



Regulator of
Social Housing

Value for money metrics and reporting - annex to the Global Accounts 2023



Version 1.0 – February 2024

Executive summary

The financial year to March 2023 posed significant challenges for registered providers as a result of the energy crisis, 40-year high inflation and rapidly rising interest rates, while ensuring tenants' continued safety and that homes are sustainable for the future.

These factors have placed significant pressure on many organisations' financial plans. As boards look to the future, they have made difficult decisions regarding their strategic priorities including their approaches to capital investment and treasury strategies – reviewing what areas of the business to invest in now and which ones can be delayed into the future. Collectively this has had a significant impact on the sector's value for money performance.

Sector level performance – key headlines

The analysis in this report reflects the importance that providers place on maintaining and developing good quality homes and service delivery.

At a sector level, the total reinvestment into new and existing homes in the year increased by 16% to £12.5bn and in aggregate delivered 48,791 social homes and 8,280 non-social homes.

The average headline social housing cost (HSHC)* increased by 14% to £4,586 per unit, predominately driven by the increased expense of materials and costs related to fire and safety and sustainability works.

The upward pressure on the sector's headline costs, combined with the higher costs of borrowing affected the median EBITDA MRI Interest Cover* – our measure of interest cover that includes all major repairs spend; It has shown a marked decline and fell to its lowest level of 128% since emerging from the financial recession in 2010.

Nevertheless, the sector's dependence on debt finance as measured by gearing, has remained relatively stable – the average gearing increased by 1.2 percentage points to 45% in the year.

While it is for boards to decide how they run their businesses and assure themselves in the delivery of their outcomes, we will continue to seek assurance that providers make the best use of their resources and have clear plans in place to make on-going improvements.

Our approach to VFM regulation is made clear in [Regulating the Standards](#).

*See Glossary of terms for the measurement

Introduction

The purpose of the report

The [Value for Money Standard](#) expects providers to annually report on their performance against a suite of measures* defined by the regulator. These measures are set out in the [VFM Technical Note](#). The requirements of the Standard are amplified in the [Value for Money Code of Practice](#). We publish this information annually in order that boards and other stakeholders can assess and challenge performance on these metrics and see how individual providers compare to their peers. Given the dynamics of the changing operating environment, boards must be more accountable and transparent than ever to stakeholders who increasingly want to understand the value created with the assets and resources available to them.

This document summarises the VFM metrics data for the period ended 31 March 2023 for the sector as a whole and segments of the sector according to some of its key characteristics such as supported housing or housing for older people as well as geographical location.

Feedback on the quality of VFM reporting in the Accounts

Reporting on VFM should have wider benefits than regulatory compliance. The purpose of this section is to address important issues on VFM reporting that the regulator has identified to inform boards and support stakeholder confidence. To help gain a view of the quality of VFM reporting and insights into the strategic choices that providers are undertaking, we review a sample of published accounts on an annual basis. This supplementary report can be found [on the RSH website](#).

VFM benchmarking Tool

To supplement sector level analysis the regulator publishes individual providers VFM metrics to help organisations benchmark their performance more easily – [a key change](#) to the benchmarking tool this year gives providers more latitude to refine their own peer groups according to providers' own knowledge of other organisations. The VFM benchmarking tool can be found [on the RSH website](#).

Notes

Comparability of results between the VFM metrics and reporting publication and the Global Accounts

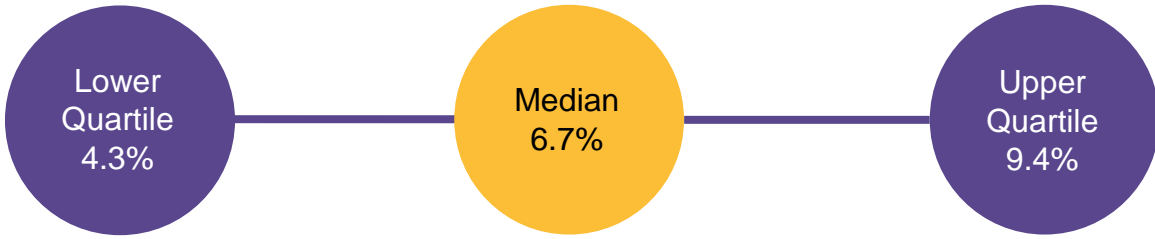
The main source for information relating to the Global Accounts (GA) and the VFM metrics and reporting publication is the FVA (Financial Viability Assessment) 2023 database. Care must be taken when considering the performance results between publications as they are not directly comparable.

Reasons for the differences include methodology employed on key measures and averages quoted. It is also important to note that For-profit registered providers are excluded from the VFM analysis.

The key reporting difference between publications and a reconciliation between results are shown in the table below.

Metric / measure	VFM	GA	Key reporting differences
New supply (social) No. of units	48,791	53,000	VFM analysis excludes For-profit PRPs. GA result excludes new social leasehold units. GA rounding difference.
New supply (non-social) No. of units	8,280	2,000	VFM analysis excludes For-profit PRPs. GA result excludes new outright sale units, and new leasehold units. GA rounding difference.
Gearing	45%	51%	VFM analysis excludes For-profit PRPs. The VFM metric is net of debt i.e. it subtracts cash. GA measure is total debt and includes cash. VFM quotes median value. GA quotes sector aggregate.
EBITDA MRI Interest Cover	128%	103% (weighted average) 124% (median)	VFM analysis excludes For-profit PRPs. VFM analysis quotes quartile values but focuses on the median value. GA quotes median and weighted average values.

Reinvestment



Reinvestment breakdown (weighted average)



Housing properties at cost or valuation £bn

Key headlines

Reinvestment in new and existing homes ranged from 4.3% of the value of the existing homes for the lowest quartile to 9.4% for the highest quartile.

Much of the variation will stem from providers’ characteristics as well as business decisions taken by boards around their asset management strategies.

The nominal amount reinvested into existing homes increased by 29% to £2.8bn compared to 2022, while reinvestment into ‘development and other’ activity increased at a lower rate of 12% to £9.7bn in the year. This reflects providers’ continued priority of meeting home decency and sustainability targets.

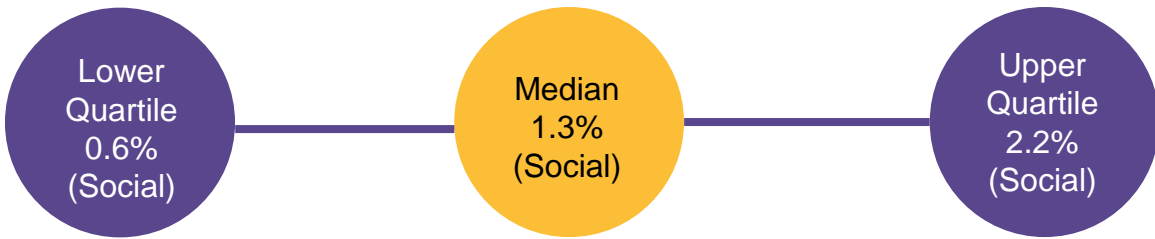
The weighted average reinvestment into existing homes as a proportion of total asset values increased by 0.3 percentage points compared to the previous year. There was a similar pattern of reinvestment into ‘development and other’ activity which increased by 0.4 percentage points.

Overall, housing valuations* increased by 5% compared to the previous year.

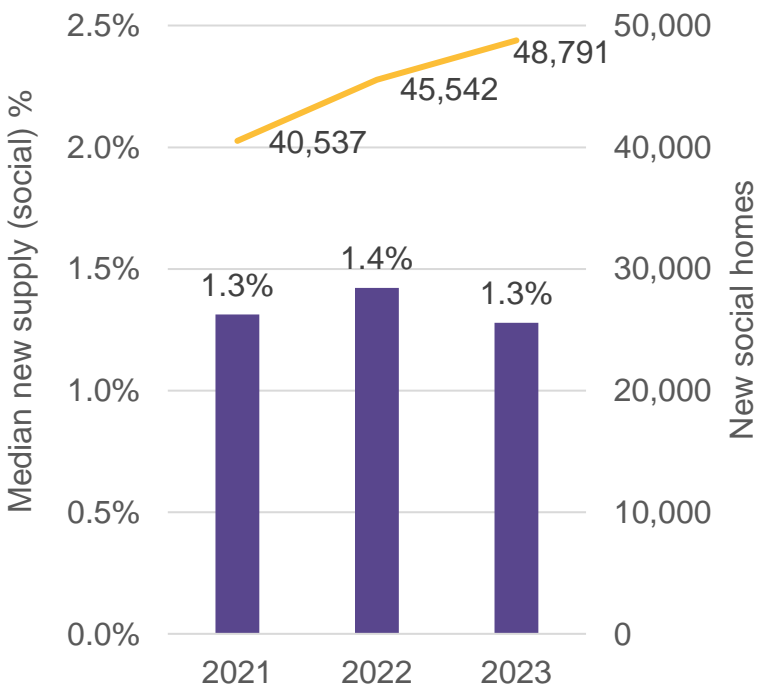
Additional analysis on reinvestment per unit expenditure is set out in the Regional section of this report.

* Refers to average fixed asset valuation and not market valuation

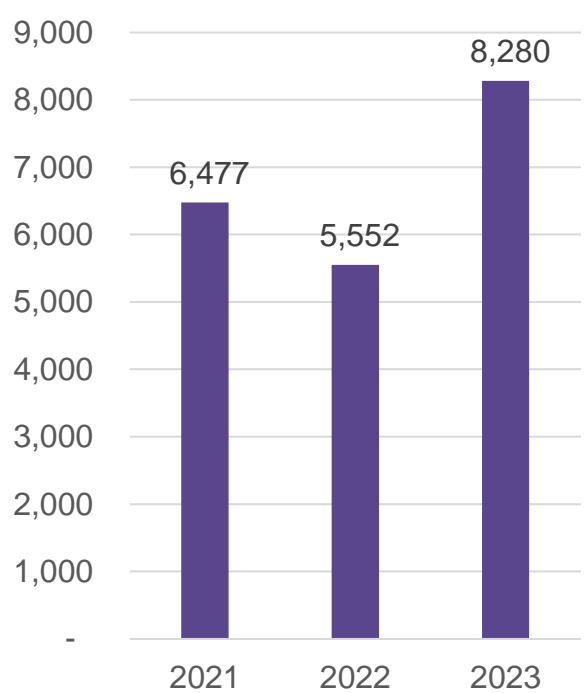
New supply



New supply (social)



New supply (non-social)



Key headlines

The number of new social homes delivered increased by 7% to 48,791 compared to the previous year's outturn of 45,542 homes.

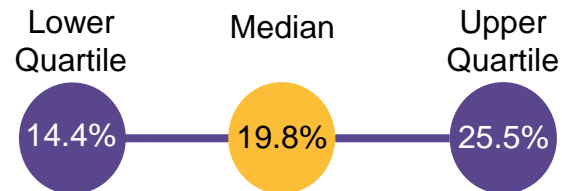
While the median new supply (social) as a proportion of existing social units owned fell slightly to 1.3%, it has remained relatively stable over the past three years.

The weighted average new supply (non-social) as a proportion of total existing units increased from 0.18% to 0.27% in the year. This was driven by a small number of providers and is likely due to the delayed delivery of new homes post the Covid-19 pandemic.

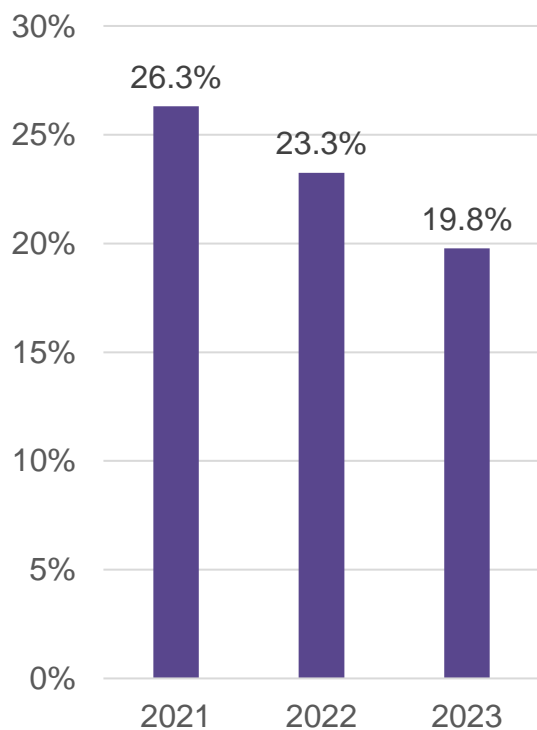
Some providers have revised their short-term development plans due to changes in economic conditions, as identified in section five of the Global Accounts.

