

## Press Release

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### **Southern Housing Group secures A1 credit rating from Moody's**

Southern Housing Group's steadfast position in the sector has been endorsed by credit rating agency Moody's Investor Services, which has rated us as A1 after carrying out a detailed credit analysis.

The strong rating is a vote of confidence in the way that we organise our finances and manage risk, as well as our guardianship of the legacy left by our founder, Samuel Lewis, over 100 years ago.

Tom Dacey, chief executive of Southern Housing Group, says: "Despite the widespread financial challenges over recent years, we have kept focused on improving performance and worked hard to increase efficiency and to strengthen our financial position. And we achieved all three objectives last year.

"The Moody's rating will give additional confidence to our stakeholders that in uncertain times Southern Housing Group remains reputable, financially sound and well managed."

As a not-for-profit organisation, Southern Housing Group invests any money that we make back into our business. We use this money to build new affordable homes and to maintain or improve the homes that residents already live in.

For every new property that Southern Housing Group is developing under our 2011-15 Affordable Homes contracts with the Homes and Communities Agency and the Greater London Authority, we will fund around 86% of the cost ourselves.

This means that for every £1 of Government subsidy for building new homes, the Group adds more than £6 from private finance which is

serviced from our internal resources.

Tom adds: “We are able to contribute in this way because of our long-term approach to financial planning which includes constantly investing to keep all of our existing homes in good condition.

“With Moody’s affirmation of our financial stability, investors will have greater confidence in us. And we will be in a strong position to secure the most competitive loans available so that we can continue to provide quality, affordable homes that meet a range of housing needs.”

Moody’s recognised Southern Housing Group’s: solid operating margins; comfortable and stable cash flows (generated) from low-risk social-housing letting; and (their) current assessment of a strong regulatory framework for English housing associations’ in their report.

Read the [Moody’s report for Southern Housing Group](#).

### **Notes to Editors**

- Over the last 110 years, Southern Housing Group has become one of the largest housing associations in the south of England, housing 66,000 residents, managing more than 25,500 homes, employing almost 800 people and working with more than 70 local authorities across the South East, including the Isle of Wight.
- Our mission of ‘Unlocking the potential of people and places’ unites the organisation behind a common set of qualities and objectives.
- Our activities focus on four key areas: the development of quality affordable housing; housing and neighbourhood management; a range of housing options for rent and home ownership; and social and economic regeneration.
- Our social and economic regeneration work is undertaken to improve the lives of residents in the communities and neighbourhoods where we build and manage homes. It provides tangible evidence of our commitment to building sustainable communities.
- Southern Housing Group is a member of the g15, which represents London's 15 largest housing associations. The g15 houses one in ten Londoners and builds a quarter of London's new homes. We are working to solve the housing crisis by delivering good quality, affordable homes of all types. To find out more about the g15's work please visit [www.g15.org.uk](http://www.g15.org.uk)

For every new property that Southern Housing Group is developing under our 2011-15 Affordable Homes contracts with the Homes and Communities Agency and the

Greater London Authority, we will fund around 86% of the cost.

This percentage is made up of: contributions from our own internal resources; money that we borrow from lenders such as banks which is serviced from our turnover; recycled grant; and profits from properties that we sell. The rest of the funding, averaging around 14%, is paid for by a grant from the Government.

**For media enquiries contact [communications@shgroup.org.uk](mailto:communications@shgroup.org.uk) or call the Communications Team on 020 7017 8521. Find out more about Southern Housing Group at [www.shgroup.org.uk](http://www.shgroup.org.uk)**