

**Accent**

**Accent Group**  
*Investor Update*

**February 2025**



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# Building on Strong Foundations

**21,602 homes**  
*in management*

**V1 G1**

**Operating**  
*Margin 25.1%*

**EBITDA MRI**  
*150.6%*

**92% Stock**  
*condition data*

**82% of Homes at**  
*EPC C or above*

**431 new**  
**homes delivered,**  
*48% at EPC A*

**79% of onsite**  
*pipeline at EPC A*

**S&P A stable**  
*(reaffirmed July 2024)*

**Gearing**  
*39.3%*

**Cash**  
*£137.5m*

**£64m invested**  
*in existing homes*

# Where we are

## North Region

41 – Local Authorities  
11,937 – Properties

### Top Local Authority Areas

- 🏠 2,177 – Bradford
- 🏠 884 – South Ribble

- 0 - 100 Homes
- 101 - 500 Homes
- 501 - 1,000 Homes
- 1,000+ Homes

## East Region

19 – Local Authorities  
5,528 – Properties

### Top Local Authority Areas

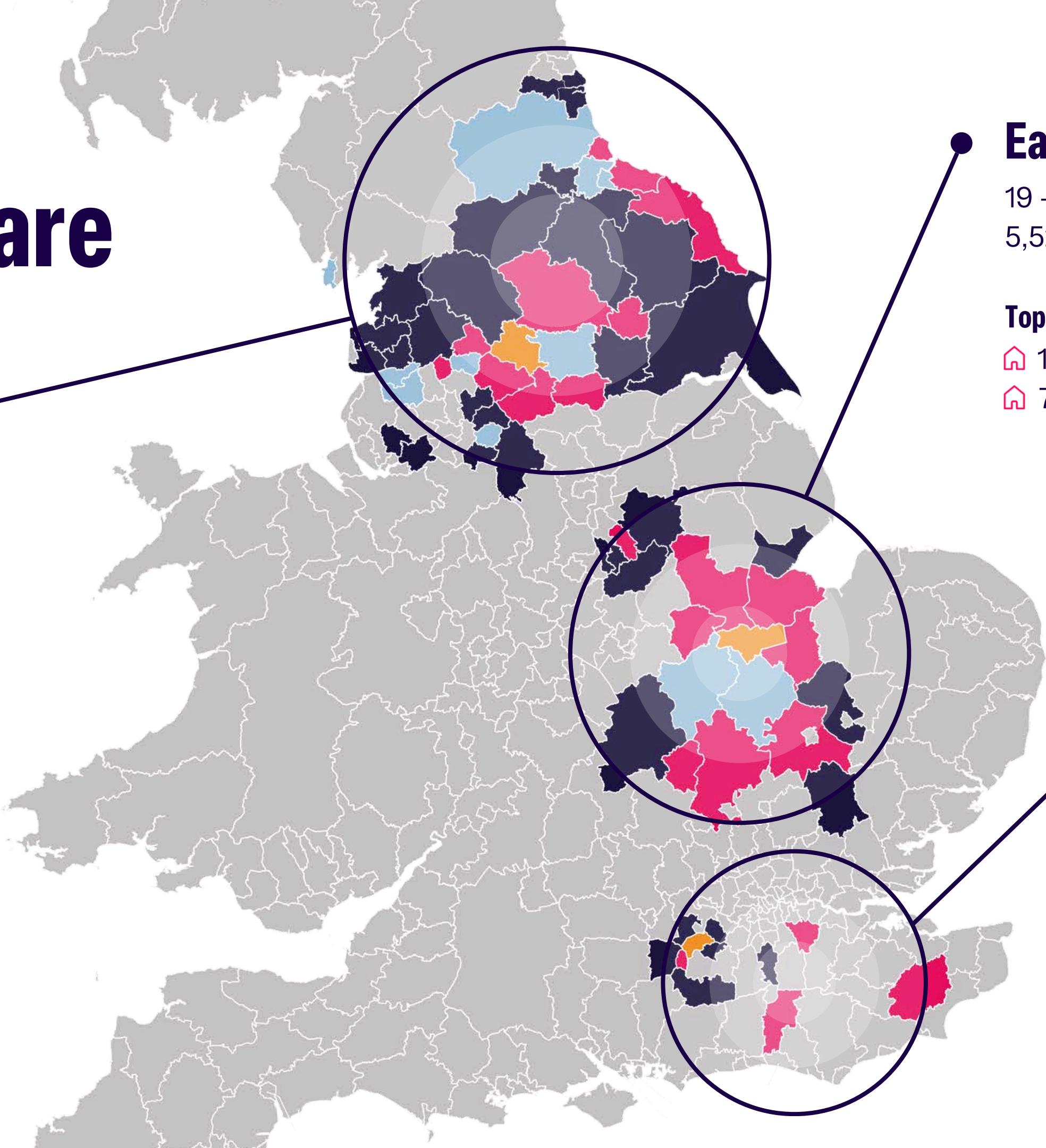
- 🏠 1,999 – Peterborough
- 🏠 714 – Huntingdonshire