Operating margins from social housing lettings (SHL) and Overall

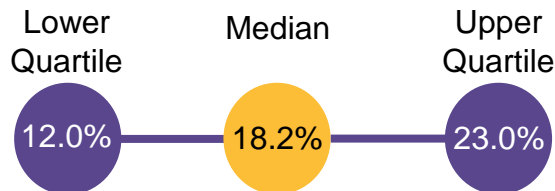
Operating margin (SHL) %



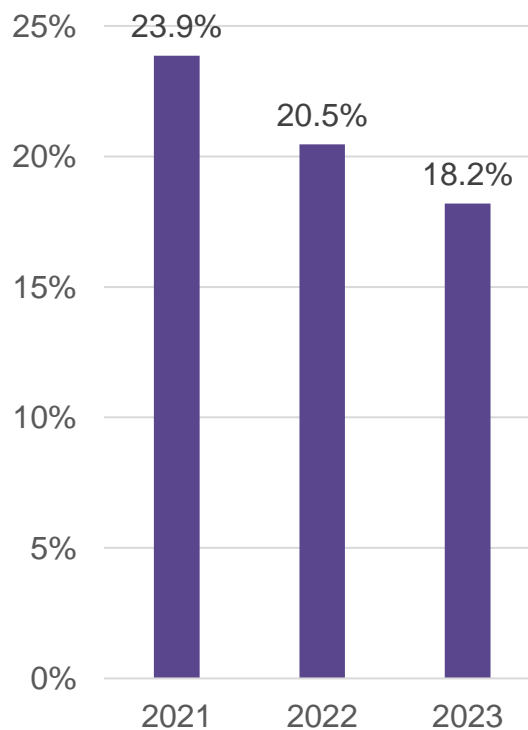
Median Operating margin (SHL)



Operating margin (Overall) %



Median Operating margin (Overall)



Key headlines

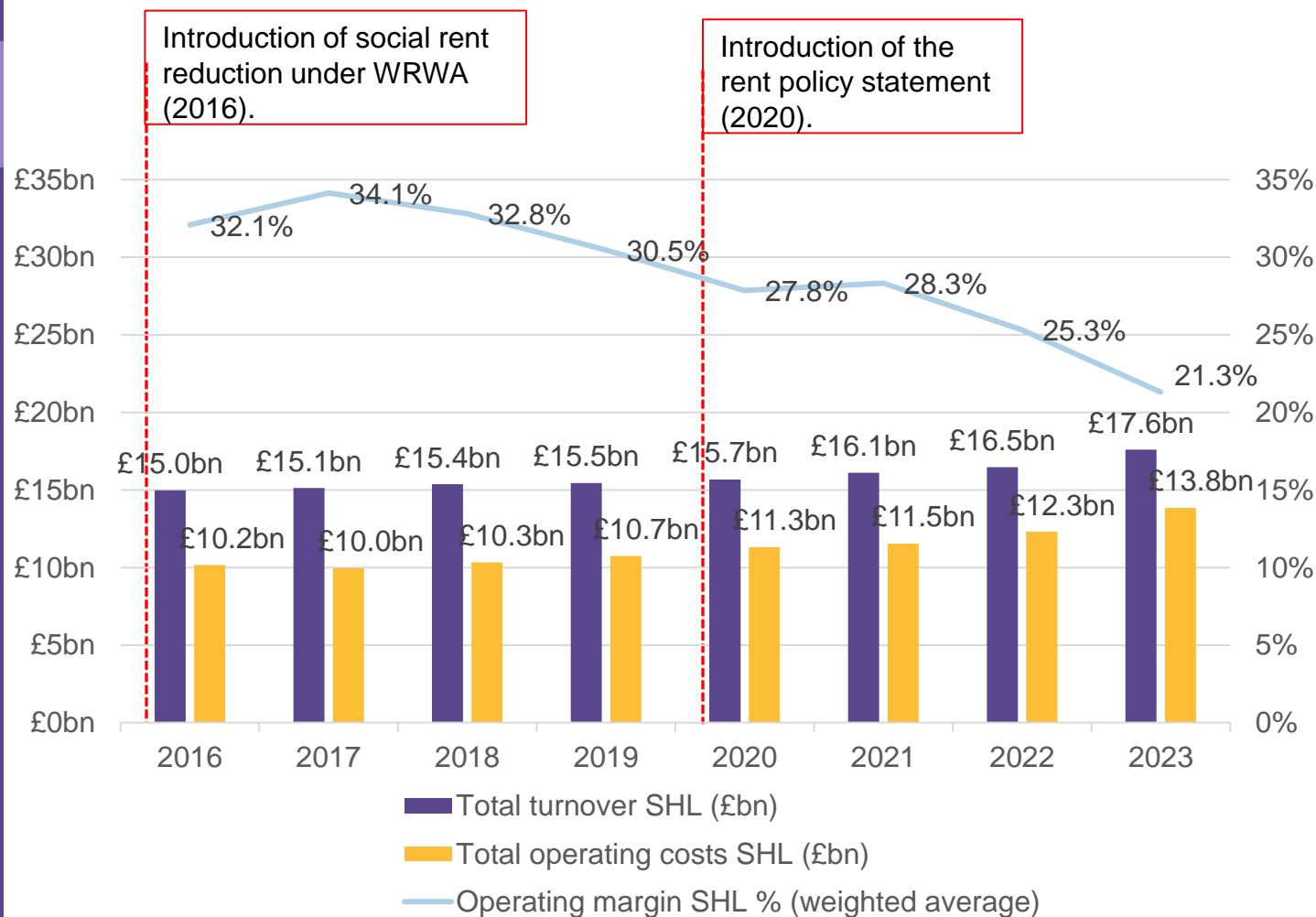
The operating margin is an indication of profitability of operating assets before exceptional expenses.

The variation in performance between quartiles can be largely explained by measurable factors set out within the sub-sector section.

The median operating margin (SHL) fell by 3.5 percentage points to 19.8% while the operating margin (Overall) which includes all business activities at a group level, also fell by 2.3 percentage points to 18.2% in the year to March 2023. This primarily reflects rising costs and lower than expected returns from some non-social housing activities which affects the operating margin overall.

Social housing lettings (SHL)% - overview

SHL turnover, operating cost, and operating margin trend to 2023



Key headlines

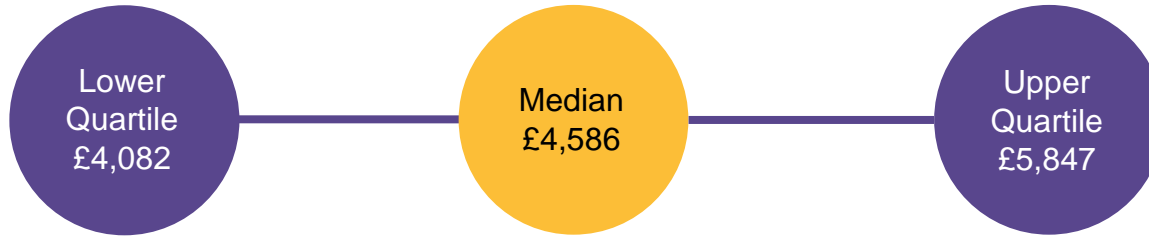
Social housing lettings remains a core activity for most private registered providers. Around 73% of total sector turnover is generated through SHL activity.

Turnover derived from SHL increased by £1.1bn (7%) to £17.6bn compared to previous years. However, the net impact of operating costs, which increased by 12% to £13.8bn had a significant bearing on the sectors' SHL operating margin.

The operating margin from SHL activity (weighted average), fell by 4 percentage points to 21.3% in the year.

Note: Operating cost SHL = SHL Turnover – Surplus on SHL

Headline social housing cost per unit* - overview



Key headlines

The median headline cost per unit increased by 14% to £4,586 in the year. The increase reflects high inflation which rose to 10.1% in the period to March 2023 as well as supply chain pressures.

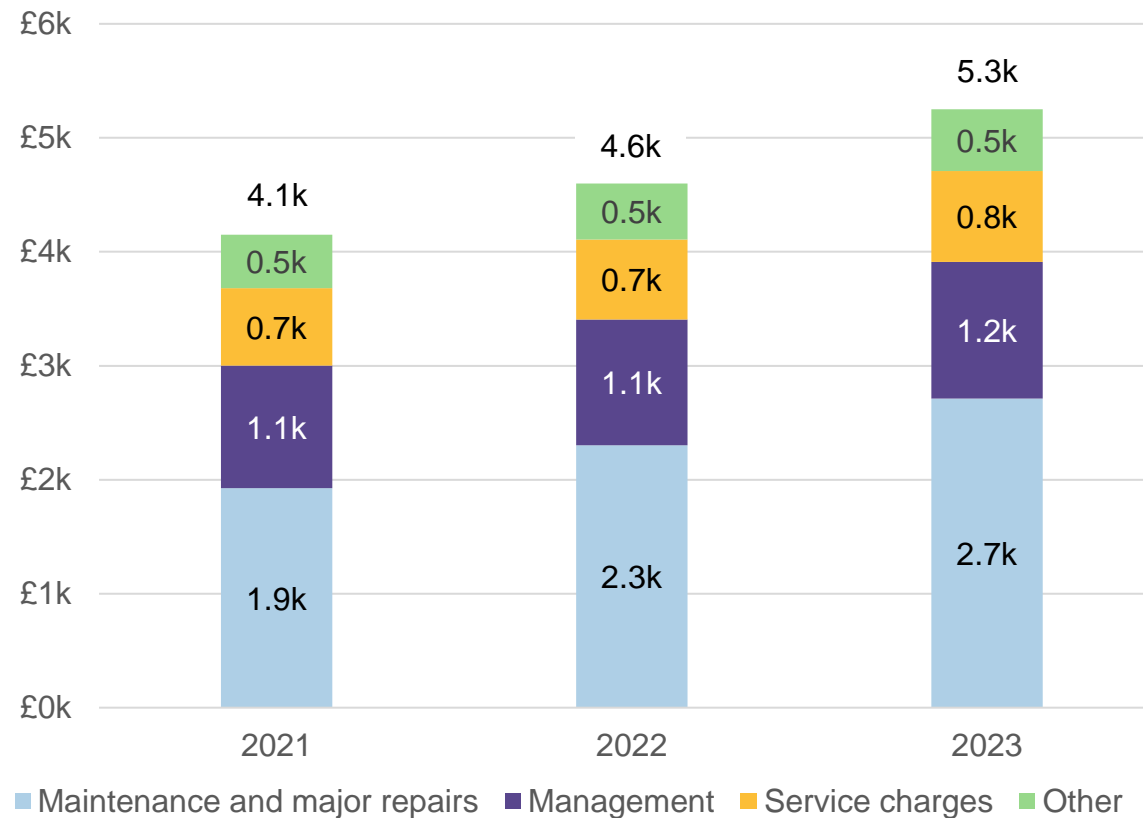
The weighted average increase in maintenance and major repairs was 18% in the year. Since 2021, more than 70% of the increase in HSHC relates to maintenance and major repairs. This demonstrates the sector's continued focus on the quality and safety of homes.

There was also a marked increase in service costs of 13% to £800 per unit - now at their highest level and likely affected by increased energy costs. The overall increase since 2021 was just over 17%.

Management costs per unit increased by 9% to £1,201 per unit as efforts continue to back-fill vacant posts or posts filled by temporary staff.

The weighted average headline cost per unit of £5,300 is higher than the median due to a small number of specialist providers with very high costs.

Headline social housing cost per unit (weighted average) by expenditure component



* A proxy cash measure of a social housing unit cost defined by the Regulator.

Gearing and EBITDA MRI Interest Cover

Key headlines

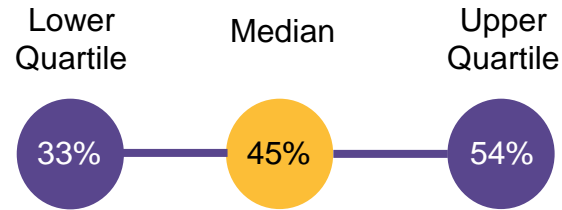
The VFM gearing metric, which is measured net of cash, indicates the degree of dependence on debt finance.

The median rate of gearing has remained relatively stable over the past three years and increased slightly to 45% in the year to March 2023. There continues to be a large variance across quartiles, broadly reflecting providers' risk appetite. Providers in the lower quartile include organisations who provide specialist services – they are likely to have lower operating margin and are unlikely to have capacity to service new debt.

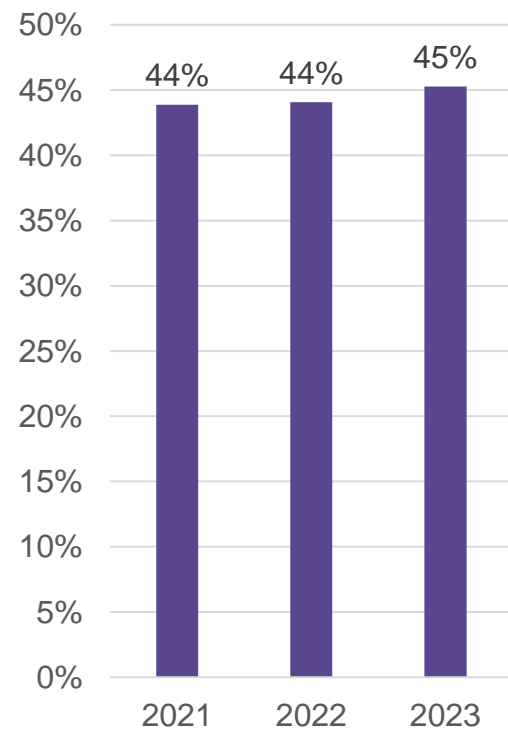
The EBITDA MRI metric is a key indicator of the sector's ability to cover ongoing finance costs from its operating activities.

The median EBITDA MRI Interest Cover deteriorated by 54 percentage points to 128% compared to 2021 - its lowest level since emerging from the financial recession in 2010. This reflects the general economic and political backdrop seen over the past couple of years.

