Notting Hill Genesis unaudited trading update for the financial year ending 31 March 2026

30 July 2026, London – Notting Hill Genesis (the "Group"), one of London's largest not-for-profit housing associations, is today providing an unaudited trading update for the year ending 31 March 2026 (FY 2025/26 or the "Period") ahead of the publication of its audited annual report and financial statements in September.

Financial overview

The operating environment for the housing sector has remained challenging, with economic uncertainty, regulatory change and planning constraints affecting the wider market. These factors have contributed to softer private rented sector valuations, while new development viability remains under pressure from planning delays and a subdued sales market. In common with the sector, Notting Hill Genesis has faced rising operating costs, driven by inflationary pressures, as well as increasing service demands.

Against this backdrop, we have taken action to manage liquidity while continuing to make significant investments to improve residents' homes and complete necessary building safety works.

Turnover increased by 5.1% to £754.6m (FY 2024/25: £717.9m), mostly driven by rent and service charge increases. A net deficit before tax for the period of £285.7m has been incurred, (FY 2024/25: deficit before tax of £129.5m). This result is principally due to a significant element of non-cash items, including asset valuation adjustments, impairments and building safety remediation provisions.

The Group faced sustained pressure on core operating costs during the year, including increased repairs spend across responsive, maintenance, compliance and safety critical programmes, as well as service charge costs being higher than anticipated. Costs also include significant expenditure on our Stratford Halo estate where defects were identified in the building structure, stemming from the original design. This has required a significant and co-ordinated response to relocate and provide ongoing support for 378 households.

Continued progress has been made against the Group's strategic asset management programme, with the sale of a number of asset portfolios during the year for £226.9m.

Financial position

All banking covenants have been met, specifically including Interest Cover ratios.

Debt reduced to £3,544.6m from £3,634.8m in FY 2024/25, with strong liquidity supported by a successful issuance of a £250m sustainable bond at the beginning of the financial year. The Group has undrawn facilities of £835m, with cash of £33.9m.

Debt is planned to reduce further under this strategic programme, including through the sale of our private market rental business, Folio, which is expected to complete during FY 2026/27.

We are also committed to strengthening our operational and financial resilience, while investing in safe, quality homes to better meet the needs of our residents.

Strategic and regulatory compliance progress

We have taken important steps this year to become a more resident-focused organisation and have made significant progress across all workstreams in our regulatory compliance plan. More than 80% of the milestones in this compliance plan are now complete, with 17 completed ahead of schedule in the year. We are on track to complete the remaining milestones by 31 December 2026.

Progress in FY 2025/26 includes:

- Continued investment to improve residents' homes, with £46.7m spent on replacing kitchens, bathrooms, boilers, windows, doors, roofs and lifts as well as retrofitting our homes to improve thermal efficiency.
- Completed physical assessments (stock condition surveys) on over 88% of our homes in the last five years. This reflects the impact of a range of improvement initiatives embedded across the organisation and has been achieved despite increasing access challenges.
- Taken action to align with the implementation of Awaab's Law and to accelerate our handling of damp and mould cases.
- Improved performance on open and overdue standard repairs, with measures remaining within target.
- Achieved record low numbers of overdue Fire Risk actions and gas safety certificates, in line with our risk tolerance, with improvements in domestic electrical safety checks and external managing agents.
- Rehoused 60 families to homes that better meet their needs since attenuating non-binding local authority nominations, whilst continuing to partner with local councils to alleviate the housing crisis in London by building affordable homes, and offering temporary and supported housing to thousands of families.
- Delivered 740 new homes last year to address London's housing crisis, despite the challenging external environment for development.

Board changes

As per previous announcements, during FY 2025/26 Notting Hill Genesis strengthened its Board and Executive Team through the appointment of Brendan Sarsfield as group board chair, Dave Sheridan as chair of our homes sub-committee, Victor da Cunha as our new chief customer officer, Ken Youngman as interim Chief Financial Officer and Keith Woolley as interim Chief Technology Officer.

Patrick Franco, chief executive officer, said: "We have continued to take a number of important steps forward on our transformation journey and are pleased to have made significant progress towards completing our regulatory compliance milestones.

"Investment in residents' homes has increased, we are tackling building safety measures head-on and have accelerated asset disposals in line with our plans to improve financial resilience, build more new affordable homes and ensure a better service for NHG's 130,000 residents.

"Our financial performance for the full year reflects the business challenges we have faced and although liquidity and cashflow remain strong, it is clear we need to do more to improve cost control and mitigate the impact of external pressures. Looking ahead we will remain focused on improving our operational financial resilience, while maintaining progress in strategic asset disposals and continuing our successful completion of milestones in our regulatory compliance plan."

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