## South Region

11 – Local Authorities  
4,137 – Properties

### Top Local Authority Areas

- 🏠 3,134 – Surrey Heath
- 🏠 248 – Runnymede



# Strategy *and Accent*



# Building Better Futures - *2021-2024 Strategy*

Over the last three years we have...

## **Quality Homes,** *Sustainable Communities*

- Built 900 new homes, 248 to EPC A
- Developed our Homes England Strategic Partnership
- Benefitted from £108.8m in grant to support new homes
- Retro fitted 177 new homes accessing £1.3m in grant to help us learn and grow

## **Personal Customer** Experience

- Customer involvement amplified, Recruitment, CEC membership and scrutiny groups
- Invested £145m in improvements in existing customers' homes
- Reshaped our services to give the customer a better experience
  - Dedicated Tech hub
  - Smaller patch sizes
  - Voicescape software

## **Inspirational Workplace**

- Mary Gober Customer Service Training
- CIH professional training
- New People strategy and investment
- New modern workspaces for colleagues maximising the approach to agile working
- Reduced our Gender Pay Gap to 8.92%, its lowest ever position

# Building on Strong Foundations – 2024-2027

Evolution Not Revolution

## ▶ **Creating quality *homes for the future***

- Our asset management strategy sets out the foundation stones for preparing Accent to be both environmentally and financially sustainable in the long term, building and maintaining good quality assets that will provide larger numbers of better-quality homes for our customers that are loved and affordable to access and run
- We will deliver over 1,700 new homes
- We will complete a strategic asset management review to ensure we maximise the potential of our homes
- We will formalise our road map to achieve net zero by 2050

## ▶ **Driving excellence through *customer-influenced services***

- We want our services to meet the needs and the expectations of our customers and believe the best way to achieve that is to involve them as much as possible. We want to promote a more customer-led approach to improving services, based on feedback, co-design, and a deep understanding of customer needs. We will do this through authentic engagement - listening, understanding, and acting responsively to the needs, aspirations and challenges of our customers
- We will work with customers so they can help us to identify, shape and improve service delivery
- We will empower customers to effectively challenge our performance and hold us to account when we are not delivering on our promises
- We will enable customers to influence decision making at a local and national level

# Building on Strong Foundations – 2024-2027

## ▶ Investing for *success*

- We will build an environment where everyone is valued, respected and appreciated for who they are and what they bring. We will create ‘moments that matter’ for our internal and external customers and colleagues every day
- We will deliver our new People Strategy, embedding our values and positioning Accent as an Employer of Choice
- We will implement a new digital strategy focusing on improving our customer and colleague experience
- We will drive organisational effectiveness and productivity through ways of working review and end to end process mapping ensuring we maximise the resources we have and provide added value to the services delivered to customers

## ▶ Contributing to *lasting change*

- Our national footprint provides us with an authoritative and unique perspective to talk to and evidence the fallout of the housing crisis
- As an organisation with a strong commitment to continued growth, we will work with our stakeholders to achieve better outcomes for our customers by adding our voice to sector-wide lobbying activity. We will align with the key messages of our sector whilst presenting our own insight and expertise, utilising our customers’ lived experience to support our calls for long term, lasting change
- We will expand our reach and accelerate opportunities for our customers and the wider sector through lobbying and through leadership opportunities, underpinned by Accent -led forecasting, insight, and research
- We will strengthen our internal and external communications functions to resource proactive stakeholder and external relations, especially across sector bodies and local and central government
- We will enable lasting change and generate cost savings by embedding a robust change management framework



# Environmental, Social and *Governance*



# Environment at Accent

We are committed to minimising our environmental footprint and are mindful of supporting customers with energy and thermal efficient homes.