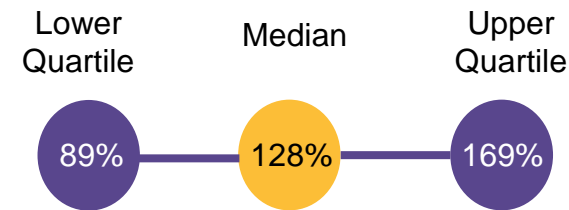
Gearing %



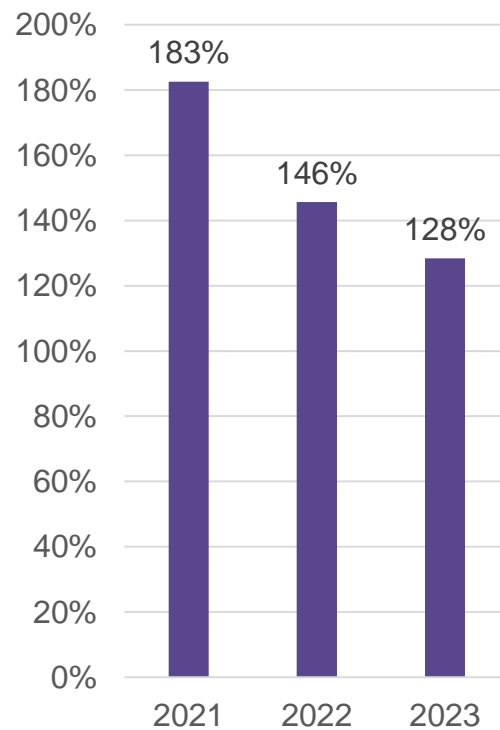
Gearing (median) %



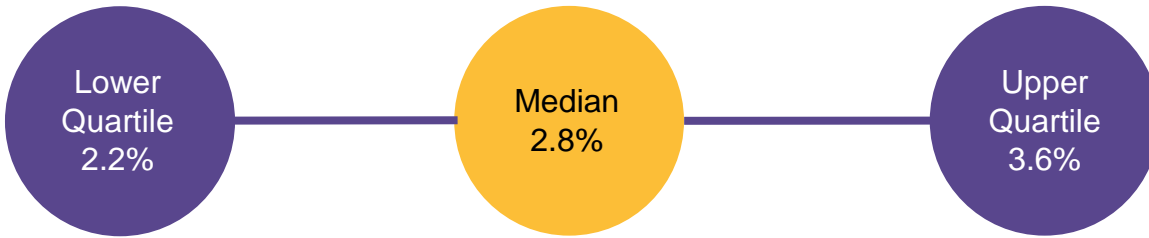
EBITDA MRI Interest Cover %



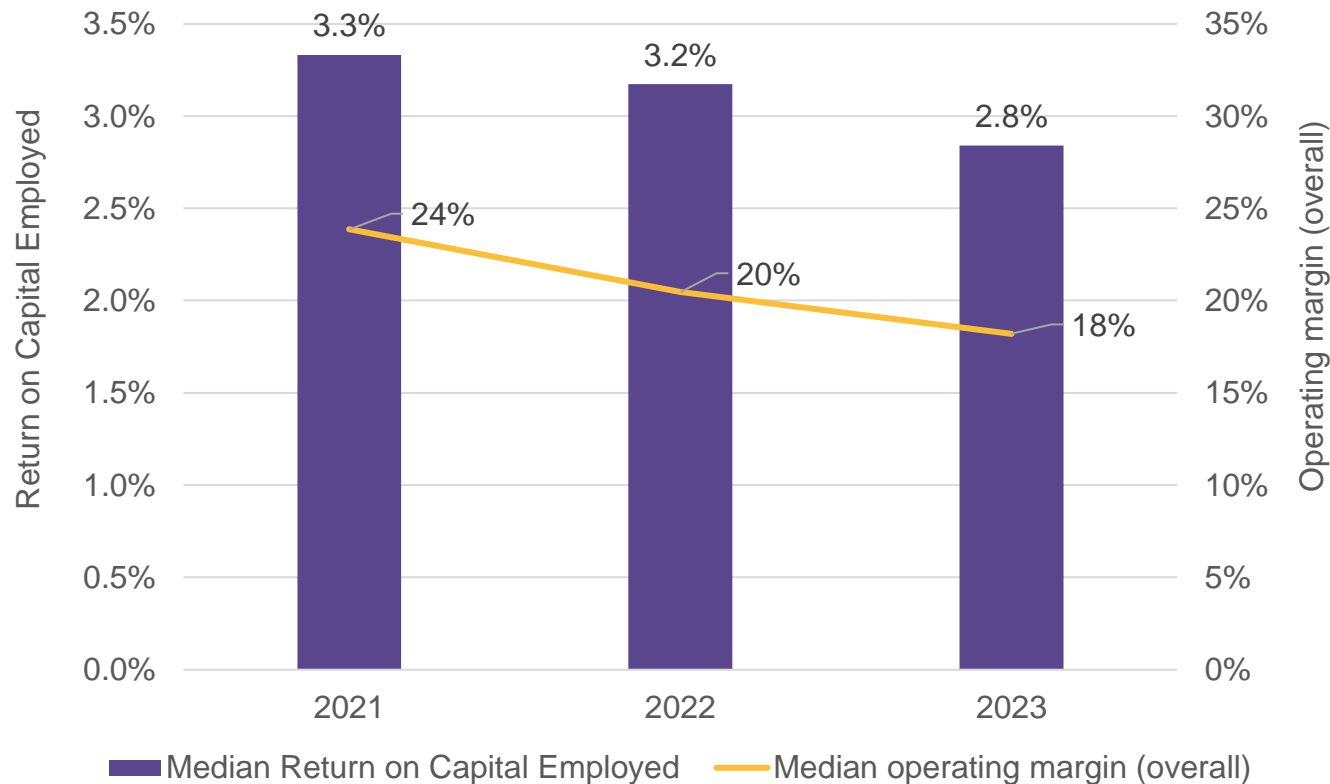
EBITDA MRI Interest Cover % (median)



Return on Capital Employed



Return on Capital Employed % (median)



Key headlines

The return on capital employed (ROCE) measures the amount of pre-tax surplus an organisation can generate from the capital employed in its business. It is a measure of efficient investment of capital.

ROCE fell by 0.3 percentage points to 2.8% in the year.

While the return from joint venture activity increased by 10%, the downturn in ROCE is attributed to the overall decline in operating surplus (including fixed asset disposals) of 7% combined with an increase in net assets (the denominator of the ROCE metric) of 3%.

Sub-sector analysis

Overview

In 2017, we published analysis to explain the relationship between each of the seven VFM metrics and the identifiable explanations for the variation across the sector. The analysis found four cost factors that had the greatest ability to explain variations in performance across the sector and were associated with higher costs. They include Large Scale Voluntary Transfer (LSVT) organisations, providers based in London, supported housing or housing for older people providers.

The analysis in this section provides some helpful insights into the differences in VFM metrics between types of providers driven by the cost factors outlined above and size of provider. The influence of size on reported performance is complex. Certain size bands exhibit significant deviations from sector averages, which can partly be attributed to the varying prevalence of providers with specific characteristics.

The impact of cost and size factors on New Supply (Social), Reinvestment and HSHC are considered in this section.

Cost factors explained

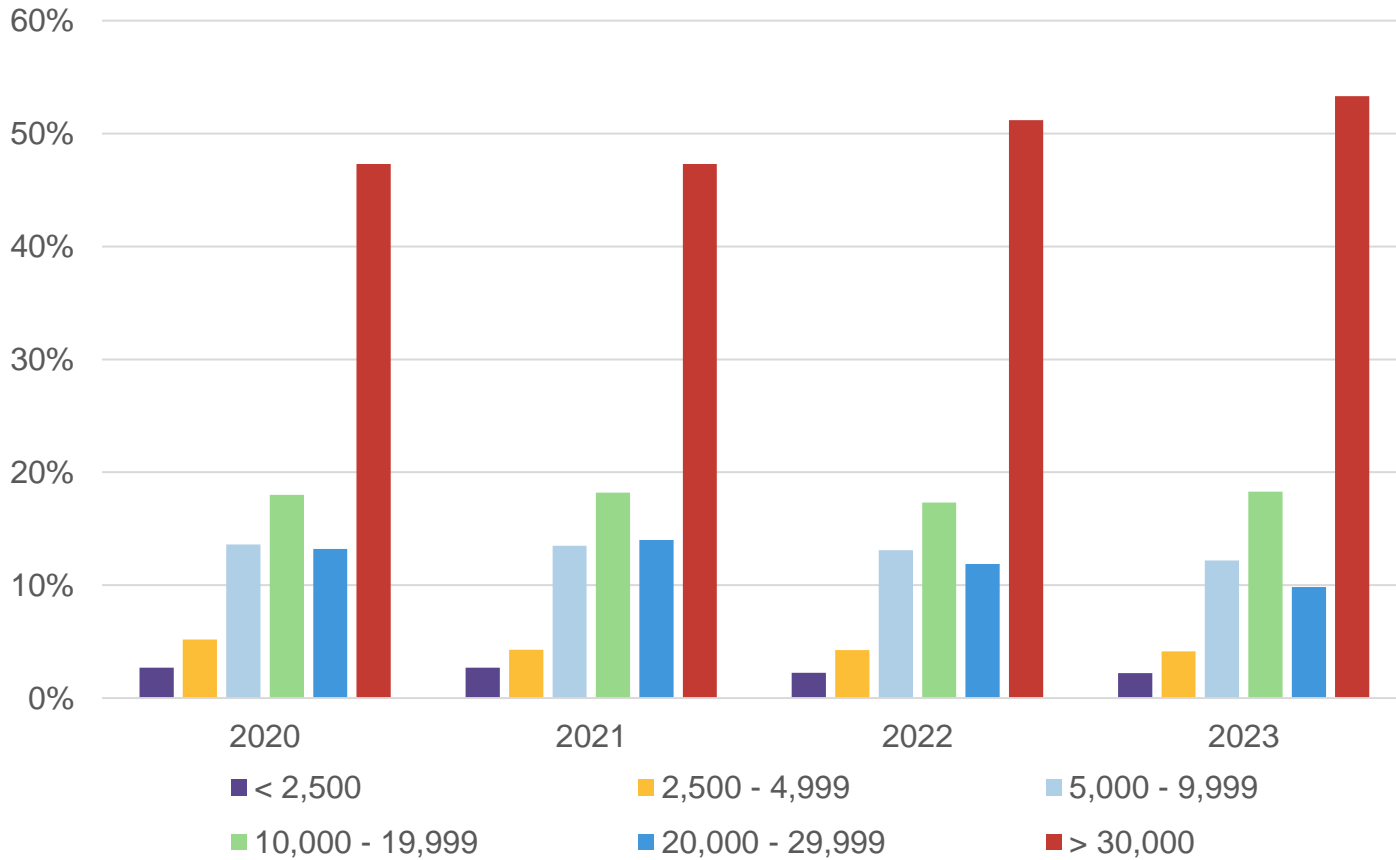
- Registered providers of supported housing (SH) defined as registered providers with 30% of their owned social units that are classified as supported housing.
- Registered providers of housing for older people (HOP) defined as registered providers with 30% of their owned social units that are classified as housing for older people.
- LSVTs that are less than 12 years old - LSVT organisations are contractually obliged to undertake major improvement programmes and regeneration works to homes transferred within a certain period, normally five years.
- Registered providers based in London, defined as providers with greater than 50% of their owned social units based in London.

Size factor explained

- Provider size has been categorised into six discrete size bands based on a provider's social owned units:
- < 2,500
 - 2,500 – 4,999
 - 5,000 – 9,999
 - 10,000 – 19,999
 - 20,000 – 29,999
 - > 30,000

Size of providers

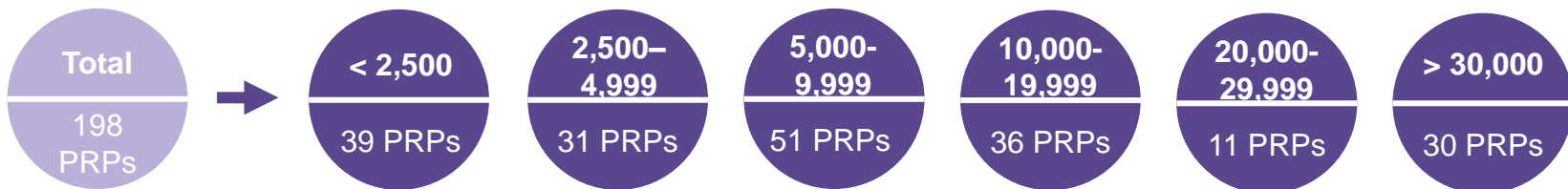
Percentage of total sector homes owned by size



Key headlines

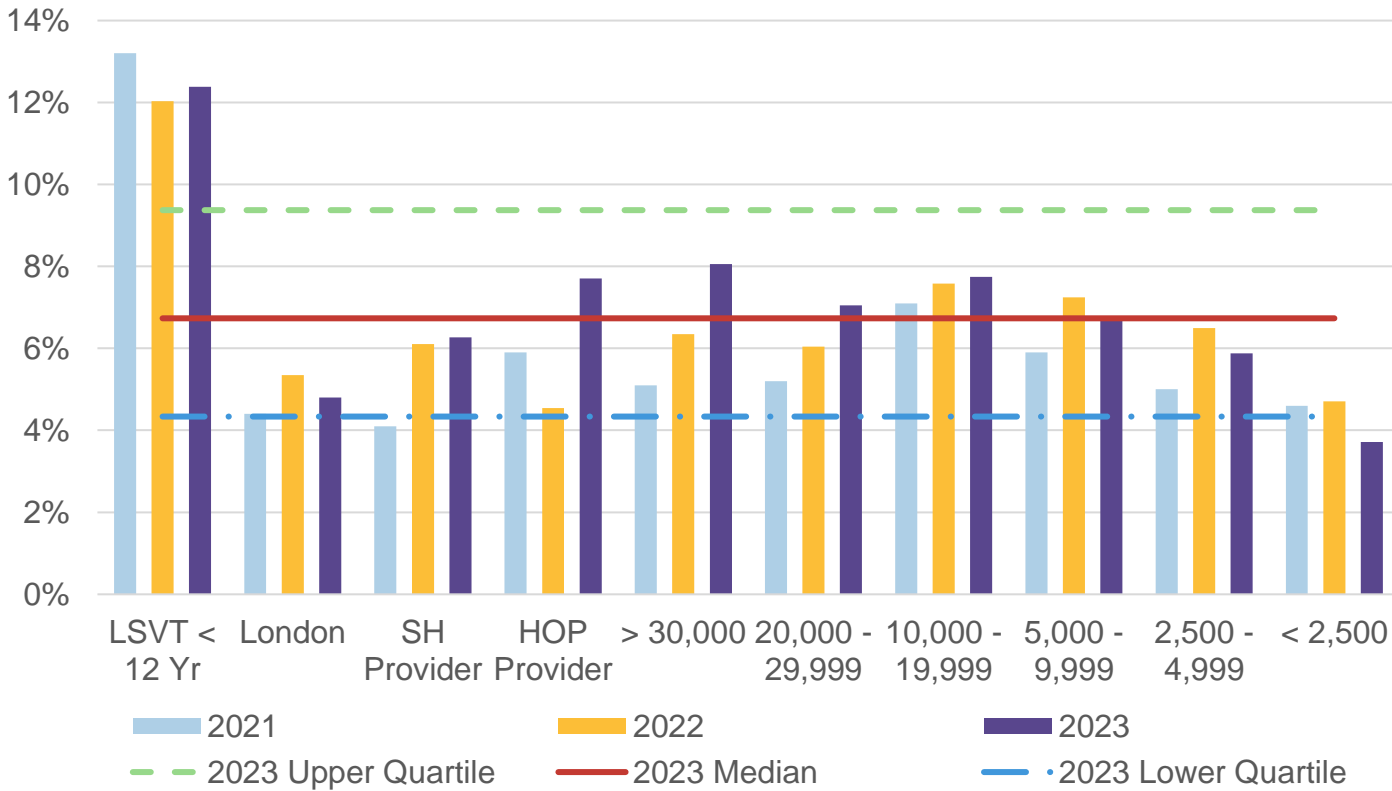
The percentage of homes owned by providers with over 30,000 homes increased by two percentage points to 53% between 2022 and 2023 due to mergers and transfers of engagement undertaken in the year. As a result, the percentage of homes owned by providers with between 20,000 – 29,999 homes fell from 12% in 2022 to 10% in 2023.

The number of providers in all other size bands has remained relatively stable.



Reinvestment by cost factor and size

Reinvestment by cost factor and size (median)



Size factor

The median reinvestment metric for the size band with over 30,000 units increased by 1.7 percentage points in the year, linked to the specialist provider as set out in the cost factor section.

In comparison to previous years, the median reinvestment metric for providers with over 10,000 social housing units increased by 1.2 percentage points, while the size bands with less than 10,000 units experienced a 0.4 percentage point decrease.

