

## Interim Regulatory Judgement

<b>Provider</b>	Great Places Housing Group Limited
<b>Reg Code</b>	L4465
<b>Publication Date</b>	29 April 2020
<b>Governance Grade</b>	G1
<b>Viability Grade</b>	V2
<b>Regulatory Route</b>	Merger Activity

### Other providers included in the judgement

Great Places Housing Association, Plumlife Homes Limited

### Explanation

Equity Housing Group Limited (L1229) joined Great Places Housing Group Limited (L4465) by completing a transfer of engagements with Great Places Housing Association (L1230) on 01 April 2020.

This is an interim judgement based on the regulator's previous assessments of the providers which have now merged.

### Our response

As a significant developer over many years and now established as one of Homes England Strategic Partners, we recognise that this brings risk and sales exposure. We understand the Regulator's perspective that this needs to be carefully managed, so it comes as no [great](#) surprise that we have been regraded to V2. This is consistent with the messaging from the Regulator over a number of years, the regrade of several other developing Registered Providers (RPs) and takes into account our recent merger with Equity Housing Group, who held a V2 rating. The regrade has no impact on our ambitious growth targets and we look forward to working with our various stakeholders and partners to deliver the new homes so desperately needed in the North of England.

It is fair to say that all regrades are not the same, so we are pleased to have kept our G1 rating which shows that we have strong governance arrangements to ensure ongoing financial strength, and have an effective risk management framework. We also have a robust business planning and stress testing environment, a simple structure and a consistent strategic approach. These factors have helped us sustain excellent relationships with our many funders and to maintain our credit ratings with both Moody's and Fitch over many years, contributing to the high levels of liquidity that we see as an essential business requirement.

We have recently completed the transfer of engagements of Equity Housing Group, which will make the larger organisation financially stronger, operationally more resilient and able to deliver even better services to our customers. These are outcomes we expect to deliver over the next few years, but greater resilience and strength in depth is already proving beneficial in shaping our response to the current unprecedented Coronavirus lockdown. This includes setting up a £100k Hardship Fund to support those most in need and we are working with our local authority and other partners to ensure it reaches them.

Great Places remains committed to its vision and values, and to achieving profit for social purpose. We have a modern portfolio of homes, providing safe, secure, high quality and energy efficient homes for our customers, backed up by high quality customer service delivery. We have the financial capacity to maintain and invest in our homes, and we expect the costs of meeting enhanced building safety requirements in our predominantly modern portfolio of family houses to be relatively low.

We are committed to developing thousands more much needed new homes over 10 years following the merger with Equity Housing Group. Great Places has been a significant developer of all tenures with an excellent track record over many years, whilst Equity's successful development activity has focused on shared ownership and rural schemes. Our 11,000 new home ambition represents an increase of around 15% over what both organisations had planned individually, clearly showing how this merger will unlock capacity to allow us to do more to tackle the housing crisis.