**82% of existing homes**  
*are at EPC C or above*

**£1.3m grant funding received from SHDF and WYCA, benefitting 177 homes with improved energy efficiency**

**Silver Shift Accreditation**

## Carbon Footprint

Scope 1	Scope 2	Scope 3
2,561 t/CO <sub>2</sub> e	842 t/CO <sub>2</sub> e	205 t/CO <sub>2</sub> e

**79% of new homes under construction at EPC A**

**Flagship regeneration scheme at Ripleyville to be delivered at net zero**

# Case Study

## *Ripleyville*

Redeveloping poorly performing homes that offer poor thermal efficiency and have high void levels not only benefits customers but also helps ensure Accent's long-term financial viability. Ripleyville is a costly project, but one that we knew we had to do.

Placing an emphasis on multi-generational living, we'll be building a variety of 73 homes for affordable rent.

This exciting project will deliver a mixture of homes including small homes for single people or couples, as well as homes that meet the needs of large family groups in an area where we know there is currently an over-supply of flats.

## Investing in our existing communities

The new homes will be future-proofed and provide for wide-ranging accessibility needs.

The regeneration of Ripleyville will have a lasting impact on the surrounding area and transform the appearance of the neighbourhood.

All of the properties have been designed to be highly energy-efficient using a "Fabric First" approach to limit and retain heat loss, with a viable energy strategy.

There will be no gas supply to the scheme; instead, an approach including air source heat pumps and photovoltaic (PV) panels will be adopted.



We're investigating proposals to achieve an enhanced sustainability requirement such as Net Zero Carbon Emissions (which Accent's Board have approved costs for) or the Future Homes Standard. The redevelopment at Ripleyville would be a first in this regard and set a new standard for the new homes that Accent builds.

We're also investigating the possibility of making the new homes at Ripleyville zero-bill homes.

# Social At Accent

**61% overall customer satisfaction**  
*(TSM perception survey result)*

**New Bottisham development**  
*will create £5.1m SVA*

**Big Conversation**  
*we knocked on 9,136 doors and had conversations with 1,597 customers*

**94% of properties let at a social rent –**  
*high levels of affordability*

**100% homes on assured tenancy**  
*after 12 month starter tenancy\**

\*excludes market rent and temporary accommodation

**Customer Champions**  
*appointed to amplify the voice of the customer in our decision making and service improvement initiatives*

**£64.5k additional income** *for customers raised by Financial Inclusion team*



## Case Study

# Sustainability & Partnership working

*Working with partners who share our social values is extremely important for us.*

We build and nurture partnerships and joint ventures with organisations whose values align with our own; with a shared goal to provide quality sustainable affordable housing for those in need.

One recent collaboration is with Allison Homes, a large housebuilder based in Peterborough. We are currently working with them on a number of new developments in the East, and they have committed to donating £100 per home built to a local charity working to support the new communities we are building. We jointly selected Ferry Project to receive their substantial donation of £13,000 from the 130 homes being built at Whittlesey.

Ferry Project offers support by providing emergency and longer-term accommodation to those experiencing homelessness and vulnerability. The charity reaches out to about 80% of Fenland's homeless community and has guided nearly 3,000 individuals on their journey toward independent living since 1998. The donation contributed to renovating a commercial kitchen into a modern cookery school for private courses and free classes for those in need, teaching them how to cook healthily and cost-effectively. The charity plans to run classes and clubs which will bring groups together who may be lonely or struggling with mental or physical health issues.

# Governance at Accent

**G1/V1**  
*rating*

**8.9%**  
*gender pay gap*

**Hive employee engagement**  
*index score of 6.6*

**Living wage**  
*employer*

**22% of Board**  
*members are BAME*

**Gender balance**  
**on the Board:**  
*56% male: 44% female*

**Our  
Existing  
*Homes***



# Our Existing Homes

**99.9%** of homes meet the *Decent Homes Standard*



**Focus on planned/preventative maintenance 69%/31%**  
*planned/responsive split – 2023/24*  
*(71%/29% budget for 2024/25)*