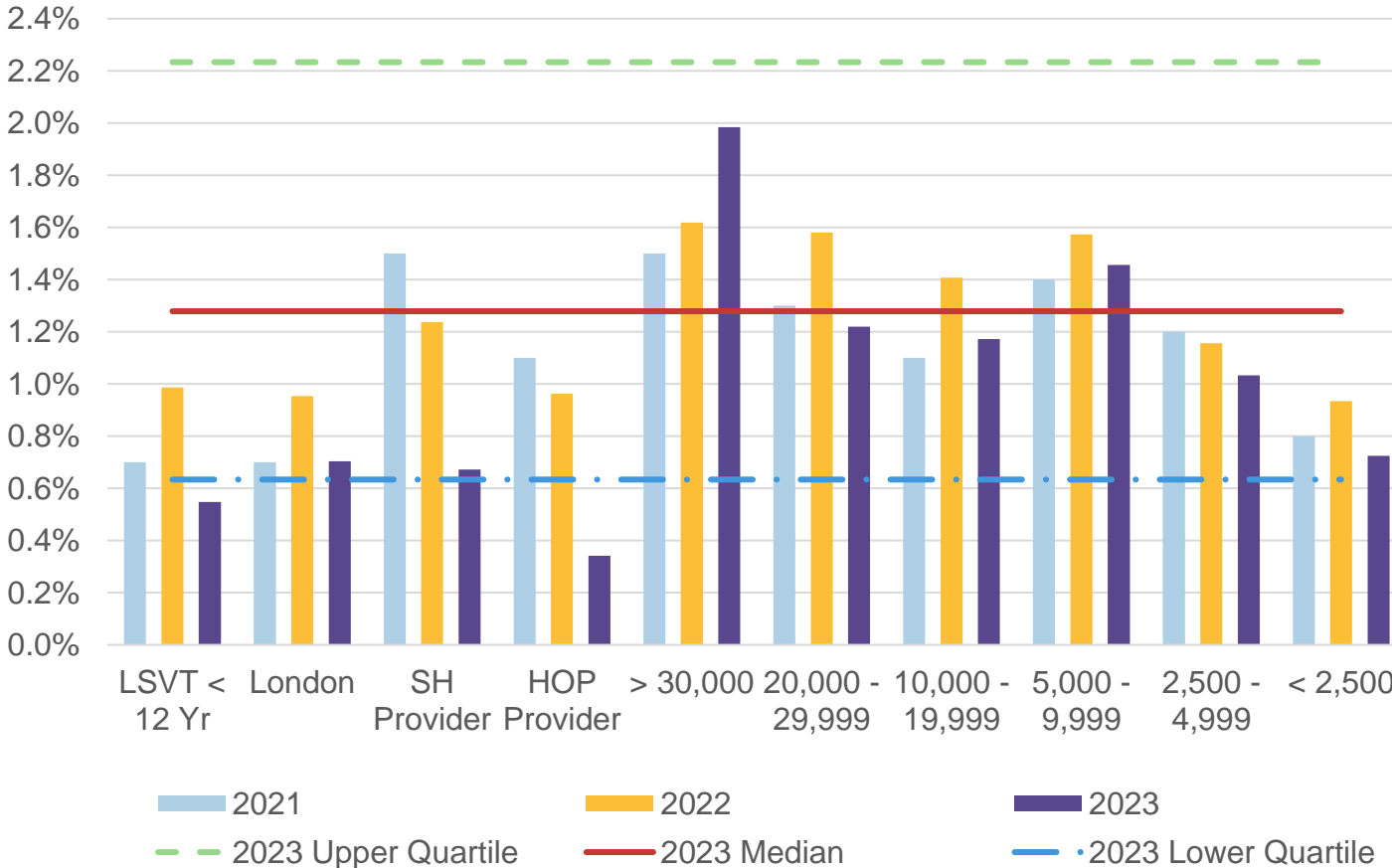
Cost factor

LSVT organisations incur higher than average costs compared to the rest of the sector due to reinvestment obligations agreed with newly transferred tenants at the time of transition. The median reinvestment as a proportion of the value of existing homes for this group of providers has remained relatively constant over the past two years, averaging around 12.3%.

The median reinvestment metric for the HOP group of providers increased from 4.5% to 7.7% in the year and is higher than the sector median of 6.7%. This is attributed to a large specialist provider acquiring several new care homes.

New Supply (Social) by cost factor and size

New supply (social) by cost factor and size (median)



Size factor

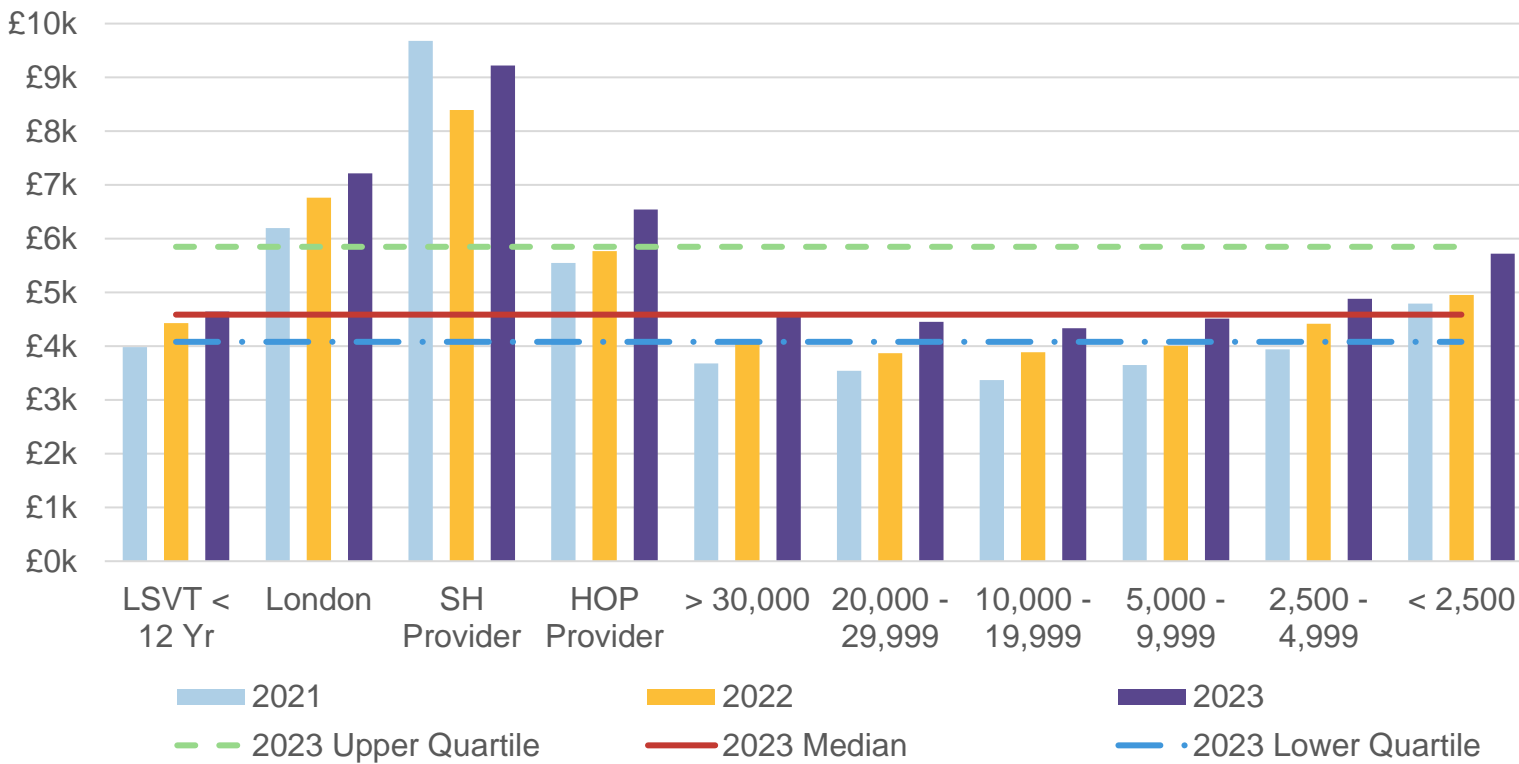
On aggregate, providers in the size band with greater than 30,000 social housing units delivered 59% of new social homes in the sector. The median new supply social as a percentage of existing social units owned for this size band is 2%. Around a third of providers in this size band also fall within the New Supply (social) upper quartile of 2.2%.

Cost factor

The median new supply (social), as a percentage of total social units fell across each cost factor group, albeit it was less pronounced in London. The new supply outturn for the LSVT group and supported housing group fell by 0.5 percentage points, while for the outturn for the HOP group fell by 0.7 percentage points compared to previous years. Overall, this has been the most significant dip in performance across all cost factors since 2018.

Headline social housing cost by cost factor and size

Headline social housing cost per unit (£k) by cost factor and size (median)



Size factor

Providers in the size band with fewer than 2,500 units have the highest headline cost of £5,720 per unit. Around a quarter of providers in this size band are specialist providers which is high compared to all other size bands.

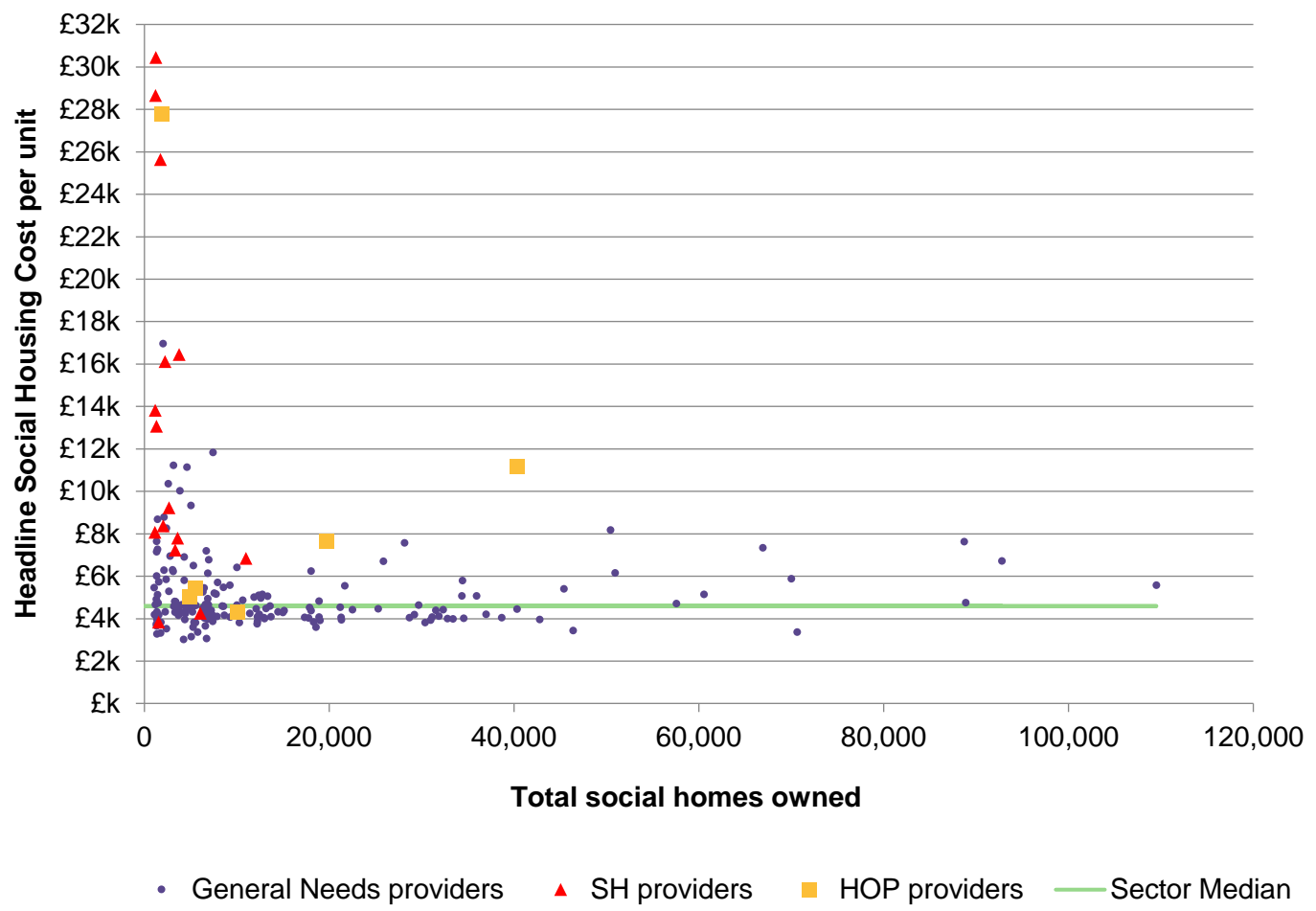
Cost factor

The median headline cost per unit for supported housing and HOP providers is £9,220 and £6,550 respectively and is higher than the sector median of £4,586 per unit. As set out earlier in the report, these groups of providers have significantly higher than average costs due to the specialist services they provide to their tenants. Headline costs are also higher than average in London partially due to relatively higher labour costs* and the presence of supported housing providers who operate in the region.

* ONS, 2023, Annual estimates of paid hours worked and earnings for UK employees. Annual gross pay for Full Time Employees in 'Skilled trades occupation', 'Skilled construction and build trades' and 'Elementary trades and related occupations'

Headline social housing cost variation by size of provider

Headline social housing costs per unit by total social homes owned



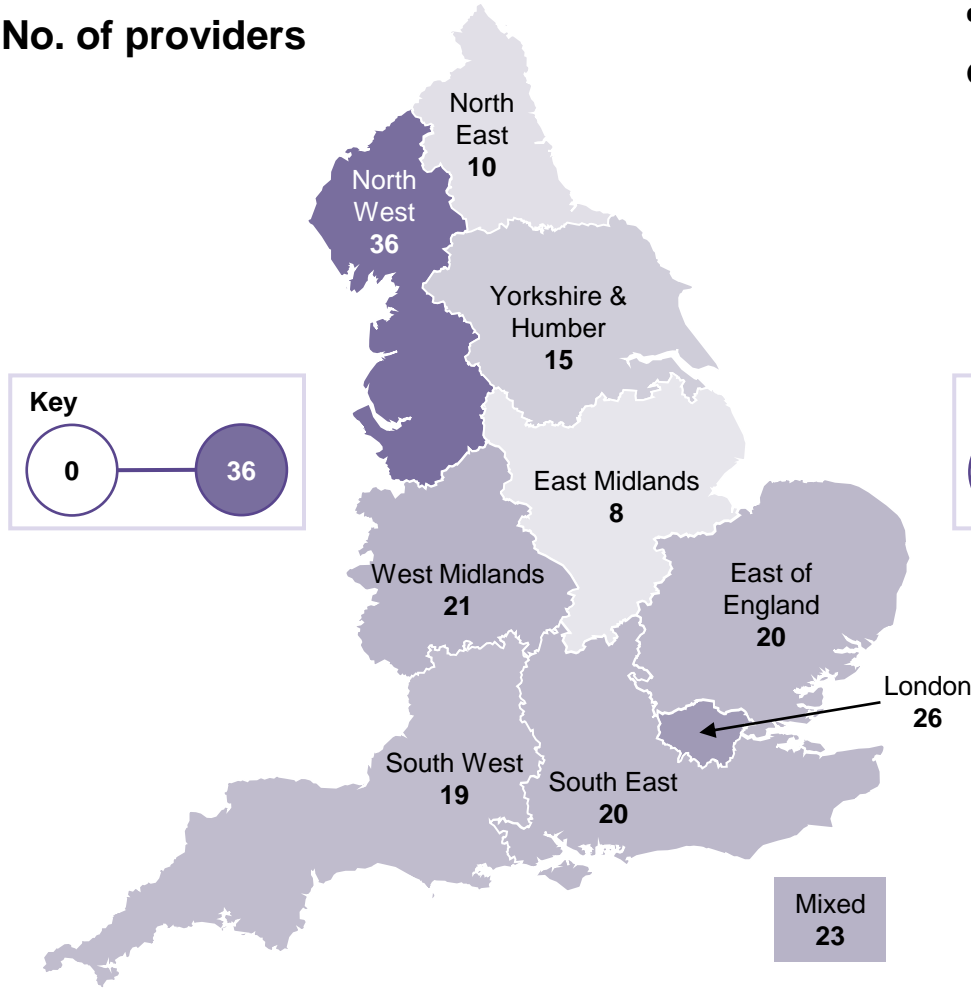
Key headlines

There is significant variation around the headline social housing cost median which in part can be explained by measurable factors including LSVTs, supported housing, HOP and providers that are based in the London region. However, not all variation can be explained by measurable factors and much of the variation will stem from strategic decisions taken by boards.

