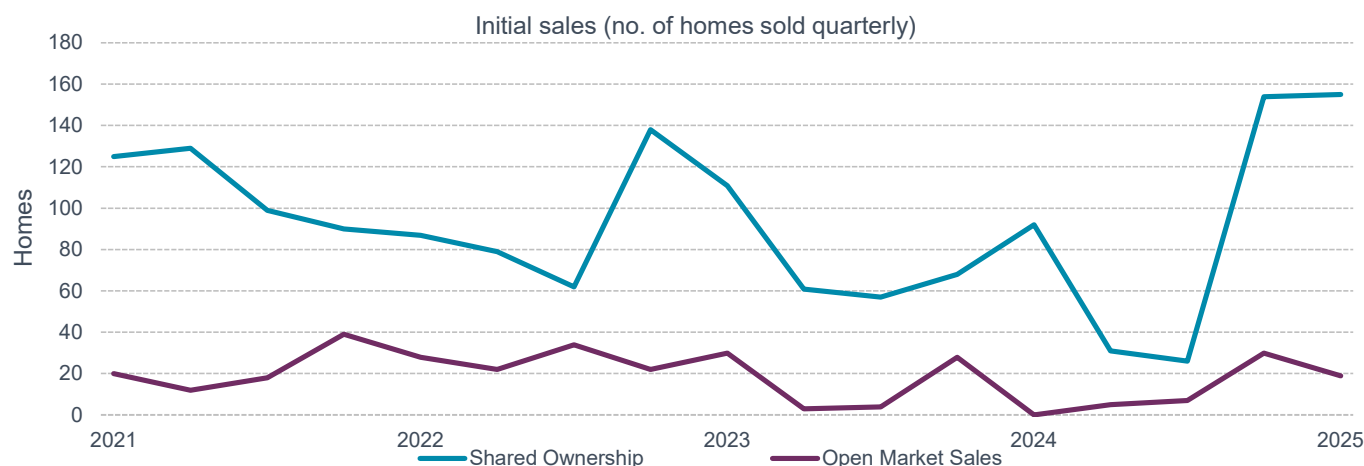


Programme Tenures



Estimates and projections reflect various assumptions concerning anticipated results and have been included solely for illustrative purposes. No representations are made as to the accuracy of such statements, estimates or projections

Strong sales performance in Q4 2024/25



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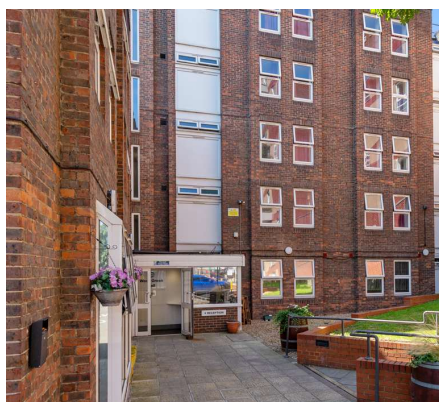
Disposing of non-core assets with low delivery risk



Student accommodation

543 bedspaces across 3 halls.
We forecast c.£80m of receipts during 2025/26.

We've accepted an offer on Wood Green (169 bedspaces) (subject to contract)



Market rented portfolio

To optimise sales values, we're selling individually with vacant possession with the last sales completing January 2028. In our financial plan we've assumed c.£120m in disposals