**£26.2m**  
capital investment



**£1.7M** sustainability improvements (£638K  
*Social Housing Decarbonisation Funding*)

**92%** fully surveyed  
*stock condition data*



**100%** fully surveyed communal  
*stock condition data*



**82%** of homes at  
*EPC C or above*

*as at 31 March 24*



# Our Existing Homes

**Small housing patches – more  
intensive housing management**

**Strong Compliance**  
99.82%

**Building safety**  
*minimal exposure to fire safety works.  
No exposure to RAAC identified*

**Financial Inclusion Team - £64.5K**  
*additional income for customers*

**£5.5K in food and utility vouchers**  
*issued to customers in crisis*

**Pro-active approach to  
tackling damp and mould**  
*– survey at every repair visit*

**Two dedicated customer service hubs –  
technical repairs and housing –  
86% customer satisfaction**

**Specialist Housing Team –  
tailored services for older people**

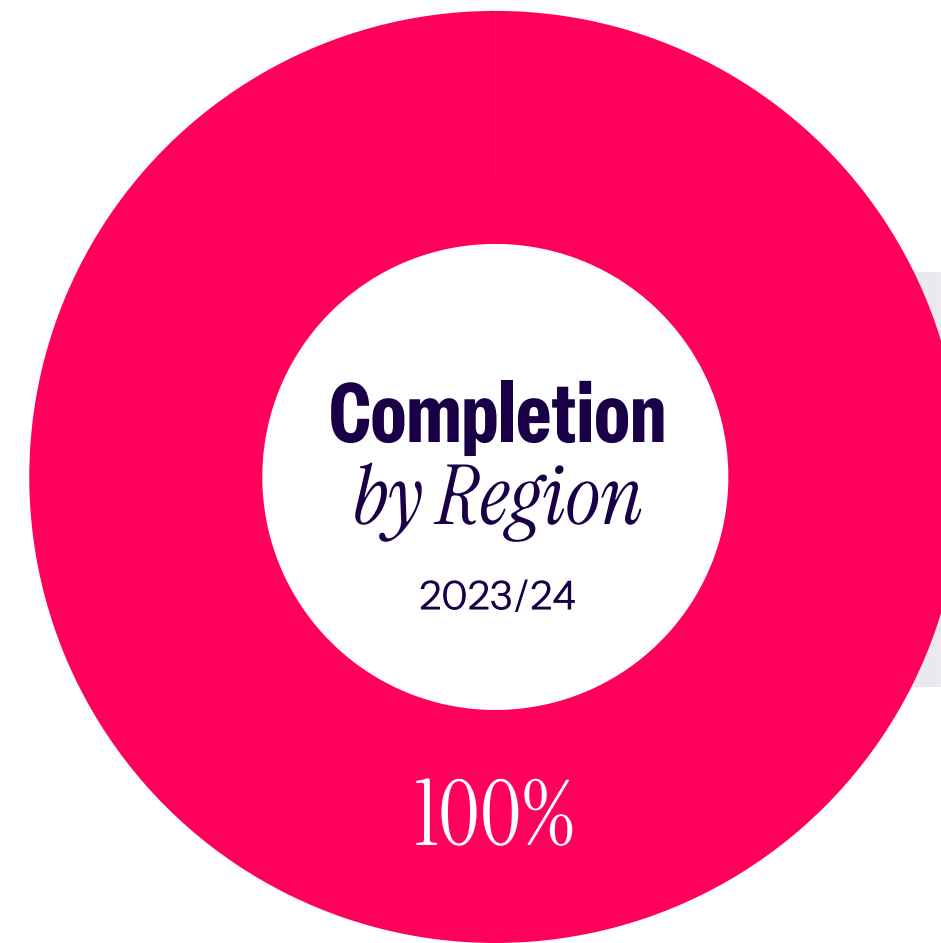
**Primary Authority Scheme**  
*with Merseyside Fire & Rescue Service*

