CREDIT OPINION
4 November 2025

Update

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RATINGS

Amplius Living

Domicile	United Kingdom
Long Term Rating	A3
Type	LT Issuer Rating - Dom Curr
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

Contacts

Maylis Chapellier +44.20.7772.1429
AVP-Analyst
maylis.chapellier@moodys.com

Maksym Rudnichenko +44.20.7772.8725
Senior Ratings Associate
maksym.rudnichenko@moodys.com

Jeanne Harrison +44.20.7772.1751
Vice President - Senior Credit Officer
jeanne.harrison@moodys.com

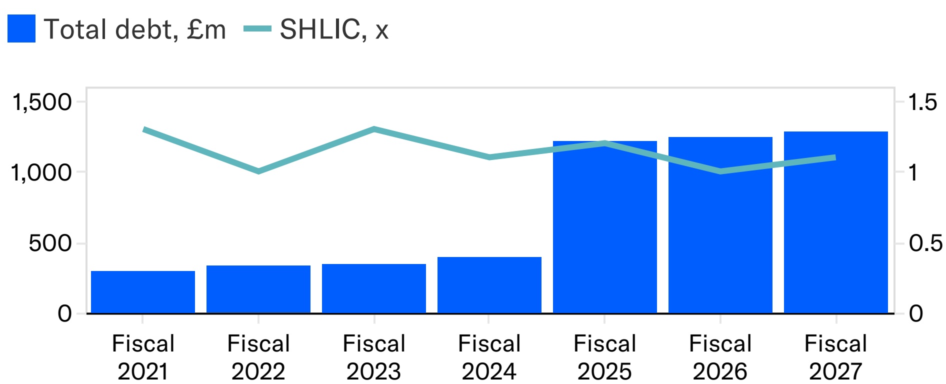
Amplius Living (United Kingdom)

Update to credit analysis

Summary

The credit profile of Amplius Living (Amplius, A3 stable) reflects its decent interest coverage ratios and operating margins, as well as high gearing. Amplius benefits from the strong regulatory framework governing English housing associations and our assessment that there is a strong likelihood that the government of the United Kingdom (UK, Aa3 stable) would intervene in a timely manner to prevent a default.

Exhibit 1
Amplius's SHLIC will decline due to operating cost pressures



Fiscals 2021-2024 are for Grand Union on standalone basis, fiscals 2025-2027 are for Amplius Living on consolidated basis.
Fiscals 2026 and 2027 are forecasted numbers.
Source: Amplius Living, Moody's Ratings

Credit strengths

- Decent interest coverage and operating margins
- Supportive institutional framework in England

Credit challenges

- High gearing relative to peers, but low treasury risks
- Moderate development programme and market sales exposure

Rating outlook
The stable outlook reflects our expectation that Amplius' operating performance will remain strong, counterbalanced by increasing debt levels due to continued development.

Factors that could lead to an upgrade
Upward pressure on the ratings could result from a significant improvement in interest cover ratios, a material reduction in debt or higher government support for the sector.

Factors that could lead to a downgrade
Downward pressure on the ratings could result from a prolonged weakening in operating performance, debt growing more quickly than forecasts, or weaker liquidity. Lower government support for the sector or a dilution of the regulatory framework could also lead to downward pressure on the ratings.

Key Indicators

Exhibit 2
Amplius Living

Amplius Living	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26 (F)	31-Mar-27 (F)
Units under management (no.)	12,250	12,410	12,699	13,028	39,141	39,892	40,638
Operating margin, before interest (%)	27.7	26.6	25.7	23.4	24.7	26.9	27.4
Net capital expenditure as % turnover	29.6	42.7	20.0	60.5	34.3	34.9	33.9
Social housing letting interest coverage (x times)	1.3	1.0	1.3	1.1	1.2	1.0	1.1
Cash flow volatility interest coverage (x times)	1.7	1.7	2.3	1.9	1.5	1.3	1.9
Debt to revenues (x times)	4.1	3.9	3.8	4.2	4.2	4.4	4.2
Debt to assets at cost (%)	61.8	62.9	60.7	62.0	59.8	58.2	57.6

Fiscals 2021-2024 are for Grand Union on standalone basis, fiscals 2025-2027 are for Amplius Living on consolidated basis. F: forecast.
Source: Amplius, Moody's Ratings

Profile
Amplius Living is a medium-size housing association operating in Midlands. It manages approximately 39,000 units. It focuses predominantly on low-risk social housing lettings with a moderate exposure to market sales and care services.

Detailed credit considerations
The credit profile of Amplius, as expressed in an A3 stable rating, combines (1) a BCA of baa2, and (2) a strong likelihood that the UK government would act in a timely manner to prevent a default.

