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# Residents Meeting

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Facing a difficult economic climate  
8 February 2023

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# Purpose

- Openness and transparency
- Impact of economic climate
- Hear your views and take back to the board for consideration

## OUR VISION

Everyone deserves a decent home

## OUR MISSION

Decent, affordable homes for lower income households in South London

## OUR VALUES

Customers at the heart  
Appreciating difference  
Responsible and accountable  
Empowering our people

## OUR AMBITIONS

Good landlord services that meet our customers' needs  
Safe, decent, and efficient homes  
Residents supported and making a positive difference  
A dynamic workforce that delivers our goals  
A growing, sustainable, efficient, and viable business

# Rent cap: How will it affect you

## Social tenants

- Government Rent Directive
- Rent increase capped at 7%

## Supported housing

- Rent Standard: Consumer Price index (CPI) +1%
- 11.1%

## Shared owners

- Set out in lease – Retail Price Index (RPI) + 0.5% (with some exceptions)
- 13.1%

# Getting the right balance

## Money in

Rents  
Sales



## Money out

Building safety  
Damp and mould  
Fire safety  
Preparing for net zero  
carbon  
Developing new homes  
Managing and  
maintaining our existing  
homes  
Staffing costs

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# The operating environment

- Rising inflation in 2022 and 2023
  - Impact on our operating expenses and surplus
  - Impact on development activity
- Rising interest rates in 2022 and 2023
  - Impact on our sales activity: lower sales
- Capped rent increase for 2023
  - Impact on our bottom line: lower income to invest in services and homes
  - Cumulative impact on our business plan

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# 2023 Budget & Business Plan

- Is proving to be a challenge
- **We cannot afford to do all**
- Will include statutory works such as property safety and essential stock improvement
- **Value for Money!**