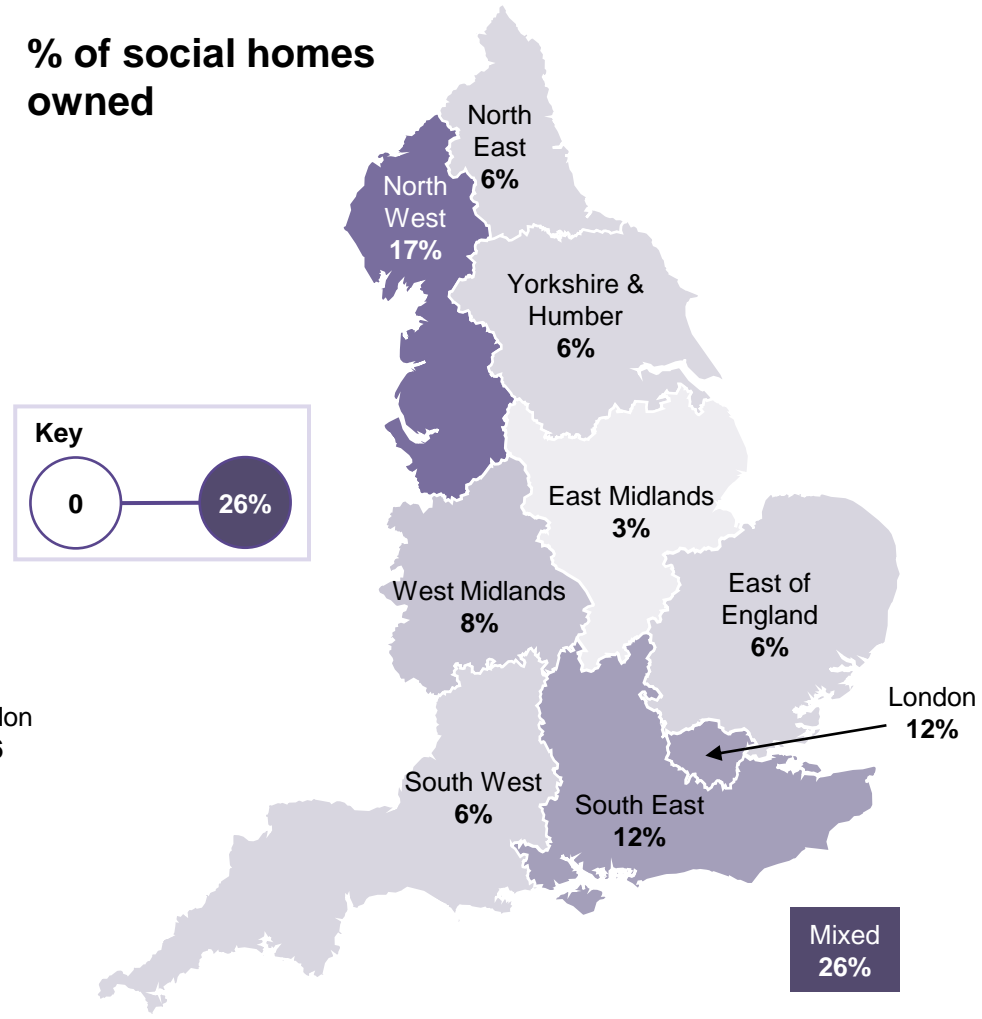
Around 20% of providers' headline cost per unit increased by over 20% in the year. Of this 20%, the headline cost of four providers increased by over 50%.

Regional overview

No. of providers



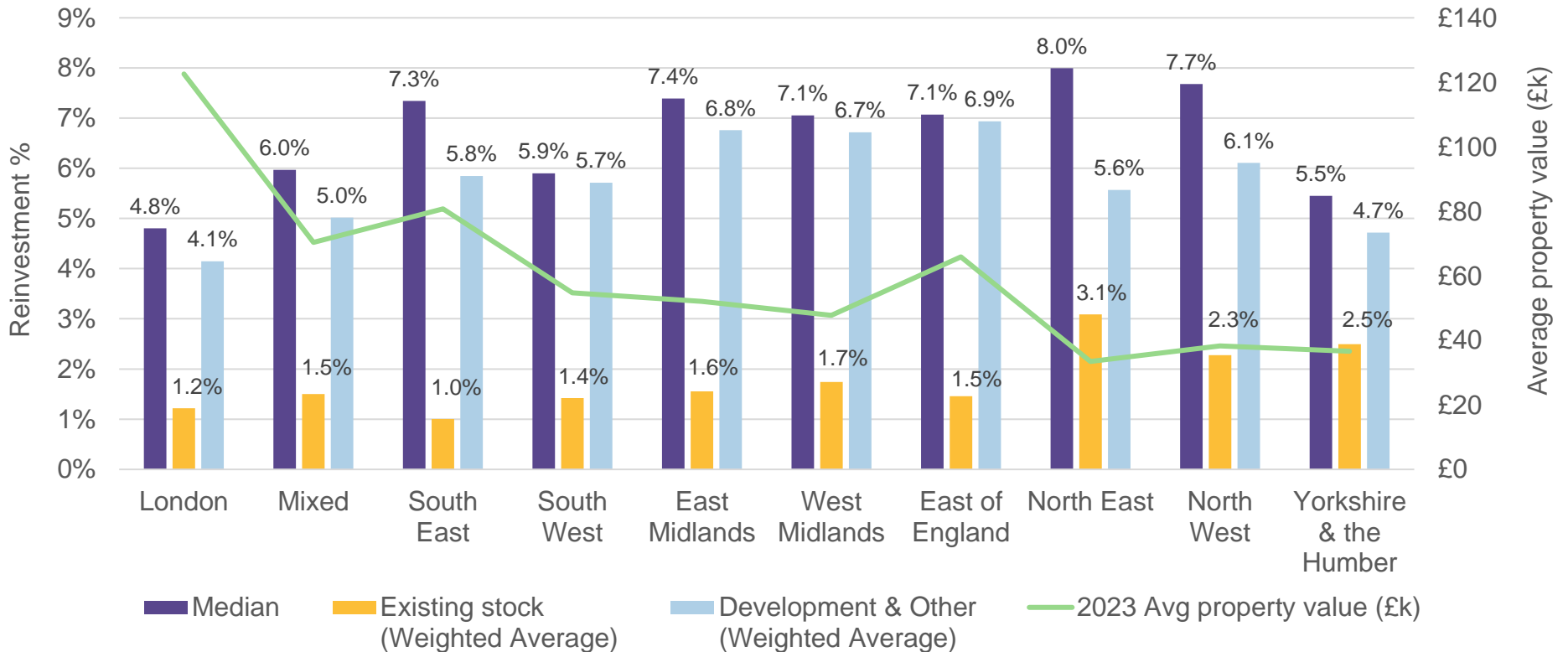
% of social homes owned



The analysis for 2023 is based on 198 private registered providers (2022: 200 providers). The region which a provider is allocated to is defined as the region in which 50% or more of its total social homes owned are based (providers who have less than 50% of their social homes in any one region are defined as mixed providers). Providers in the North West own 17% of England's social housing homes while the East Midlands own only 3% of social housing homes. Mixed providers own 26% of all social housing homes.

Reinvestment

Reinvestment component and average property values by region 2023



Assessing the overall picture of reinvestment performance at a regional level is complex and is sensitive to the cyclical nature of providers' asset management strategies. It is also sensitive to the average property value for a region - the denominator of the metric which can inflate or deflate a region's overall outturn. The North-East region has the lowest average property value of £33,479 per unit but has the highest median reinvestment as a proportion of the value of existing homes of 8%. In London, reinvestment is lowest owing to average property values which are high when compared to other regions.

In the North-West region, the median reinvestment as a proportion of the value of existing homes is 7.7%. Its relatively high performance is driven by the proportion of LSVTs less than 12 years old (60%) that operate from within the region.

Reinvestment (per unit)

Reinvestment per unit (£k)



The London region has the highest reinvestment per unit both in existing homes and development of new homes of £6,570. There is evidence to suggest that this is partially driven by higher-than-average labour costs*. While reinvestment into existing homes per unit may be influenced by the proportion of social homes in each region, in London it is also likely due to a higher number of homes in buildings with over six storeys when compared to other regions in England**.

The South East, South West, and East Midlands have the lowest spend per unit on existing homes. This could be explained by stock age - a relatively high proportion of homes** in these regions were built post 2001.

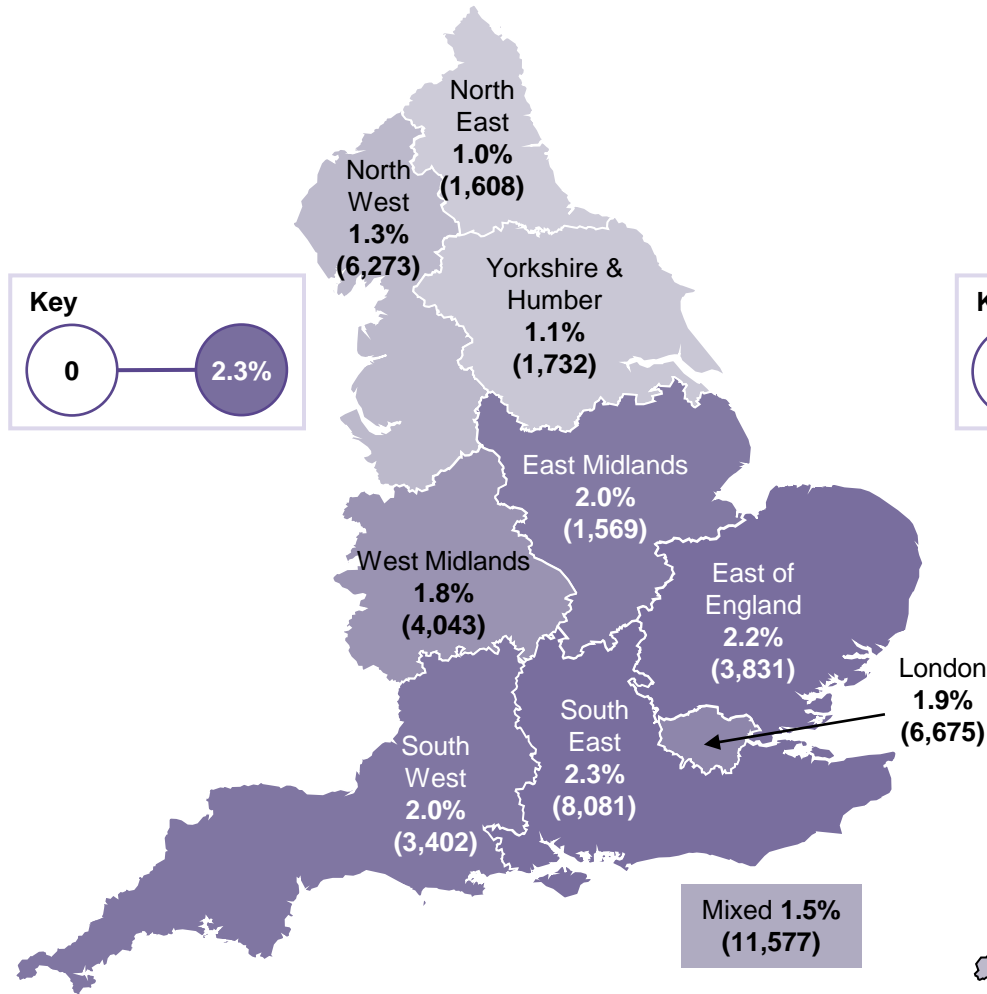
Yorkshire and the Humber has the lowest spend per unit on development and Other (£1,730), which broadly aligns with the relatively low number of new homes delivered in the region as set out under New Supply (Social), regional analysis.