# Our New *Homes*



# Development Overview

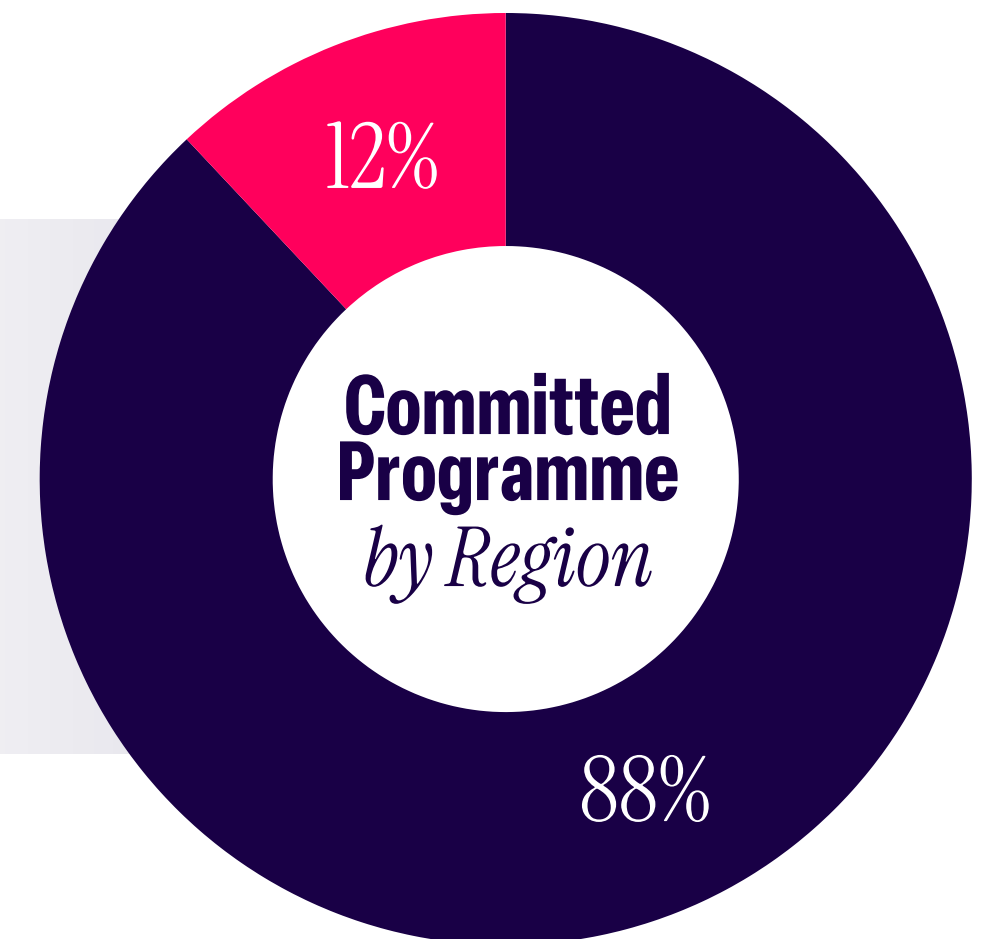
- In 2023/24 we delivered 431 new homes (target 413)
- We made a start on the delivery of 403 new homes (target 437)
- In contract to deliver a total of 939 homes on 25 sites, with a further 243 approved homes across five sites.
- 91% of our programme is land led and 9% of our programme is S106
- Commitment to deliver all land led programme homes to EPC A standard
- 28 EPC A rated homes delivered in 2022/2023; 208 in 2023/2024
- No development in London region



431 completions all in the East Region

▶ North	0%
▶ East	100%
▶ South	0%

	Committed and on site	Committed not yet on site	Total
▶ East	740	85	825
▶ North	114	0	114
▶ South	0	0	0
<b>Total</b>	<b>854</b>	<b>85</b>	<b>939</b>



as at 31 March 24

# Shared Ownership Sales

**We sold 81 shared ownership homes in 2023/24 generating a first tranche sales receipt of £9.7m against our cash target of £9.2m**

**The average share purchased was 40% with a value of £113k, 45% were sold to first time buyers**

**Majority of purchasers previously living with friends and family**

**The sales completion target for 2024/25 is 165 sales.**

**4.7 Trustpilot rating**

**No private sale homes in programme or planned in the immediate future**

**Our**  
*Financial*  
*Performance*



# Our Financial Performance to 31 March 2024

Peer group consists of 13 similar sized organisations (unit numbers), data extracted from RSH 2023 global accounts

	Audited 23/24	Peer Group
<b>Operating Margin</b>	25.1%	16.8%
<b>Gearing</b>	39.3%	40.22%
<b>Social Housing T/O</b>	£125.3m	£116.3m
<b>EBITDA MRI</b>	150.6%	129.8%
<b>Debt to EBITDA (nsa)</b>	26.56	25.26