Baseline Credit Assessment

Decent interest coverage and operating margins

We expect Amplius' operating margin to remain above peers, thanks to the limited impact from new fire and building safety regulations, as opposed to peers, combined with the return to CPI+1 rent increases for the next 10 years and merger efficiencies. Merger costs and efficiencies are in line with budget, system integration is progressing as planned, with back-office systems having gone live in October 2025.

Amplius benefits from having mostly low-rise properties requiring limited costly fire safety remediation works. Amplius reports rising demand for responsive repairs as well as increased expenditure on building quality, similarly to the sector as a whole. The HA was able to tackle its repairs backlog, a positive. Amplius also has close to 5,000 units that require retrofitting to EPC-C by 2030, which it aims to achieve mostly through retrofitting, and with some fixed asset sales.

Amplius' operating margin increased to 25% in fiscal 2025, after a dip to 23% in fiscal 2024. The increase was due to a higher social housing lettings revenue and the stabilisation of repairs and maintenance costs, unlike most rated peers. This compared favourably to the median for A3-rated peers, at 20% in fiscal 2025.

Margins on market sales, primarily shared ownership, remain solid at 18% in fiscal 2025, although down from 21% in fiscal 2024.

We expect Amplius' interest covers to remain in line with peers over the next three years, despite the debt increase to fund its moderate development programme thanks to its strong margins. Social housing lettings interest coverage (SHLIC) stood at 1.2x in fiscal 2025, compared to 1.1x for the A3-rated median and cash flow volatility interest cover at 1.4x, compared to 1.3x for the A3-rated median.

Supportive institutional framework in England

The sector's credit quality benefits from the strong institutional framework governing English housing associations (HAs) reflected in an Operating Environment score of a2 and a Regulatory Framework score of a1. These scores are assigned at a national level and reflect the following credit considerations:

The regulator maintains strong oversight through quarterly returns, long-term business plans, annual reviews, and regular programmed inspections for HAs with more than 1,000 units. The regulator has a strong track record of intervention in cases of mismanagement or financial stress.

The operating environment for English housing associations is supportive. Demand for social housing is very high and English housing associations retain some expenditure flexibility, with a track record of controlling costs to mitigate lower income. We recently upgraded the score to a2, reflecting recent credit-positive policy announcements that will provide greater revenue certainty and expenditure flexibility to the sector, including a 10-year rent settlement at CPI+1% and more generous funding for new and existing assets.

High gearing relative to peers, but low treasury risks

Amplius has one of the highest gearing levels among rated peers, due to its origin as a Large Scale Voluntary Transfer (LSVT). Its gearing stood at 60% in fiscal 2025, compared to the A3 peer median of 52%. However, its debt to revenue metric is slightly lower than the A3 peer median, 4.2x in fiscal 2025 for Amplius compared to 4.5x for A3-rated peers.

Treasury risks are low - 80% of drawn debt is at fixed rates, it has low refinancing risk with 21% of its drawn debt falling due over the next five years, and its covenant headroom is sufficient.

Amplius benefits from ample liquidity, as evidenced by its commitment to maintain 18 months of liquidity in line with its liquidity policy. Liquidity coverage was 1.2x in fiscal 2025. Liquidity consists of £248 million of unsecured undrawn facilities available at short notice and £15 million of cash and cash equivalents. Amplius also reports an additional borrowing capacity of £1 billion, which compares favourably with its net funding needs of nearly £400 million over the next five years.

Moderate development programme and market sales exposure

Amplius is planning to build 5,008 units over the next five years, with a long-term objective of 1,000 units per year, which is consistent with last year's business plan. The development programme is mostly affordable and social rent (60%), shared ownership (37%) and only a very small amount of outright sales.

Market sales are expected to average 13% of turnover over the next three years, a moderate exposure, in line with the A3 peer median as most HAs have reduced their exposure to market sales. Performance on market sales is good with solid margins and low numbers of unsold units.

Amplius is increasing its asset disposals, in line with the sector, but the HA does not plan any bulk asset sales which limits the risks of those sales not materialising. Cash receipts from asset disposals, including staircasing, increased to £29 million in fiscal 2025 compared to a combined £14 million the year before for the legacy organisations. Those receipts will further increase to an average of £43 million over the next three years and contribute to the development programme as Amplius has a “1 for 1” replacement policy. Fixed asset sales disposals will fund 23% of Amplius' 5-year development programme. Should those not materialise, this could lead to a faster increase in debt, or Amplius could adjust its development programme as most of it is uncommitted.

