



**Scottish Housing  
Regulator**

# **Summary of the Annual Loan Portfolio Returns at 31 March 2019**

# About us

We are the independent regulator of social landlords in Scotland.

## We safeguard and promote the interests of:

Around:

**600,000**

Tenants who live in homes provided by social landlords

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Around:

**123,000**

Home owners who receive services of social landlords

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Around:

**49,000**

People and their families who may be homeless and seek help from local authorities

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Over:

**400**

Gypsy/Travellers who can use official sites provided by social landlords

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## We regulate:

**188**

Social landlords

**156**

Registered social landlords

**32**

Local authorities

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## Our role:

To monitor, assess and report on social landlords' performance of housing activities and RSLs' financial wellbeing and standards of governance. We intervene, where we need to, to protect the interests of tenants and service users.

Our Regulatory Framework explains how we regulate social landlords. It is available on our website.



## Highlights from the 2019 returns.

Lender and investor confidence in Scottish social housing continues to grow as the sector remains financially strong with access to sufficient funding.

RSLs are making more efficient use of their **existing assets** to support borrowing for further investment



The increase in the funds available to RSLs in 2018/19 was **double that in any of the last 10 years**



The total amount of investment reached

**£6 billion** for the first time ever



Undrawn funds available to RSLs have increased by more than **60%** to **£1.2 billion**