* ONS, 2023, Annual estimates of paid hours worked and earnings for UK employees. Annual gross pay for Full Time Employees in 'Skilled trades occupation', 'Skilled construction and build trades' and 'Elementary trades and related occupations'

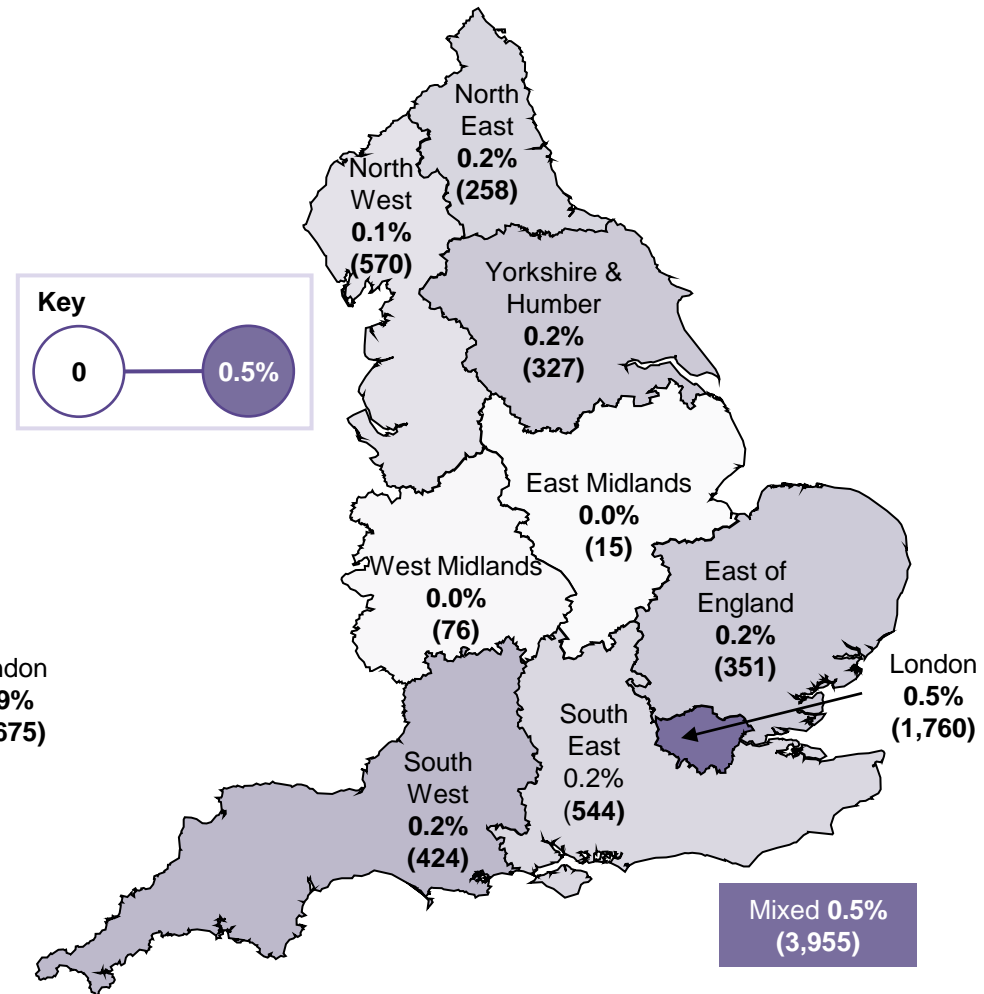
** Statistical Data Return 2023

New supply

New supply (social) % (weighted average) and number of new units



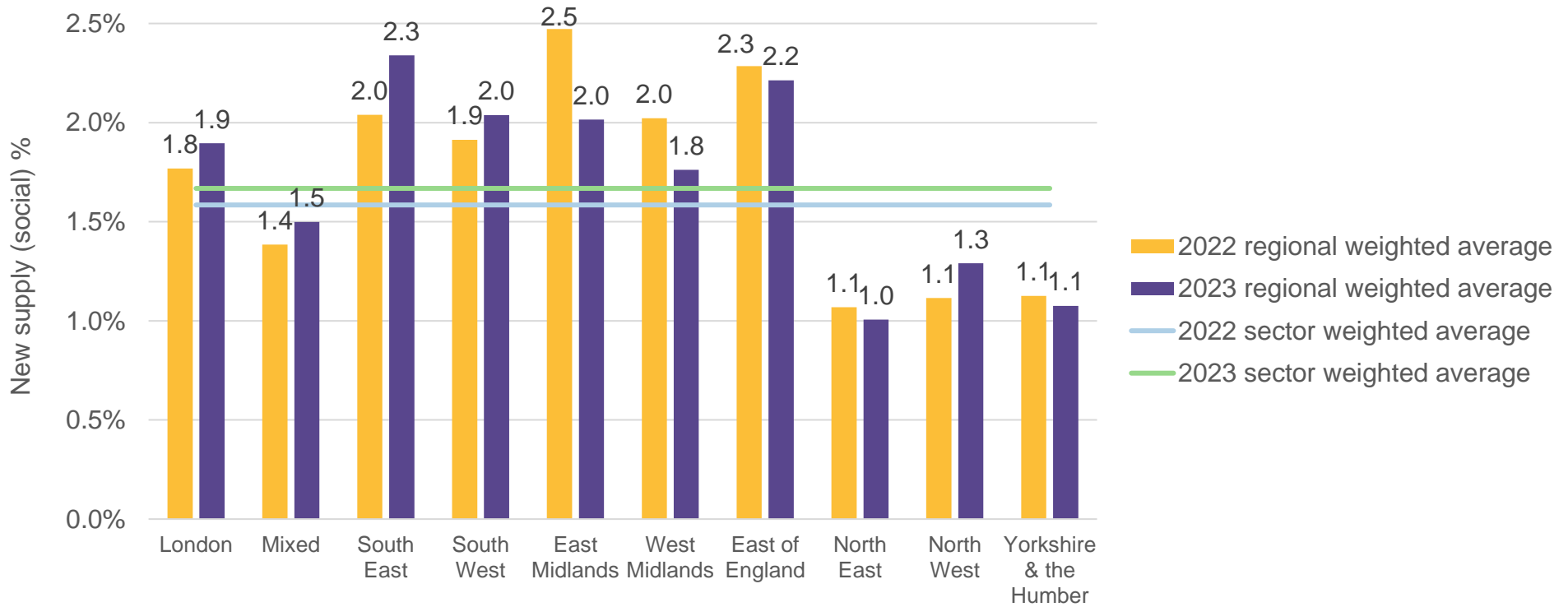
New supply (non-social) % (weighted average) and number of new units



Private registered providers in London, the South-East and Mixed regions delivered almost half of the sector's new supply social homes and three quarters of the new supply non-social homes.

New supply (social)

New social supply as a % of total social units owned, by region (weighted average)

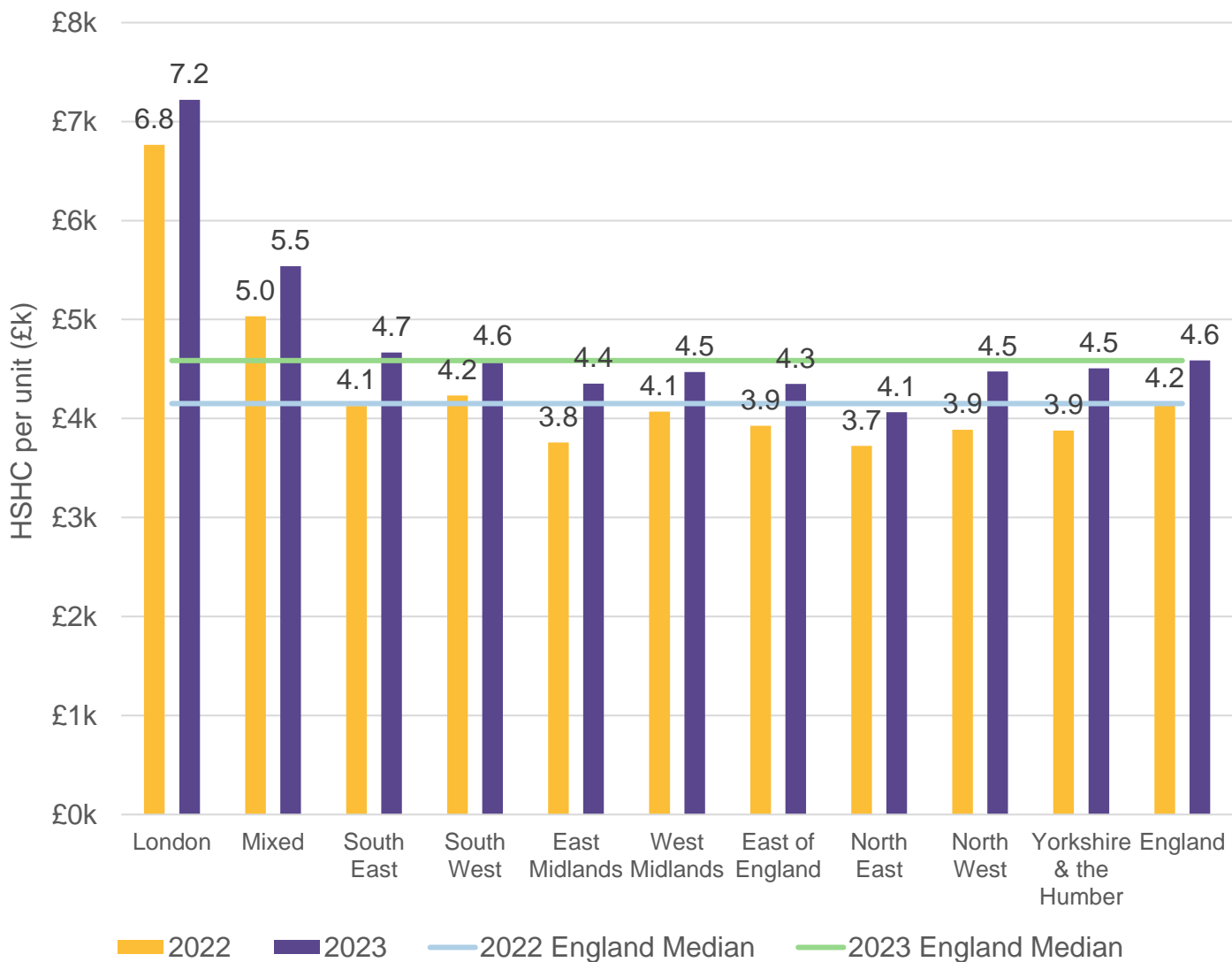


Regions in the north of England generally have lower levels of new social supply as a percentage of total social housing units owned: North East, 1.0%, North West 1.3% and Yorkshire and the Humber 1.1%. This is likely influenced by the Affordable Homes Programme (AHP)* and related capital funding for new homes in areas of low affordability, largely the South East, South West and East of England. Equally, it's likely due to demand for social housing when compared to other regions. For example, in the North East we would expect to see less demand as rents in this region are closest to market rent**. In the North West the small increase of new social supply of 0.2 percentage points is influenced by a small number of providers in the region. The largest increase in new supply, both in absolute terms and as a percentage of total social units, is in the South East. This is driven by an increase in new supply (social) by three large providers.

- *AHP, Capital Funding Guide, Housing for Rent, Social rent
- ** RSH, 2022-23, Private registered provider social housing stock in England - rents profile 2022-23

Headline social housing cost

Headline Social Housing Cost (HSHC) – cost per unit 2022 to 2023 (median)



On average the HSHC per unit increased by 11% across all regions in the year. This is generally in line with high inflation of 10.1% (CPI)* experienced over the period to March 2023.

Similar to previous years' outturn, the region with the highest HSHC per unit is London (£7,218) while the region with the lowest HSHC is the North East (£4,062).

The regions where headline costs increased most include the North West (15%) to £4,475, East Midlands (16%) to £4,353 and Yorkshire and Humber (16%) to £4,507. These regions did not experience any significant change in owned units (the denominator of the metric) - the increase therefore is solely related to an increase in costs.

* Consumer Price Index Table 1, ONS, December 2023.

Return on capital employed (ROCE)

Return on capital employed by region



ROCE fell on average by 0.3 percentage points across most regions between 2022 and 2023 except for the South-West which increased to 3% and Yorkshire and Humber. In Yorkshire and the Humber, ROCE increased to 2.4% due to the high operating surplus of 13% which was driven by most large providers in the region.

Table 1: Summary of sector metrics 2021 - 2023

		Reinvestment (%)	New Supply (Social) (%)	New Supply (Non-Social) (%)	Gearing (%)	EBITDA MRI Interest Cover (%)	Headline Social Housing CPU (£K)	Operating Margin (social) (%)	Operating Margin (Overall) (%)	Return on Capital Employed (ROCE) (%)
Upper Quartile	2023	9.4%	2.2%	0.08%	53.7%	169%	£5.847	25.5%	23.0%	3.6%
	2022	8.6%	2.1%	0.09%	53.1%	198%	£5.183	28.5%	25.4%	3.9%
	2021	8.2%	2.0%	0.09%	53.3%	248%	£4.763	32.6%	28.2%	4.2%
Median	2023	6.7%	1.3%	0.00%	45.3%	128%	£4.586	19.8%	18.2%	2.8%
	2022	6.5%	1.4%	0.00%	44.1%	146%	£4.150	23.3%	20.5%	3.2%
	2021	5.8%	1.3%	0.00%	43.9%	183%	£3.731	26.3%	23.9%	3.3%
Lower Quartile	2023	4.3%	0.6%	0.00%	33.4%	89%	£4.082	14.4%	12.0%	2.2%
	2022	4.7%	0.7%	0.00%	32.1%	107%	£3.697	17.6%	14.3%	2.4%
	2021	4.0%	0.5%	0.00%	32.9%	134%	£3.212	22.2%	18.1%	2.7%
Weighted Average	2023	6.9%	1.7%	0.27%	47.4%	104%	£5.251	21.3%	16.6%	2.6%
	2022	6.3%	1.6%	0.18%	47.0%	128%	£4.599	25.3%	19.6%	2.9%
	2021	5.7%	1.4%	0.22%	47.2%	151%	£4.150	28.3%	22.3%	3.1%

Table 2: Reinvestment with component breakdown and average property values 2021 - 2023

Weighted average	2021	2022	2023
Works to Existing	0.9%	1.2%	1.5%
Development & Other	4.8%	5.0%	5.4%
Total Reinvestment	5.7%	6.3%	6.9%
Housing properties at cost or valuation (£bn)	£166	£172	£181

Table 3: New supply social and non-social 2021 - 2023

	2021	2022	2023
Median New Supply (social) %	1.3%	1.4%	1.3%
Number of new social units	40,537	45,542	48,791
Number of new non-social units	6,477	5,552	8,280

Table 4: Social Housing Lettings (SHL) turnover, operating cost, and operating margin 2016 - 2023

	2016	2017	2018	2019	2020	2021	2022	2023
SHL Turnover (£bn)	15.0	15.1	15.4	15.5	15.7	16.1	16.5	17.6
Operating cost SHL (£bn)	10.2	10.0	10.3	10.7	11.3	11.5	12.3	13.8
Operating margin (SHL) %	32.1%	34.1%	32.8%	30.5%	27.8%	28.3%	25.3%	21.3%

Table 5: Headline social housing cost (HSHC) per unit by expenditure component 2021 - 2023

HSHC Weighted average					
	2021	2022	2023	2022-23 % change	2021-23 % change
Management costs	£1,075	£1,104	£1,201	8.8%	11.7%
Service charges	£678	£701	£795	13.4%	17.3%
Maintenance and major repairs	£1,926	£2,302	£2,711	17.8%	40.7%
Other costs	£470	£491	£544	10.7%	15.6%
Total HSHC	£4,150	£4,599	£5,251	14.2%	26.5%