Croydon office disposal

A 10-storey block anticipated to bring in c.£4.5m in 2025/26



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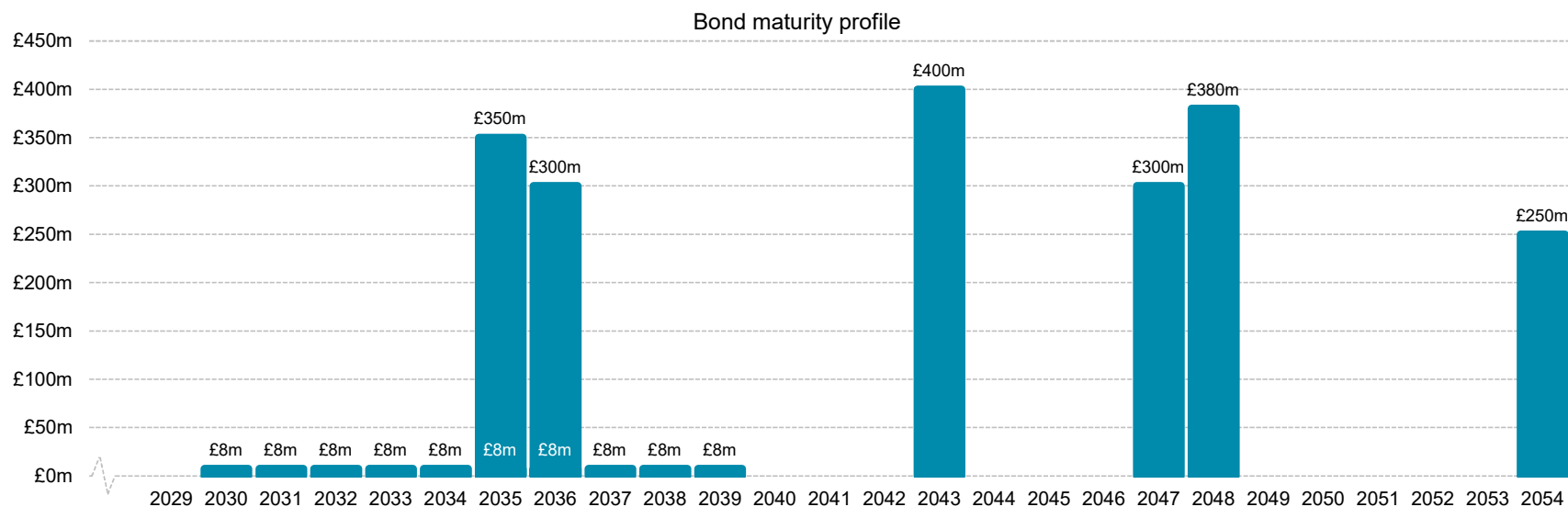