**Strong financial year**  
*despite significant prevailing cost inflation*

**Record level of investment in existing properties - £64m**

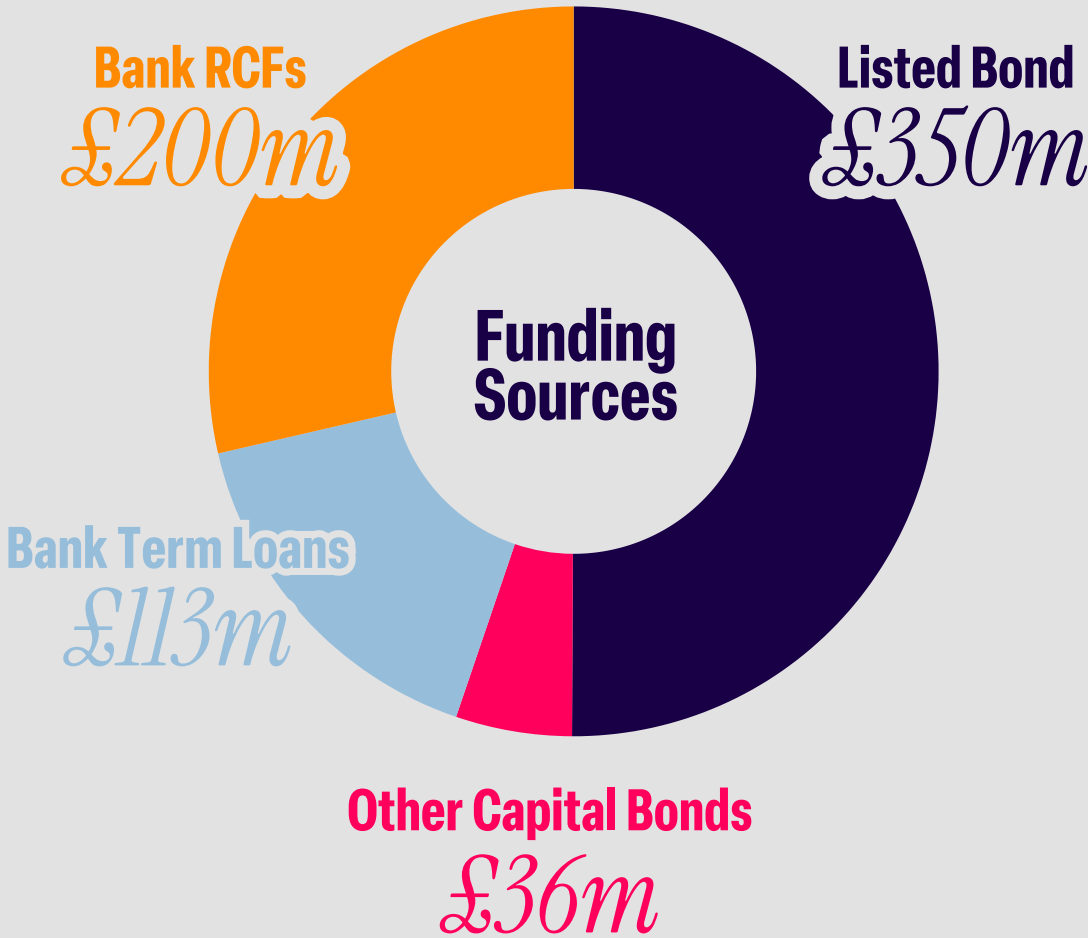
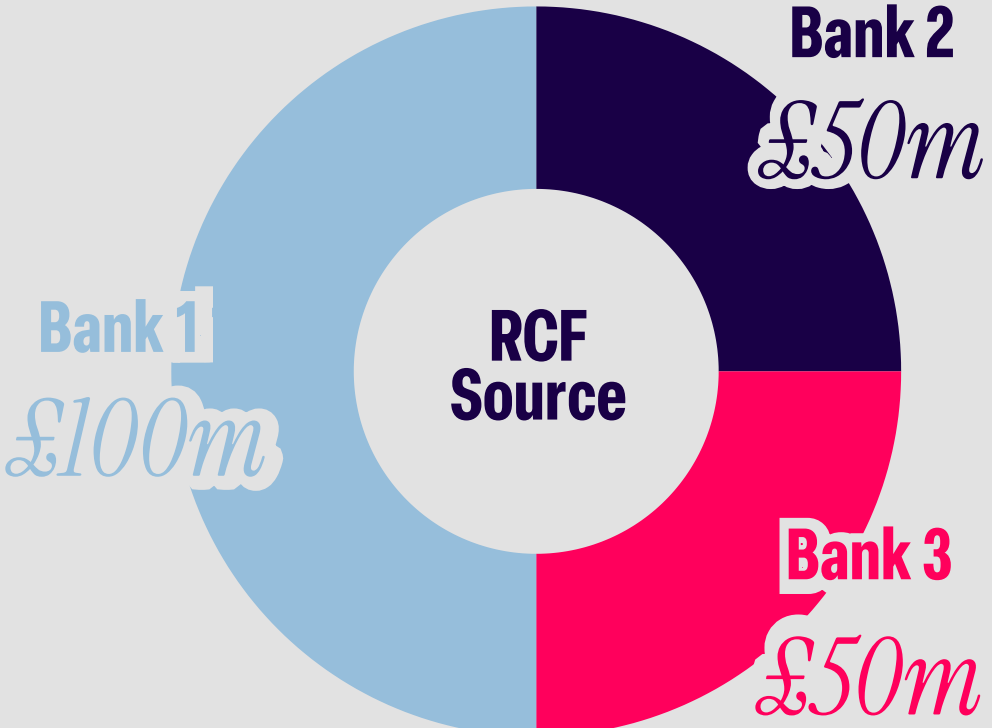
**Development programme delivered 431 new homes, of which 319 for rent and 112 for affordable homeownership**