Table 6: 2023 - Summary of sub-sector metrics

Quartile Data		No of providers	% of sector (social units owned)	Reinvestment	New Supply (social)	New Supply (non-social)	Gearing	EBITDA MRI Interest Rate Cover	Headline Social Housing CPU (£K)	Operating Margin (social)	Operating Margin (Overall)	Return on capital employed (ROCE)
All returns	Upper Quartile	198	100%	9.4%	2.2%	0.1%	53.7%	169%	£5.85	25.5%	23.0%	3.6%
	Median			6.7%	1.3%	0.0%	45.3%	128%	£4.59	19.8%	18.2%	2.8%
	Lower Quartile			4.3%	0.6%	0.0%	33.4%	89%	£4.08	14.4%	12.0%	2.2%
Provider Sub-Set				Median								
Size (Social units owned)	> 30,000	30	53.3%	8.1%	2.0%	0.2%	46.5%	127%	£4.57	23.7%	17.6%	2.8%
	20,000 - 29,999	11	9.8%	7.0%	1.2%	0.1%	49.9%	88%	£4.45	18.4%	14.3%	2.6%
	10,000 - 19,999	36	18.3%	7.7%	1.2%	0.0%	48.3%	123%	£4.34	19.6%	16.2%	3.3%
	5,000 - 9,999	51	12.2%	6.8%	1.5%	0.0%	49.4%	129%	£4.51	20.0%	19.3%	3.2%
	2,500 - 4,999	31	4.2%	5.9%	1.0%	0.0%	47.0%	124%	£4.88	18.1%	18.7%	3.0%
	< 2,500	39	2.2%	3.7%	0.7%	0.0%	32.9%	171%	£5.72	18.7%	16.8%	2.1%
Cost Factor	LSVT < 12 Yr	5	1.7%	12.4%	0.5%	0.0%	39.7%	80.2%	£4.65	14.3%	13.7%	3.2%
	London	26	11.7%	4.8%	0.7%	0.0%	44.6%	80.3%	£7.22	15.3%	14.1%	1.9%
	SH Provider	15	1.6%	6.3%	0.7%	0.0%	12.6%	187.5%	£9.22	8.4%	5.0%	2.1%
	HOP Provider	6	2.9%	7.7%	0.3%	0.2%	47.1%	120.6%	£6.55	19.1%	11.7%	2.5%

Table 7: Summary of sub-sector metrics 2021-2023

		Year	No of providers	% of sector (social units owned)	Reinvest ment	New Supply (social)	New Supply (non-social)	Gearing	EBITDA MRI Interest Rate Cover	Headline Social Housing CPU (£K)	Operating Margin (social)	Operating Margin (Overall)	Return on capital employed (ROCE)	
All returns	Upper Quartile	2023	198	100%	9.4%	2.2%	0.1%	53.7%	169%	£5.85	25.5%	23.0%	3.6%	
	Median				6.7%	1.3%	0.0%	45.3%	128%	£4.59	19.8%	18.2%	2.8%	
	Lower Quartile				4.3%	0.6%	0.0%	33.4%	89%	£4.08	14.4%	12.0%	2.2%	
Median														
Size (Social units owned)	> 30,000	2023	30	53.3%	8.1%	2.0%	0.2%	46.5%	127.4%	£4.57	23.7%	17.6%	2.8%	
		2022	30	51.2%	6.3%	1.6%	0.1%	45.2%	142.6%	£4.08	28.6%	21.1%	3.1%	
		2021	27	47.3%	5.1%	1.5%	0.1%	46.0%	171.0%	£3.68	31.6%	24.3%	3.5%	
	20,000 - 29,999	2023	11	9.8%	7.0%	1.2%	0.1%	49.9%	87.7%	£4.45	18.4%	14.3%	2.6%	
		2022	13	11.9%	6.0%	1.6%	0.1%	46.8%	107.1%	£3.87	25.3%	21.4%	2.5%	
		2021	15	14.0%	5.2%	1.3%	0.1%	45.8%	149.0%	£3.54	24.9%	22.0%	2.6%	
	10,000 - 19,999	2023	36	18.3%	7.7%	1.2%	0.0%	48.3%	123.5%	£4.34	19.6%	16.2%	3.3%	
		2022	33	17.3%	7.6%	1.4%	0.0%	48.2%	137.8%	£3.89	21.8%	19.8%	3.4%	
		2021	35	18.2%	7.1%	1.1%	0.0%	48.8%	180.0%	£3.37	26.0%	24.0%	3.8%	
	5,000 - 9,999	2023	51	12.2%	6.8%	1.5%	0.0%	49.4%	128.7%	£4.51	20.0%	19.3%	3.2%	
		2022	53	13.1%	7.2%	1.6%	0.0%	48.8%	145.7%	£4.01	24.5%	22.8%	3.4%	
		2021	54	13.5%	5.9%	1.4%	0.0%	47.1%	185.0%	£3.65	27.0%	24.5%	3.5%	
	2,500 - 4,999	2023	31	4.2%	5.9%	1.0%	0.0%	47.0%	124.0%	£4.88	18.1%	18.7%	3.0%	
		2022	31	4.3%	6.5%	1.2%	0.0%	45.8%	158.0%	£4.42	21.6%	20.4%	3.2%	
		2021	31	4.3%	5.0%	1.2%	0.0%	41.8%	200.0%	£3.94	24.4%	24.2%	3.5%	
	< 2,500	2023	39	2.2%	3.7%	0.7%	0.0%	32.9%	170.7%	£5.72	18.7%	16.8%	2.1%	
		2022	40	2.2%	4.7%	0.9%	0.0%	32.3%	193.6%	£4.96	19.5%	17.4%	2.4%	
		2021	46	2.7%	4.6%	0.8%	0.0%	33.7%	205.0%	£4.79	25.1%	22.1%	2.9%	
	Cost Factor	LSVT < 12 Yr	2023	5	1.7%	12.4%	0.5%	0.0%	39.7%	80.2%	£4.65	14.3%	13.7%	3.2%
			2022	8	3.0%	12.0%	1.0%	0.0%	30.5%	47.9%	£4.43	15.2%	13.3%	3.0%
			2021	9	3.1%	13.2%	0.7%	0.0%	28.1%	166.0%	£3.98	25.6%	20.6%	3.7%
London		2023	26	11.7%	4.8%	0.7%	0.0%	44.6%	80.3%	£7.22	15.3%	14.1%	1.9%	
		2022	26	10.6%	5.3%	1.0%	0.0%	43.1%	92.2%	£6.76	20.3%	15.0%	2.2%	
		2021	26	11.1%	4.4%	0.7%	0.0%	40.5%	118.0%	£6.20	23.7%	19.4%	2.1%	
SH Provider		2023	15	1.6%	6.3%	0.7%	0.0%	12.6%	187.5%	£9.22	8.4%	5.0%	2.1%	
		2022	15	1.5%	6.1%	1.2%	0.0%	12.5%	203.0%	£8.40	10.0%	5.2%	2.9%	
		2021	16	1.5%	4.1%	1.5%	0.0%	11.6%	309.0%	£9.68	13.4%	7.4%	3.3%	
HOP Provider		2023	6	2.9%	7.7%	0.3%	0.2%	47.1%	120.6%	£6.55	19.1%	11.7%	2.5%	
		2022	6	3.1%	4.5%	1.0%	0.0%	43.2%	145.8%	£5.77	16.1%	13.4%	2.6%	
		2021	7	3.1%	5.9%	1.1%	0.0%	34.8%	133.0%	£5.55	18.1%	16.7%	3.2%	

Table 8: Summary of metrics by region

Median												
		No. of providers	% of sector (social units owned)	Reinvestment	New Supply (social)	New Supply (non-social)	Gearing	EBITDA MRI Interest Rate Cover	Headline Social Housing CPU (£K)	Operating Margin (social)	Operating Margin (Overall)	Return on capital employed (ROCE)
Regions	London	26	12%	4.8%	0.7%	0.0%	44.6%	80.3%	£7.22	15.3%	14.1%	1.9%
	Mixed	23	26%	6.0%	1.3%	0.1%	45.5%	111.5%	£5.54	19.6%	15.2%	2.5%
	South East	20	12%	7.3%	2.3%	0.0%	53.0%	147.9%	£4.67	27.6%	23.3%	3.0%
	South West	19	6%	5.9%	1.2%	0.0%	40.4%	172.4%	£4.57	18.8%	18.2%	3.0%
	East Midlands	8	3%	7.4%	1.9%	0.0%	50.1%	117.9%	£4.35	23.1%	20.4%	2.9%
	West Midlands	21	8%	7.1%	1.3%	0.0%	48.9%	120.0%	£4.47	21.2%	19.3%	3.2%
	East of England	20	6%	7.1%	1.7%	0.0%	54.3%	139.9%	£4.35	24.9%	24.4%	3.5%
	North East	10	6%	8.0%	1.1%	0.0%	42.2%	175.7%	£4.06	20.1%	19.4%	3.2%
	North West	36	17%	7.7%	1.2%	0.0%	41.9%	122.8%	£4.47	18.7%	15.9%	3.2%
	Yorkshire & the Humber	15	6%	5.5%	0.9%	0.0%	39.5%	128.9%	£4.51	14.3%	15.2%	2.4%
England	198	100%	6.7%	1.3%	0.00%	45.3%	128%	£4.59	19.8%	18.2%	2.8%	

Table 9: Summary of sector trends (2021-2023) by region

		Median										
		England	London	Mixed	South East	South West	East Midlands	West Midlands	East of England	North East	North West	Yorkshire & the Humber
Reinvestment	2023	6.7%	4.8%	6.0%	7.3%	5.9%	7.4%	7.1%	7.1%	8.0%	7.7%	5.5%
	2022	6.5%	5.3%	5.9%	5.4%	6.8%	7.9%	7.0%	7.0%	6.9%	7.9%	6.7%
	2021	5.8%	4.4%	4.6%	4.9%	5.6%	8.7%	5.7%	6.7%	5.7%	6.8%	5.4%
New Supply (social)	2023	1.3%	0.7%	1.3%	2.3%	1.2%	1.9%	1.3%	1.7%	1.1%	1.2%	0.9%
	2022	1.4%	1.0%	1.3%	1.9%	1.9%	2.1%	1.6%	2.1%	1.1%	0.9%	1.1%
	2021	1.3%	0.7%	1.3%	1.5%	1.9%	2.2%	1.3%	1.8%	0.9%	0.8%	1.0%
Headline Social Housing CPU (£K)	2023	£4.59	£7.22	£5.54	£4.67	£4.57	£4.35	£4.47	£4.35	£4.06	£4.47	£4.51
	2022	£4.15	£6.76	£5.03	£4.13	£4.23	£3.76	£4.07	£3.93	£3.72	£3.89	£3.88
	2021	£3.73	£6.20	£4.44	£3.93	£3.71	£3.34	£3.40	£3.52	£3.16	£3.54	£3.30
Operating Margin (social)	2023	19.8%	15.3%	19.6%	27.6%	18.8%	23.1%	21.2%	24.9%	20.1%	18.7%	14.3%
	2022	23.3%	20.3%	23.5%	28.3%	21.7%	26.6%	24.4%	28.0%	23.8%	21.8%	18.7%
	2021	26.3%	23.7%	24.9%	34.4%	28.3%	26.9%	27.2%	33.0%	26.0%	25.4%	22.9%
Return on capital employed (ROCE)	2023	2.8%	1.9%	2.5%	3.04%	3.0%	2.9%	3.2%	3.5%	3.2%	3.2%	2.4%
	2022	3.2%	2.2%	2.8%	3.50%	2.9%	3.2%	3.4%	3.5%	3.724%	3.4%	2.3%
	2021	3.3%	2.1%	3.3%	3.5%	3.5%	3.6%	3.9%	3.6%	3.5%	3.7%	3.1%

Table 10: Reinvestment with component breakdown and average property values by region 2023

		Median	Weighted Average	Existing stock (Weighted Average)	Development & Other (Weighted Average)	Reinvestment Per unit	Existing stock (per unit)	Development & Other (per unit)	Avg property value (£k)
Regions	London	4.8%	5.4%	1.2%	4.1%	£6.57	£1.49	£5.08	£122.56
	Mixed	6.0%	6.5%	1.5%	5.0%	£4.58	£1.06	£3.53	£70.32
	South East	7.3%	6.8%	1.0%	5.8%	£5.53	£0.81	£4.72	£80.78
	South West	5.9%	7.1%	1.4%	5.7%	£3.90	£0.78	£3.13	£54.75
	East Midlands	7.4%	8.3%	1.6%	6.8%	£4.33	£0.81	£3.52	£52.07
	West Midlands	7.1%	8.5%	1.7%	6.7%	£4.04	£0.83	£3.21	£47.77
	East of England	7.1%	8.4%	1.5%	6.9%	£5.53	£0.96	£4.57	£65.86
	North East	8.0%	8.7%	3.1%	5.6%	£2.90	£1.03	£1.86	£33.48
	North West	7.7%	8.4%	2.3%	6.1%	£3.21	£0.87	£2.34	£38.29
	Yorkshire & the Humber	5.5%	7.2%	2.5%	4.7%	£2.64	£0.91	£1.73	£36.62
	England	6.7%	6.9%	1.5%	5.4%	£4.46	£0.99	£3.47	£64.82

Table 11: New supply % (weighted average) and number of new units 2023

	New supply social		New supply non-social	
	%	units	%	units
London	1.9%	6,675	0.5%	1,760
Mixed	1.5%	11,577	0.5%	3,955
South East	2.3%	8,081	0.2%	544
South West	2.0%	3,402	0.2%	424
East Midlands	2.0%	1,569	0.0%	15
West Midlands	1.8%	4,043	0.0%	76
East of England	2.2%	3,831	0.2%	351
North East	1.0%	1,608	0.2%	258
North West	1.3%	6,273	0.1%	570
Yorkshire & the Humber	1.1%	1,732	0.2%	327
England	1.7%	48,791	0.3%	8,280

Table 12: Percentage of total sector homes owned by size

	2020	2021	2022	2023
< 2,500	3%	3%	2%	2%
2,500 - 4,999	5%	4%	4%	4%
5,000 - 9,999	14%	14%	13%	12%
10,000 - 19,999	18%	18%	17%	18%
20,000 - 29,999	13%	14%	12%	10%
> 30,000	47%	47%	51%	53%

