

Positive outlook for Connexus as credit rating improves

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Despite being only 12 months into a merger, Connexus, which owns and manages over 10,000 homes, has had its Baa1 credit rating reaffirmed and the outlook increased from stable to positive.

Moody's rating has validated the financial strength of Connexus and how it has already outperformed in terms of its business plan, demonstrating strong, solid and sound financial management. Connexus is also performing well against its peers on all Value for Money metrics and continues to demonstrate a drive for efficiencies.

Duncan Forbes, Interim CEO said, "The positive rating is reflective of the stability in our strong financial metrics, which are set to remain strong into the future, as well as our very strong performance within the social housing business. In a short time at Connexus I have been able to see the strength of the organisation and the leadership team here. The pace of change and the outlook is very positive for us and we have an exciting future ahead."

The rating is also reflective of the refined and strong development programme for Connexus, with plans to build over 1000 homes over the next 2 years, a combination of outright sale, shared ownership and rented accommodation across Herefordshire and Shropshire.

Ruth Cooke, Chair of Connexus Board said, "Connexus has had a strong first year, outperforming our business plan through cost control, regular monitoring and scrutiny. Our social housing operating costs are lower than anticipated and it is encouraging that Moody's could see the strong projections within our future plans. This is testament to the dedication and commitment of our management team in ensuring that Connexus is a high performing organisation."