

Onward Homes Limited

30 January 2026

Onward Homes Limited trading update for the period ending 30 September 2025

Onward Homes Limited (OHL) is the charitable registered provider of social housing within the Onward Group ("Onward").

Onward Group Limited (OGL) is the parent entity in the Onward Group and is a non-charitable registered provider of social housing.

Onward is today issuing its consolidated trading update for the six months ended 30 September 2025 (H1 2025/26). The prior year comparative in these results is the six months ended 30 September 2024 (H1 2024/25). These figures are unaudited and for information purposes only.

Highlights

- Onward is one of the largest housing and regeneration organisations, owning and managing 36,775 homes across the Northwest of England
- Onward is currently graded **G1 / V2¹** by the Regulator of Social Housing (RSH)
- Onward maintains an **A1 Moody's credit rating²**. The outlook is regraded from stable to negative.
- Turnover for the period was **£103.3m**
- Operating surplus (including asset sales) for the period was **£23.3m**
- Operating surplus (excluding asset sales) for the period was **£20.4m**
- Operating margin (excluding asset sales) was **19.7%** versus an annual budget **11.3%**
- Net Operating Surplus / (Deficit) for the period was **£15.9m**
- Gearing projection as at 30 September 2025 (financial covenant) was **31.4%**
- Interest cover projection (EBITDA only) as at 30 September 2025 (financial covenant) was **314.9%**
- On 15th December we were delighted to announce the appointment of our new Chief Executive Sandy Livingstone who will move into the role on 1st February 2026.

Commenting on the results, Dani James, Executive Director of Finance, said:

I am delighted that Onward has enjoyed strong financial performance in the first half of the year, including maintaining both our Regulatory gradings and our Moody's A1 credit rating. We anticipate expenditure to increase in the latter half of the year which is usually the case, but we are still forecasting to achieve our budgeted operating surplus and operating margin and maintain strong headroom against our loan covenants.

1 As at 17 December 2025 - [Onward Group Limited \(4649\) - Regulatory Judgement: 17 December 2025 - GOV.UK](#)

2 As at 19 December 2025 [Credit Opinion-Onward-Group-Limited-UK-Update-19Dec2025-PBC_1466368.pdf](#)

Section 1. Financial Performance

1. Income and Expenditure

	H1 2025/26 £m	H1 2024/25 £m
Turnover	103.3	98.6
Net Rental Income	93.0	89.0
Sales Proceeds	5.0	4.6
Other Income	5.4	5.0
Total Operating Costs	(83.0)	(84.0)
Cost of Sales	(3.9)	(4.4)
Operations Costs	(14.6)	(13.7)
Property Costs	(35.9)	(39.4)
Indirect Costs	(28.6)	(26.6)
Gross Operating Surplus (Overall) – excluding fixed asset sales	20.4	14.6
Gross Operating Margin – excluding fixed asset sales	19.7%	14.8%
Housing asset disposals	2.9	1.2
Gross Operating Surplus (Overall) – including fixed asset sales	23.3	15.8
Gross Operating Margin – including fixed asset sales	22.5%	16.1%
Net Operating Surplus / (Deficit)	15.9	9.1

Commentary

- The second half of the financial year (H2 2025/26) has started well building on the strong position achieved in the first half of the year
- We are well positioned to deliver a 2025/26 full year performance in line with our budget expectations.
- Our total operating costs have fallen by 1.2% compared to H1 2024/25 mainly driven by reduced maintenance costs as we have seen lower volumes. This theme is continuing in the second half of the year.
- Strategic sales remain strong with a 9% increase compared to this time last year.
- Asset disposals were higher than the previous year and include disposals through our portfolio management program which is focused on reviewing our stock to ensure that that we are utilising our financial capacity to invest wisely.

2. Key Performance Indicators

	H1 2025/26	H1 2024/25
Operating Surplus – excluding fixed asset sales	19.7%	14.8%
Social housing lettings as % of turnover	91.3%	90.5%
Interest cover EBITDA	314.9%	300.7%
Gearing - HPAC	31.4%	31.5%

Commentary

- Onward retains strong interest cover and gearing (funder definition).
- H1 2025/26 Operating Margin (excluding fixed asset sales) performance remains robust at 19.7% with the forecast at year end expected to be 11.3%, in line with the budget position.
- The forecast loan covenant outturn evidences compliance with both 2025/26 targets as well as loan covenants.

3. Funding and Treasury

	H1 2025/26	H1 2024/25
Total agreed Debt	£849.4m	£858.4m
Drawn Debt	£498.4m	£409.4m
Cash	£12.4m	£13.6m
% debt fixed	61	74

Commentary

- As at 30 September 2025, Onward had £498.4m of total drawn debt with £849.4m of total facilities.
- There is no significant short term refinancing risk.
- There is strong liquidity and flexibility with £266m undrawn facilities plus £85m retained bond as at 30 September 2025.
- Onward completed a large funding exercise totalling £400m in October 2025 which resulted in the strengthening of Onward's liquidity position with drawn RCF facilities termed out by competitive bank term loan funding.
- Onward continues to have an agile Treasury Strategy: EBITDA only covenants across all banking facilities.
- Our strength and resilience is evidenced through the retained Moody's A1 (negative) rating and G1/V2 regulatory grading.

This trading update contains certain forward-looking statements about the future outlook for Onward. These have been prepared and reviewed by Onward only and are unaudited. Forward-looking statements inherently involve a number of uncertainties and assumptions. Although the Directors believe that these statements are based upon reasonable assumptions on the publication date, any such statements should be treated with caution as outlook may be influenced by factors that could cause actual and audited outcomes and results to be materially different. Additionally, the information in this statement should not be construed as solicitation or recommendation to invest in Onward's bonds.

For further information, please contact:

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