**40%** of all new finance was from capital markets.

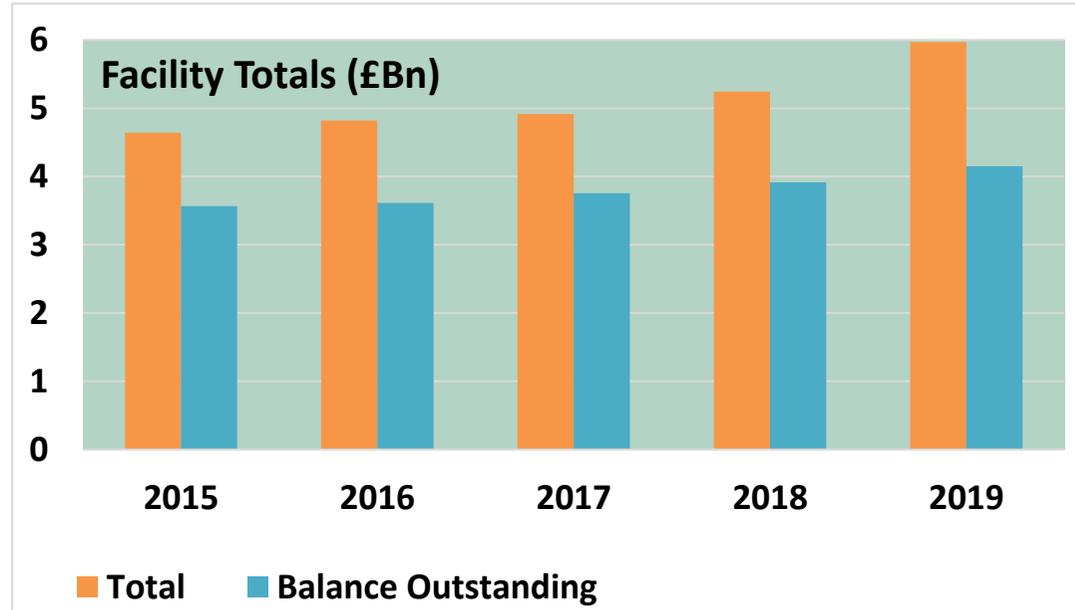


**2 new entrants** to the field of lenders and investors

→ MetLife  
→ Handelsbanken

## How much debt do RSLs have?

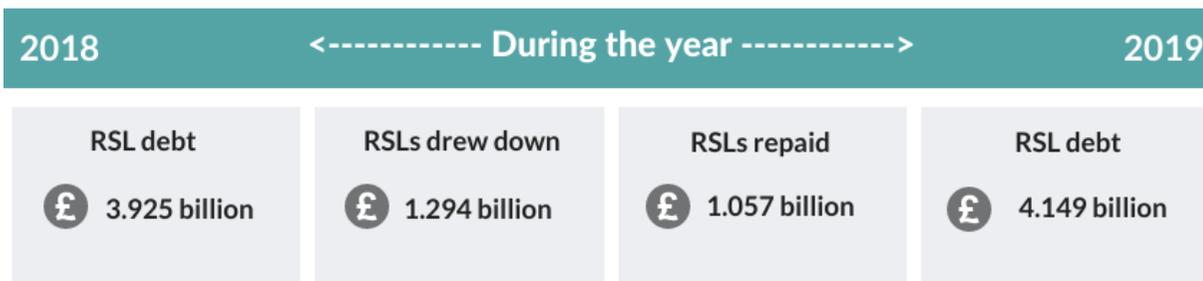
Facilities available to RSLs	
£ 5.97 billion	▲ 13.9%
Balance outstanding	
£ 4.15 billion	▲ 6.1%
Average loan/unit	
£ 14.1k	▲ 4.5%
Total amount drawn down	
17/18 £4.5 billion	18/19 £4.8 billion



Interest charges  
£175 million

That's **13%** of landlords' income from rent and service charges

## How has RSL debt changed this year?

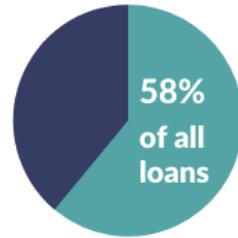


## Who lends to RSLs?

**37** lenders and investors

more than **1,300** separate loans

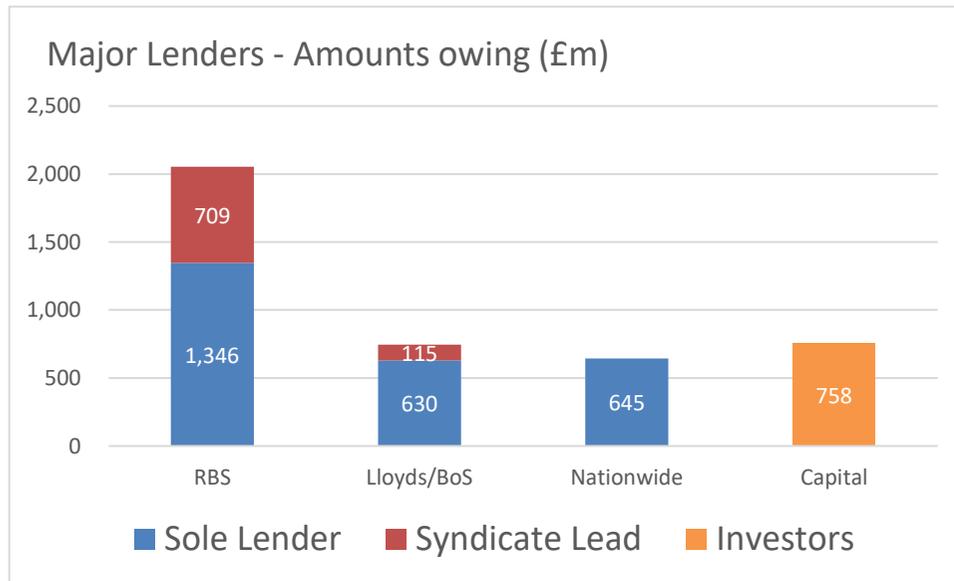
The 3 largest lenders managed



Royal Bank of Scotland	34.4%
Lloyds Group/Bank of Scotland	12.5%
Nationwide Building Society	10.8%