**First tranche sales of £9.9m delivering profit of £2.1m**

**Void of £2m (1.8% of SL turnover)**

**Arrears (2% net) benefited from investment in new case management software - voicescape**

# Treasury



**83% fixed /  
17% variable**

**No stand-  
alone swaps**

**WACOD  
below 3.6%**

**Drawn debt £498m  
at 31 March**

**RCF availability £70m at 31 March, additional  
£130m post year end (all undrawn)**

# Current *Year Update*







# 2024/25

## *Highlights so far*

- At 31 December operating surplus of £30.2m – marginally ahead of budget
- Liquidity (undrawn facilities and cash) of £264m (£196m in available facilities)
- Delivery of 366 new homes to 31 December – 211 for rent and 155 for shared ownership
- 829 homes under construction with 67% of new homes constructed at EPC A
- Sales of £15.5m achieved against 128 sales and strong pipeline of pending sales
- Investment in transformation function, strategy and comms to support strategic delivery

# Assets and Investment

	31 December 2024 £'000	31 December 2023 £'000
Responsive	14,730	11,760
Capital and planned	17,564	22,980
Total	32,294	34,740

**94% of properties**  
*have a stock condition survey in place*

**82% of homes are**  
*at EPC C or above*

**100% compliance**  
*with health and safety requirements*

**No outstanding works in**  
*relation to high rise blocks (only three in portfolio)*

**Continue to participate in WAVE 2 and**  
*green initiatives supported by grant*

# Development

	Completions nine months to 31 December 2024	Completions nine months to 31 December 2023
Rented	211	261
Shared Ownership	155	62

	Sales nine months to 31 December 2024 £'000	Sales nine months to 31 December 2023 £'000
Shared Ownership	15,547	8,517
Surplus	2,683	1,480

- On target to deliver 495 new homes by 31 March 2025
- All eligible units supported by Homes England grant – in year cash receipt of £11.8m
- Accent has no outright sales within its sales programme or business plan

- At 31 December Accent had 829 homes on site with 67% being constructed at EPC A
- Ripleyville regeneration well advanced – will provide 72 new net zero carbon family homes in area of demand

# Key *Financials*



Key Financial Indicator	Nine month period ending 31 December 2024 (Unaudited)	Nine month period ending 31 December 2023
Turnover £	113.0m	96.1m
Operating Surplus £	30.2m	26.4m
Operating Profit Overall %	27%	27%
Operating Profit Social Housing %	28%	28%
Surplus Before Tax £	22.1m	20.9m
Gearing %	32.70%	41.90%
EBITDA MRI %	242.20%	165.70%
Net Debt £	421.9m	352.9m
Cash at Bank £	73m	43.4m

# Summary

**Continued resilient performance in challenging environment**

**V1 G1 with strong  
regulatory framework**

**Strong liquidity and  
practice management**  
*£73m cash and £190m in  
undrawn facilities at 31 December*

**Operating margin of 25.1%**  
*at 31 March 2024*

**S&P A stable rating**  
*reaffirmed July 2024*

**Strong headroom  
on covenants**

**Focus on customer  
and value for money**

**Minimal fire  
remedial exposure**

**Robust sales demand  
with healthy margins**

**Net Zero planned  
into business plan**



**Accent**