

## Orbit Capital PLC delivers a robust performance for the year ending 31 March 2023

### Publication of Financial Statements

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Orbit Capital PLC ('Orbit Group', 'Orbit' or the 'Company'), one of the UK's largest providers of affordable housing, delivers a robust performance for the year ending 31 March 2023.

### Highlights

- **Group turnover ahead of budget at £418.3 million**, an increase of £44 million on the prior year (FY2022: £374 million)
- **Operating surplus excluding fixed asset sales increased by £11 million to £105.1 million** (FY2022: £94.1 million)
- **Strong group operating margin** excluding fixed asset sales in line with budget at 25.1% (FY2022: 25.2%)
- **Revenue reserves increased to £911 million** (FY2022: £826 million) underpinning a strong balance sheet position
- **Overall surplus achieved for the year of £89.6 million** (FY2022 £81.4 million)
- **Reaffirmed A3 credit rating by Moody's**

### Strategic Progress

Robust performance delivered despite the challenging and inflationary operating environment.

The cost-of-living crisis significantly influenced our efforts throughout the year as we worked hard to support our customers through high inflation and the economic challenges. Referrals to our Tenancy Support team increased and we enhanced our existing Better Days programme with a raft of new services measures to provide much needed customer support.

We also invested further in our processes around damp, mould, and condensation, establishing it as a 'Big 7' Health and Safety item within Orbit, giving it the prominence that we believe it rightly deserves.

Against this challenging backdrop, we continued to deliver strong progress in all areas of our corporate strategy, Orbit 2025, which sees continued focus on safety, customer service, quality of existing and new homes, and the environment.

- **£88.8 million invested in improving and maintaining our existing homes** for our customers
- **Strong build completions with 1,257 new homes built** and sector-leading new build offer continuing to secure strong new home reservations
- **Increased investment into our Better Days programme**, which aligns to our purpose of supporting customers to improve their employment situation, finances and wellbeing
- **Significant measures to help our most vulnerable customers during the cost-of-living crisis**, including commissioning fuel poverty charity, National Energy Action (NEA), to deliver a direct Energy Advice Service, increased capacity in our mental health support service, Breathing Space, as well as awarding food and fuel vouchers to vulnerable and low-income households
- **New Welfare Advice Service** to help customers understand and apply for the benefits that they are eligible for
- **Biodiversity Approach launched**, which is aligned to the proposed framework of the UN Convention on Biology Diversity
- **Sustainability Strategy updated** in recognition of the cost-of-living crisis, the impact of climate change on customers and recent world events
- **Sustainable Finance Framework launched**, and first Sustainability Linked Loan agreed
- **Carbon footprint reduction of our operations of 14%**, with total reduction of 38.5% since baseline established in 2018.
- **Completion of Social Housing Decarbonisation Fund (SHDF) Demonstrator project in Stratford District**, upgrading 69 properties using a whole house retrofit approach as part of the Department for Energy Security & Net Zero's UK-wide scheme
- **SHDF Wave 1 and Wave 2.1 funding secured** with work started to upgrade a further 136 properties in partnership with the West Midlands Combined Authority and Stratford-on-Avon District Council

**Commenting on the results Jonathan Wallbank, Group Finance Director, said:**

“The Group has performed well, and our net assets have increased as a result of our investment in our existing homes and through new social and shared ownership homes being built, and revenue reserves remain strong. With our continued Strategic Partnerships with Homes England - which will see us deliver over 3,800 homes under this partnership - we remain financially well-placed with a strong financial liquidity position.”

**Phil Andrew, Orbit Group Chief Executive added:**

“We have made great progress towards the delivery of our corporate strategy, Orbit 2025, and these results are a testament to that. However, the external environment and legislative requirements have changed in recent years, and at the same time expectations of the sector have significantly increased.

“Working with our customers, colleagues, and the Group Board, we are currently developing the strategy that will take us to 2030, looking at what we need to action now and over the next five years so we can continue to deliver real improvements to our homes and the way we provide services for our customers, build more new affordable homes, and best deliver a positive social impact for today and tomorrow.”

**ENDS**

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