7

Funding

Major issuer of own-name GBP bonds

We have £2,055m of own-name bonds, comprising 61% of our debt



Well structured debt portfolio



Months until we need to raise new finance

56 months

Percentage of net debt on a fixed basis

91%

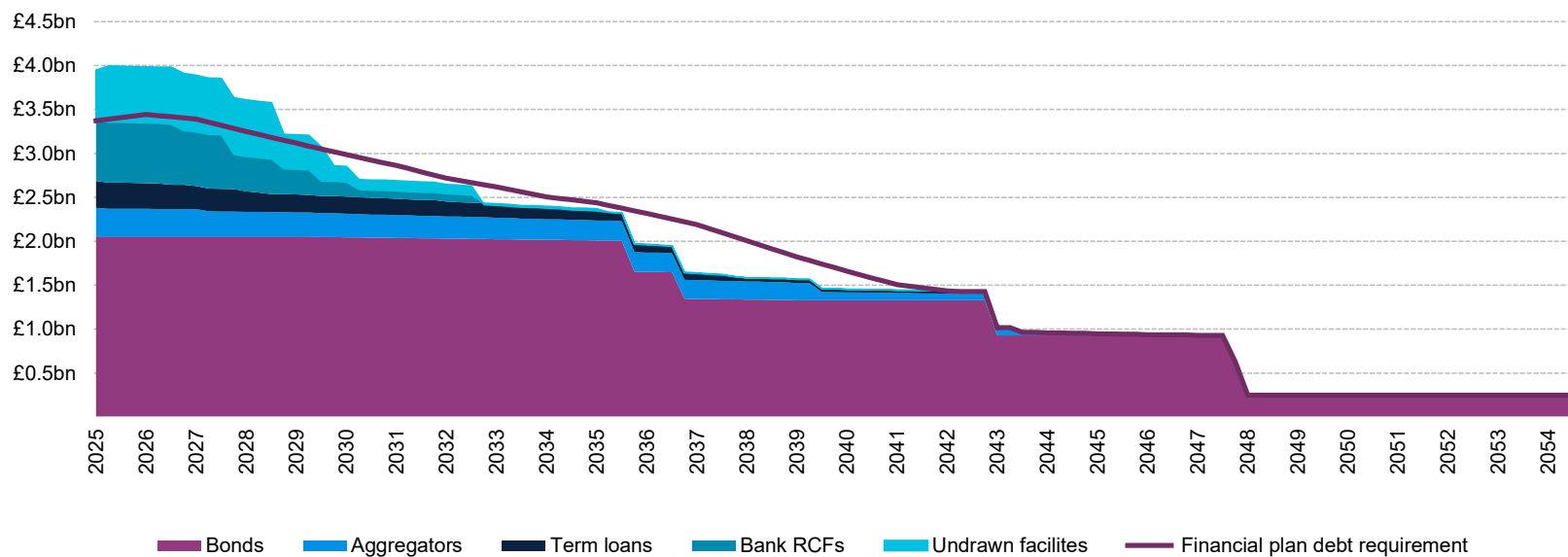
Undrawn facilities

£592m

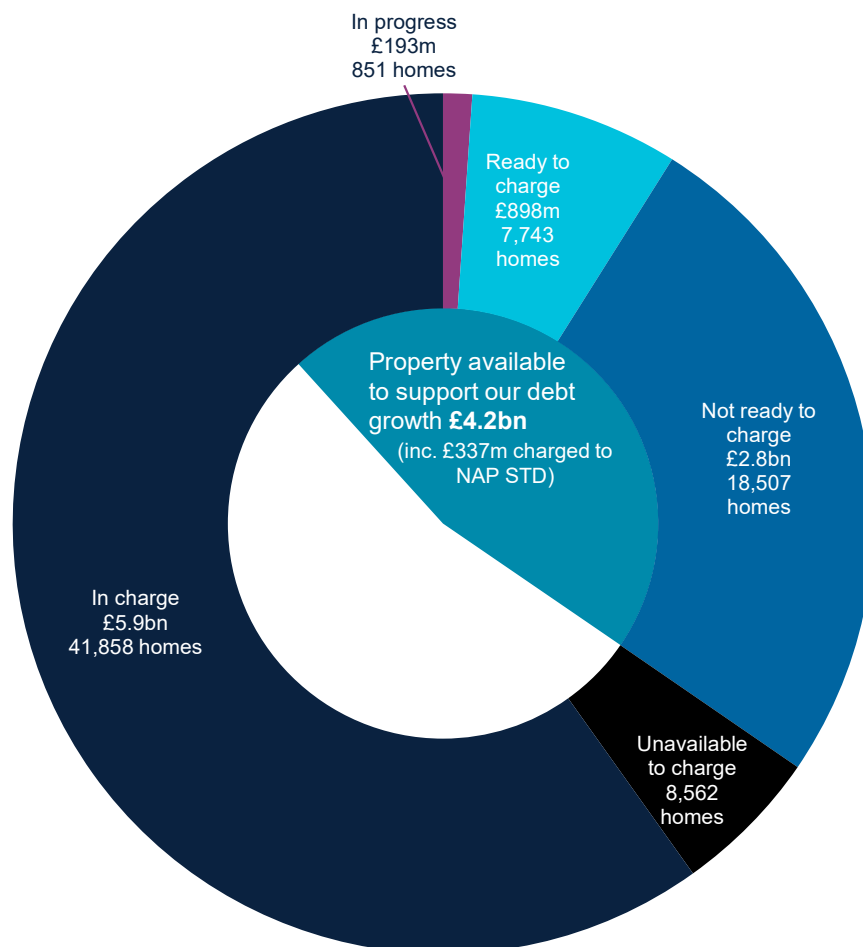
Weighted Average Cost of Debt

4.21%

Drawn debt maturity profile



Significant unencumbered assets



- **In charge** - includes £337m charged to NAP STD (Numerical Apportionment Security Trust Deed) under the EMTN Programme available to support an issuance
- **In progress** – We are in the process of preparing the packs for lawyers
- **Ready to charge** – Units where we have done due diligence and gathered all the documents for the lawyers
- **Not ready to charge** – We have yet to turn our attention to these assets
- **Unavailable to charge** – For legal reasons such as a registration, boundary or s106 needing to be varied, some properties are temporarily unchargeable. Some properties are permanently unchargeable, for example due to legal restrictions preventing charging or where we manage and don't own the assets



8

Concluding Remarks

Summary

A stable, efficient and well-governed organisation



Recovered our G1 governance rating

We've maintained strong financial control over our core business

More focused and simpler – disposing of offices, student accommodation, and market rent

We prioritised resident satisfaction and have seen improvement in our transactional survey results

Addressing the challenges of building safety, decarbonisation, and stock condition

Strong balance sheet & significant liquidity cover in place