Futures Housing Group

2026-27 Performance to June 2026

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Key messages and highlights

- G1/V1 Regulator of Social Housing grading reaffirmed in December 2025.
- A (negative outlook) Standard & Poor's credit rating affirmed in October 2025. Their rating reflected their view that we have increased investment in existing homes but are confident that we are taking the action we need to control costs.
- All financial covenants have been met with sufficient headroom for future risks.
- Sufficient cash reserves and undrawn facilities.

Financial highlights for the period: April to June 2026 (unaudited)

- Turnover for the period is £20.4m (2025: £19.1m)
- Social housing contributed to 92% of total turnover (2025: 92%)
- Operating surplus for the period was £6.9m (2025: £6.4m)
- Operating margin on social housing lettings was 36% (2025: 34%)
- Overall operating margin was 34% (2025: 33%)
- Overall operating margin (excluding asset sales) was 36% (2025: 34%)
- Funders' EDITDA to interest cover forecast for 2026-27 is 2.45 (covenant 1.40) (2025-26: 2.39)
- Gearing forecast for 2026-27 is 57% (covenant 75%) (2025-26: 61%)

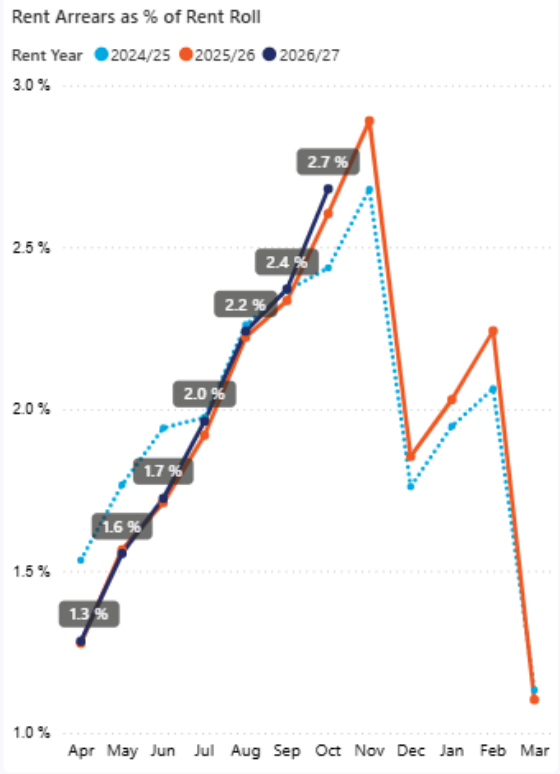
Financial performance: April to June 2026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Apr - Jun Budget	Apr - Jun Actual	Variance
	£000's	£000's	£000's
Income			
Social housing lettings	18,819	18,714	(105)
Other social housing activities	2,393	1,015	(1,378)
Non social housing activities	665	710	45
	21,877	20,439	(1,438)
Expenditure			
Social housing lettings	(12,708)	(11,938)	771
Other social housing activity	(2,973)	(1,204)	1,770
Non-social housing activity	(350)	(393)	(43)
	(16,031)	(13,534)	2,497
Operating Profit	**5,846**	**6,905**	**1,059**
Operating profit %	27%	34%	7%
EBITDA MRI as % Revenue	19%	25%	6%
Gain or (loss) on disposals	272	541	269
Net interest (payable)/receivable	(3,102)	(3,043)	59
Tax	0	0	0
Actuarial Gain/(Loss) in respect of Pension Schemes	0	100	100
Total comprehensive income for the year	**3,016**	**4,503**	**1,487**

Financial performance April to June 2026: variance to budget

Operating profit of £6.9m is £1.1m higher than budget and the operating margin is higher at 34%, compared to budget of 27%. Overall, total comprehensive income of £4.5m is £1.5m higher than budget.

Arrears: social and affordable homes



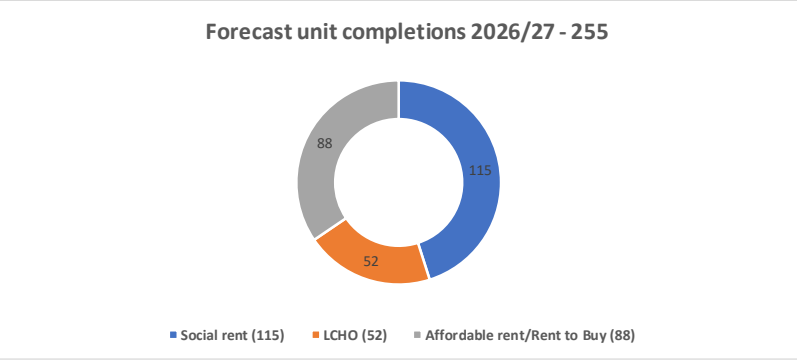


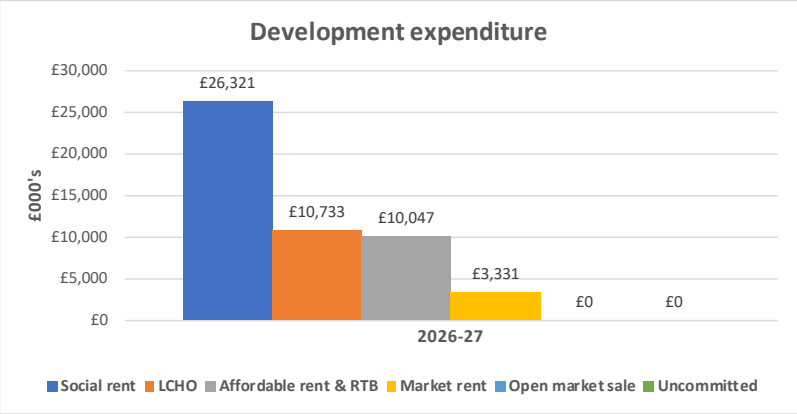
June 2026 arrears position

Rent arrears as a percentage of rent roll in June was 1.7%. This is similar to the previous two financial years. The year is forecast to end on trend with that in previous years.

Total rent arrears was £1.26m, on trend with the previous two financial years.

Development performance





Development forecast performance to June 2026

Total forecast spend in 2026-27 of £50.4m is higher than budget (£49.1m) mainly due to:
- reprofiled spend from 2025/26 at Brascote Lane and Standard Hill,
- accelerated Station Court costs, and
- two new schemes at Roman Road and Gilliam Butts. This is partly offset by lower spend at Angell Drive, with the balance relating to smaller variances across the programme.

255 homes are forecast to be handed over during the year to March 2027 – this is higher than budget of 226 due to the following:
- properties on Peasehill and Bennett Street schemes being handed over in 2026-27 instead of 2025-26 as expected during budget setting, and
- property handovers on Standard Hill and Brascote Lane have been accelerated from 2027-28 into current year.

Year to date shared ownership first tranche sales income of £1m is lower than the year-to-date budget £2.3m. This is mainly due to sales completing earlier than anticipated at Bennett Street, Central Avenue and Stanley Street in 25/26 which were expected not to complete until 26/27 at the time the budget was set.

As at the 30 June, 541 units have been secured and committed, with a further 171 units in the development pipeline. Of the approved development expenditure, 14% has been committed, 6% is awaiting approval and the remaining 80% has been allocated to future schemes within the Development Programme.

Business plans are built with prudent assumptions to effectively manage risks associated with new development such as falling property values, rent values and sales risk.

Homes England grant funding has now been confirmed for our new development programme. Our business plan assumes current grant rates to continue as part of the extended programme.

No reliance on sales income and/or grant income to meet financial covenants so business plans can operate effectively within their funding facilities.