Aggregate total facility from the top 3 rose by:  
**£142.8 million**

### Major lenders

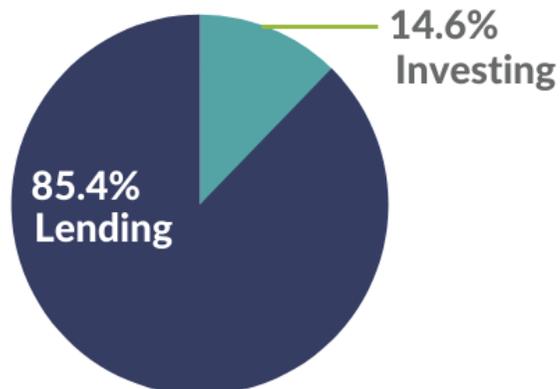


RSLs are increasingly sourcing investment from the Capital markets.

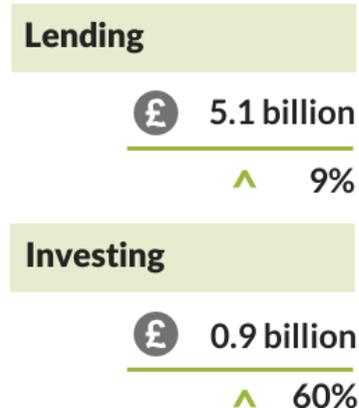
So far £870 million has been raised across five investors and ten RSLs

## What type of private finance do RSLs have?

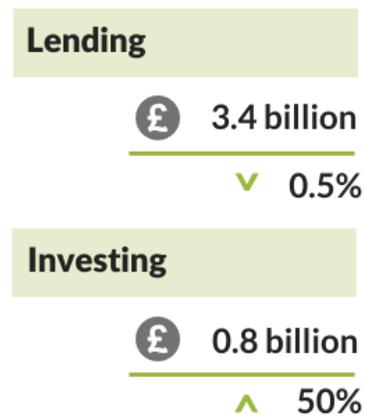
Types of private finance



Total



Outstanding



Most debt relates to traditional borrowing from banks and other organisations. The proportion being sourced from bonds and private placements has increased from nothing four years ago to nearly 15% of the total available to RSLs.

# What new borrowing have RSLs undertaken this year?

## Value of new loans

£ 912 million

▲ 260%

## Number of new loans

17/18

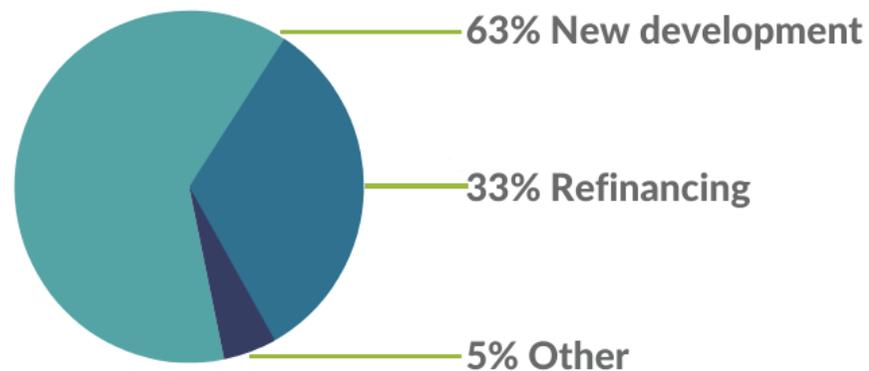
18/19

69

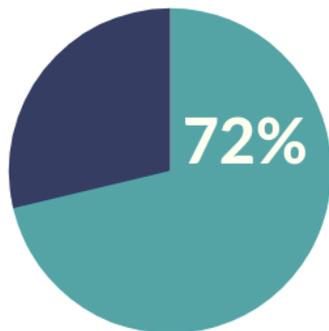
86



## Reasons for new loans



## Housing used as security for loans



## Security value

£ 6.72 billion

113% of the available facilities

## More information...

Read a detailed statistical analysis on our website

[www.housingregulator.gov.scot](http://www.housingregulator.gov.scot)



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