**Orbit Group Limited’s Interim Performance Update covering the six-month period to 30th September 2024**

**28 November 2024**

Orbit Group Limited (‘Orbit Group, ‘Orbit’ or the ‘Company’), reports a good half-year performance\*.

**Highlights**

* **Group turnover for the year to date of £196.0m** (2023/24 H1: £189.2m)
* **Operating surplus for the year to date including sale of fixed assets of £48.3m** (2023/24 H1: £47.7m)
* **Surplus for the year to date of £18.7m** (2023/24 H1: £22.0m)
* **341 new homes completed** against a target of 330, of which 293 were affordable
* **Continued G1 (Governance) and V2 (Viability) rating** from the Regulator of Social Housing
* **Launch of new 2030 Strategy and Everyday Excellence transformation programme**
* **Retained HBF 5-Star housebuilder for second consecutive year**

**Financial performance**

Despite the continued challenging external environment placing pressure on the property market, sales are slightly ahead of budget and build completions have outperformed half-year targets, with 341 homes delivered at half-year. Rental income, voids and sales of fixed assets are marginally ahead of budget, with maintenance costs also favourable due to timings for planned works.

As a result, Group turnover and operating surplus for the half-year are ahead of budget and, despite continued upward pressure on costs, operating surplus percentage remains in line with budget.

**Investing in the customer experience**

Earlier this year we launched our 2030 Strategy, which sets out the ambition to deliver amongst the best customer experience of any housing association in the country. To help us realise this ambition we have launched Everyday Excellence, a five-year customer-focused transformation and delivery plan, which will see significant investment in technology, data infrastructure, people and capability, and the launch of an omnichannel customer experience. Whilst it is still in the early stages, programmes of work are already underway, and we have seen a reduction in open complaints as a result.

**Investing in our homes**

We remain committed to improving the quality and energy efficiency of our homes. During this period, we have invested £57.7m in our homes (2023/24 H1: £43.4) with 85.8% of our homes now at EPC band C or above, and extensively refurbished two of our independent living schemes in Stratford-upon-Avon and Bexley.

Housing fixed assets total £3.23bn (2023/24 H1: £3.09bn). Net debt at the period end was £1.68bn (2023/24 H1: £1.58bn) with £0. 43bn (2023/24 H1: £0.48bn) of available liquidity.

**Supporting customers**

We continued to support customers, investing £1.3m in our Better Days programme, which provides customers with a range of support from direct financial help and grants to mental health and employment and skills support. This has included the launch of new services with Citizen’s Advice Mid Mercia (CAMM), which offers customers free money management and energy advice, and with the Family Fund Business Services, which provides access to funding for essential items and grants to support a return into employment.

To date, nearly 3,000 customer support interventions have been achieved and £2m delivered back to customers through debt management support, grants, food and fuel vouchers, energy bill reductions, and benefits advice.

**Comment from Jonathan Wallbank, Group Finance Director:**

“Orbit remains financially robust with a strong liquidity position, and continues to invest in our homes and services, delivering new affordable homes, and providing customers access to services and support. These results reflect Orbit’s resilience and strength as a business.”

**Phil Andrew, Group Chief Executive:**

“Whilst this is a challenging time for the sector, our performance remains strong and, with the launch of our new five-year Strategy and Everyday Excellence transformation plan, it is an exciting time within Orbit.

“Our 2030 Strategy and transformation plan will see us reshape how Orbit works, putting in place the right structures, culture and capability, systems, processes, and technology, so we can be more consistent at being great social landlord and deliver on our ambition to provide amongst the best customer experience of any housing association in the country. It will create a more resilience operation that is fit for the future and that delivers what our customers expect and deserve from us.”

* Ends –

For the latest investors presentation and the Interim Performance update please visit: <https://orbitgroup.org.uk/investor-hub>

\* All financial figures for H1 2023/24 and H1 2024/25 are based on unaudited management accounts.

**For further information or to arrange a meeting, please contact:** [investors@orbit.org.uk](mailto:investors@orbit.org.uk) / Lisa Astle, Director of Communications and Brand, lisa.astle@orbit.org.uk 07775 633957

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