Table 13: Headline social housing costs per unit by total social homes owned

RP Name	Social stock owned	General Needs providers	SH providers	HOP providers	RP Name	Social stock owned	General Needs providers	SH providers	HOP providers	RP Name	Social stock owned	General Needs providers	SH providers	HOP providers
Advance Housing and Support Limited	2,243		£16,112		North London Muslim Housing Association Limited	1,067	£5,455			London & Quadrant Housing Trust	88,736	£7,626		
Arawak Walton Housing Association Limited	1,105	£4,179			Pickering and Ferens Homes	1,429	£5,125			Midland Heart Limited	31,172	£4,070		
Arches Housing Limited	1,316	£3,730			Railway Housing Association and Benefit Fund	1,547		£3,838		Notting Hill Genesis	50,459	£8,167		
Black Country Housing Group Limited	2,134	£6,270			St Mungo Community Housing Association	1,749		£25,630		Orbit Group Limited	40,339	£4,436		
Bournemouth Churches Housing Association Limited	1,309		£13,070		Sustain (UK) Ltd	2,038		£8,376		Peabody Trust	92,799	£6,707		
Brunelcare	1,128		£8,060		The Abbeyfield Society	1,873			£27,800	Places for People Group Limited	70,663	£3,362		
Christian Action (Enfield) Housing Association Limited	1,358	£7,138			The Industrial Dwellings Society (1885) Limited	1,426	£8,681			Platform Housing Group Limited	46,401	£3,436		
Cornerstone Housing Limited	1,381	£4,014			The Pioneer Housing and Community Group Limited	2,417	£3,522			Sanctuary Housing Association	88,889	£4,750		
Croydon Churches Housing Association Limited	1,444	£7,255			Tower Hamlets Community Housing	2,054	£16,944			Southern Housing	70,031	£5,868		
Durham Aged Mineworkers' Homes Association	1,784	£3,316			Tantum Housing Association Limited	1,571	£4,174			Sovereign Housing Association Limited	57,576	£4,695		
East End Homes Limited	2,372	£5,841			Unity Housing Association Limited	1,385	£3,968			Stonewater Limited	32,803	£3,997		
Eden Housing Association Limited	1,823	£3,822			Warrington Housing Association Limited	1,298	£4,901			Thames Valley Housing Association Limited	45,406	£5,397		
Empowering People Inspiring Communities Limited	1,387	£3,272			Willow Tree Housing Partnership Limited	1,494	£4,728			The Guinness Partnership Limited	60,576	£5,141		
English Rural Housing Association Limited	1,343	£3,644			YMCA St Paul's Group	1,191		£13,817		The Riverside Group Limited	66,944	£7,330		
First Garden Cities Homes Limited	2,276	£4,317			Abri Group Limited	32,342	£4,415			Thirteen Housing Group Limited	34,579	£4,010		
Framework Housing Association	1,223		£28,646		Anchor Hanover Group	40,338			£11,167	Together Housing Group Limited	35,968	£5,064		
Hundred Houses Society Limited	1,368	£4,313			Aster Group Limited	34,384	£5,062			Torus62 Limited	38,674	£4,042		
Inquilab Housing Association Limited	1,332	£6,002			Bromford Housing Group Limited	42,808	£3,950			Vivid Housing Limited	31,005	£3,919		
Islington and Shoreditch Housing Association Limited	2,403	£8,261			Clarion Housing Group Limited	109,520	£5,565			Wakefield And District Housing Limited	31,890	£4,103		
Joseph Rowntree Housing Trust	2,154	£8,779			Flagship Housing Group Limited	31,550	£4,380			Accent Group Limited	19,024	£3,904		
Local Space	1,350	£7,633			Home Group Limited	50,973	£6,153			Believe Housing Limited	18,044	£4,371		
Look Ahead Care and Support Limited	1,255		£30,446		Hyde Housing Association Limited	34,455	£5,782			Bernicia Group	13,715	£4,086		
Manningham Housing Association Limited	1,393	£3,780			Jigsaw Homes Group Limited	33,428	£3,982			Beyond Housing Limited	15,130	£4,364		
Mount Green Housing Association Limited	1,579	£5,721			Karbon Homes Limited	30,403	£3,809			Bolton at Home Limited	18,912	£4,818		
Nehemiah United Churches Housing Association Limited	1,223	£4,655			LiveWest Homes Limited	36,983	£4,190			bpha Limited	17,363	£4,054		

Table 13: Headline social housing costs per unit by total social homes owned

RP Name	Social stock owned	General Needs providers	SH providers	HOP providers	RP Name	Social stock owned	General Needs providers	SH providers	HOP providers	RP Name	Social stock owned	General Needs providers	SH providers	HOP providers
Chelmer Housing Partnership Limited	10,036	£4,623			Sovereign Network Homes	18,043	£6,239			Salvation Army Housing Association	3,612		£7,795	
Connexus Homes Limited	10,673	£4,862			The Housing Plus Group Limited	18,908	£4,060			Shepherds Bush Housing Association Limited	4,616	£11,124		
Cross Keys Homes Limited	12,230	£3,750			The Wrekin Housing Group Limited	13,167	£4,470			South Lakes Housing	3,300	£4,804		
Curo Group (Albion) Limited	12,773	£5,133			Wythenshawe Community Housing Group Limited	13,627	£4,589			South Liverpool Homes Limited	3,830	£4,210		
East Midlands Housing Group Limited	18,583	£3,596			Yorkshire Housing Limited	17,903	£4,507			Teign Housing	3,782	£4,341		
Eastlight Community Homes Limited	12,450	£4,190			B3 Living Limited	4,540	£4,488			The Cambridge Housing Society Limited	3,072	£6,289		
First Choice Homes Oldham Limited	11,426	£4,242			Bournville Village Trust	3,720	£4,527			Thrive Homes Limited	4,831	£4,882		
ForHousing Limited	17,790	£4,025			Brighter Places	3,195	£4,574			Trident Housing Association Limited	3,158	£11,219		
Futures Housing Group Limited	10,063			£4,288	Bromsgrove District Housing Trust Limited	4,072	£4,642			Two Rivers Housing	4,384	£3,954		
Grand Union Housing Group Limited	12,266	£4,086			Connect Housing Association Limited	3,412	£4,788			Watmos Community Homes	2,615	£10,350		
Housing 21	19,733			£7,636	Estuary Housing Association Limited	4,331	£5,794			Worthing Homes Limited	3,690	£4,147		
Lincolnshire Housing Partnership Limited	12,245	£3,861			Gateway Housing Association Limited	2,803	£6,937			A2Dominion Housing Group Limited	28,177	£7,556		
Livv Housing Group	12,963	£4,033			Gloucester City Homes Limited	4,756	£4,645			Citizen Housing Group Limited	29,244	£4,188		
Magenta Living	12,634	£4,956			Golden Lane Housing Limited	2,671		£9,221		Gentoo Group Limited	28,701	£4,038		
Moat Homes Limited	18,326	£3,835			Habinteg Housing Association Limited	3,320		£7,227		Great Places Housing Group Limited	21,331	£3,942		
Nottingham Community Housing Association Limited	10,024	£6,402			Hexagon Housing Association Limited	4,313	£6,894			GreenSquareAccord Limited	25,313	£4,452		
One Manchester Limited	11,888	£5,000			Honeycomb Group Limited	3,121	£6,214			Incommunities Limited	21,192	£4,535		
One Vision Housing Limited	13,007	£3,995			Inclusion Housing Community Interest Company	3,758		£16,440		Longhurst Group Limited	22,549	£4,418		
Ongo Homes Limited	10,289	£3,813			'Johnnie' Johnson Housing Trust Limited	4,908			£5,033	Onward Group Limited	29,686	£4,627		
Paradigm Housing Group Limited	15,020	£4,289			Leeds Federated Housing Association Limited	4,452	£4,233			Paragon Asra Housing Limited	21,692	£5,540		
Plus Dane Housing Limited	13,355	£5,049			North Devon Homes	3,332	£4,300			Walsall Housing Group Limited	21,316	£4,055		
Plymouth Community Homes Limited	14,475	£4,310			North Star Housing Group	3,827	£4,331			Your Housing Group Limited	25,889	£6,701		
Progress Housing Group Limited	11,000		£6,834		Ocean Housing Group Limited	4,271	£3,014			Acis Group Limited	6,610	£3,647		
Regenda Limited	12,133	£4,451			Orwell Housing Association Limited	3,847	£10,013			Aspire Housing Limited	9,300	£4,068		
Rochdale Boroughwide Housing Limited	12,381	£5,094			Prima Housing Group Limited	2,666	£5,281			Broadacres Housing Association Limited	6,656	£4,634		

Table 13: Headline social housing costs per unit by total social homes owned

RP Name	Social stock owned	General Needs providers	SH providers	HOP providers	RP Name	Social stock owned	General Needs providers	SH providers	HOP providers	Sector Median
Broadland Housing Association Limited	5,548	£3,805			Phoenix Community Housing Association (Bellingham and Downham) Limited	6,498	£5,439			£4,586
Calico Homes Limited	5,293	£3,594			Poplar Housing And Regeneration Community Association Limited	5,318	£6,500			
Castles & Coasts Housing Association Limited	6,795	£4,515			Raven Housing Trust Limited	6,337	£5,253			
Cheshire Peaks & Plains Housing Trust Limited	5,239	£4,540			Red Kite Community Housing Limited	5,525			£5,455	
Coastline Housing Limited	5,111	£4,679			Richmond Housing Partnership Limited	7,588	£5,198			
Cobalt Housing Limited	5,797	£3,357			Rooftop Housing Group Limited	6,609	£4,665			
Community Gateway Association Limited	6,742	£3,056			Saffron Housing Trust Limited	6,626	£4,069			
Cottsway Housing Association Limited	5,386	£3,825			Salix Homes Limited	7,876	£4,101			
Fairhive Homes Limited	8,564	£5,461			Saxon Weald	6,164	£5,393			
Freebridge Community Housing Limited	6,832	£3,968			Selwood Housing Society Limited	6,961	£4,326			
Golding Homes Limited	7,783	£5,144			Settle Group	9,266	£5,570			
Greatwell Homes Limited	5,078	£4,455			Silva Homes Limited	6,957	£4,636			
Halton Housing	7,330	£4,009			Soha Housing Limited	7,363	£4,159			
Hastoe Housing Association Limited	5,075	£3,143			South Yorkshire Housing Association Limited	5,386	£5,478			
Hightown Housing Association Limited	6,980	£6,766			Southway Housing Trust (Manchester) Limited	6,164	£4,123			
Housing Solutions	6,389	£4,277			The Community Housing Group Limited	6,040		£4,251		
Irwell Valley Housing Association Limited	7,423	£3,868			The Havebury Housing Partnership	7,251	£4,382			
Livin Housing Limited	8,670	£4,158			Trent & Dove Housing Limited	6,529	£4,019			
Magna Housing Limited	8,450	£4,582			Wandle Housing Association Limited	6,895	£6,134			
Mosscaire St. Vincent's Housing Group Limited	8,558	£4,571			Watford Community Housing Trust	5,220	£4,310			
Muir Group Housing Association Limited	5,600	£4,622			Weaver Vale Housing Trust Limited	6,345	£4,499			
Newlon Housing Trust	7,436	£11,817			West Kent Housing Association	7,954	£5,698			
NSAH (Alliance Homes) Limited	6,868	£4,933			Westward Housing Group Limited	7,276	£4,215			
Octavia Housing	5,050	£9,321								
Origin Housing Limited	6,729	£7,181								

Table 14: New social supply as a % of total social units owned, by region (weighted average)

	2022	2023
London	1.8%	1.9%
Mixed	1.4%	1.5%
South East	2.0%	2.3%
South West	1.9%	2.0%
East Midlands	2.5%	2.0%
West Midlands	2.0%	1.8%
East of England	2.3%	2.2%
North East	1.1%	1.0%
North West	1.1%	1.3%
Yorkshire & the Humber	1.1%	1.1%
England	1.6%	1.7%

Table 15: Return on capital employed by region

	2022 ROCE % median	2023 ROCE % median	Operating margin (overall) % weighted average
London	2.2	1.9	12.6
Mixed	2.8	2.5	16.4
South East	3.5	3.0	20.7
South West	2.9	3.0	17.5
East Midlands	3.2	2.9	19.1
West Midlands	3.4	3.2	22.1
East of England	3.5	3.5	25.4
North East	3.7	3.2	19.2
North West	3.4	3.2	11.8
Yorkshire & the Humber	2.3	2.4	11.8

Methodology

Methodology of VFM analysis

VFM metrics and measures	The RSH VFM metrics help measure economy, efficiency and effectiveness, enabling analysis and comparison of large PRPs. For consistency, the VFM metrics for individual providers have been calculated on the basis set out in the regulators VFM Metrics Technical Note which all providers must comply with.
Frequency	Annual
Geographical coverage	England
Sample size	The analysis is based on data from 198 PRPs > 1,000 units
Periods available	2016* - 2023
Data sources	2023 FVA (Electronic, financial viability accounts) and 2023 SDR (Statistical Data Return)
Reporting of statistics	The analysis set out in this report uses measures of median and the weighted average. The median is the middle value in a dataset and is unaffected by extreme values. The weighted average takes all data points into account and is therefore affected by extreme values.
Exclusions	Most private registered providers are designated as not-for-profit organisations. There is a small but growing number of registered for-profit organisations within the sector. For the purpose of our analysis, they remain outside the scope of our report. Two registered providers with non-March year ends are also excluded.
Quality assurance	Checks are carried out and comparisons made with previous years' data and between the SDR (Statistical Data Return), and FVA to gauge consistency and completeness of coverage. Quality assurance follows the principals set out in the RSH analytical governance and management framework.
Analysis developments	As a part of our commitment to the sector we look to enhance our VFM benchmarking tool which is an ever-evolving process. That allows boards and other stakeholders to analyse their performance alongside that of their peers on a comparable basis. Changes to the VFM benchmarking tool undertaken in 2023 enables PRPs to further refine the peer groups based on size, region of operation and stock type. Further guidance can be found on the RSH website .

* From 2017 the HSHC measurement includes units owned and/ or managed and excludes leasehold units

Glossary of terms

Metric		Subdivision-consolidated or social housing	Metric description
1	Reinvestment % (in existing homes and new homes)	Consolidated	Scale of investment into existing housing and acquisition or development of new housing in relation to the size of the asset base
2	New supply delivered %	Consolidated and social housing	Units acquired or developed in-year as a proportion of existing stock*
3	Gearing %	Consolidated	Proportion of borrowing in relation to size of the asset base
4	Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs, Included (EBITDA MRI) Interest cover %	Consolidated	The regulator's measure of Interest Cover - it measures the ability of registered providers to cover ongoing finance costs
5	Headline social housing cost per unit	Social housing only	HSHC includes the following social housing lettings items: planned and routine maintenance, major repairs including capitalised repairs plus 'Other' costs (Lease costs, Other (social housing letting) costs, Development services (Operating expenditure), Community/neighbourhood services (Operating expenditure), Other social housing activities: Other (Operating expenditure), Charges for support services (Operating expenditure).
6	Operating margin %	Consolidated and social housing	Operating surplus (deficit) divided by turnover (demonstrates the profitability of operating assets)
7	Return on capital employed %	Consolidated	Surplus/(deficit) plus disposal of fixed assets plus profit /(loss) of joint ventures compared to total assets

* The VFM metrics are restricted to data derived from registered providers' Annual Accounts regulatory returns – FVA – New supply developed by joint ventures is therefore excluded from the new supply (non-social) metric.



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The Regulator of Social Housing regulates registered providers of social housing to promote a viable, efficient and well-governed social housing sector able to deliver and maintain homes of appropriate quality that meet a range of needs.