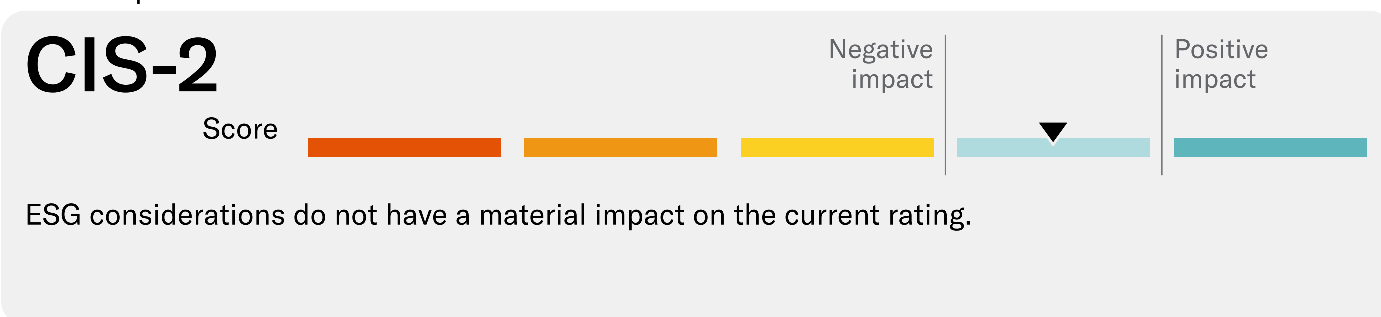
Extraordinary Support Considerations

The strong level of extraordinary support factored into the rating reflects the wide-ranging powers available to the regulator in cases of financial distress, with the possibility of a facilitated merger or a transfer of engagements. However, the process can be protracted and is reliant on housing associations agreeing to merge, which could be more challenging in a weakening operating environment. Recent history has shown that the UK government is willing to support the sector, as housing remains a politically and economically sensitive issue. In addition, our assessment that there is a very high default dependence between Amplius and the UK government reflects their strong financial and operational linkages.

ESG considerations

Amplius Living's ESG credit impact score is CIS-2

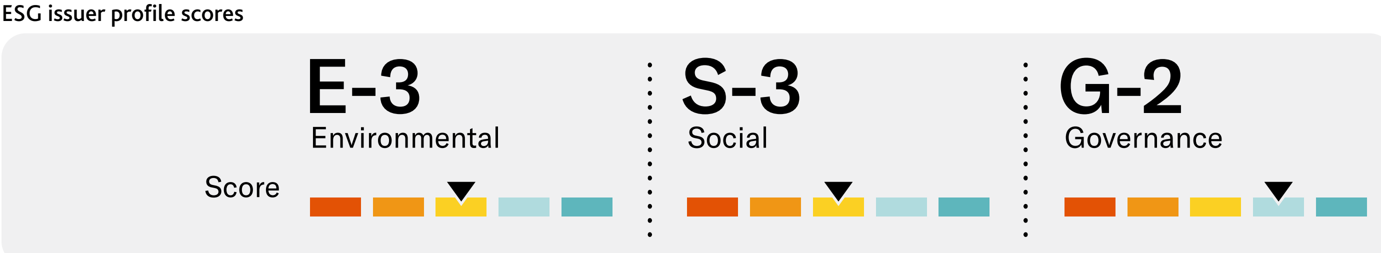
Exhibit 3
ESG credit impact score



Source: Moody's Ratings

Amplius' **CIS-2** indicates that ESG risks have a limited impact on its rating. Although environmental and social risks are prevalent we consider that Amplius has the ability to effectively mitigate them through its strong governance and management practices. We also consider that the supportive regulatory framework for the sector offsets some ESG risks.

Exhibit 4
ESG issuer profile scores



Source: Moody's Ratings

Environmental

Amplius has a material exposure to environmental risks (**E-3**), relating to a significant proportion of its stock requiring retrofit to meet energy efficiency standards by 2030-35 (carbon transition risks), leading to increased expenditure.

Social

Amplius has a material exposure to social risks (**S-3**) through sector-wide legislative requirements to improve the safety of existing housing stock (responsible production risks), which weighs on expenditure and operating margins, and the impacts of cost of living or affordability pressures on social tenants (demographic and societal trends), which led to the UK government capping social rent increases below inflation in fiscal 2024 in England, which will also have a negative impact on margins.

Governance

Amplius has limited governance risks (**G-2**). Its governance is fit for purpose, with strong financial management policies and processes, detailed reporting and a simple organisational structure. The regulatory framework also supports good governance in the sector.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Rating Methodology and Scorecard Factors

The assigned BCA is close to the scorecard-indicated BCA. The methodologies used in this rating were European Social Housing Providers, published in July 2024, and Government Related Issuers, published in May 2025.

Exhibit 5
Fiscal 2025 scorecard

Amplius Living			
Baseline Credit Assessment	**Sub-factor Weighting**	**Value**	**Score**
Factor 1: Institutional Framework			
Operating Environment	10%	a	a
Regulatory Framework	10%	a	a
Factor 2: Market Position			
Units Under Management	10%	39,141	a
Factor 3: Financial Performance			
Operating Margin	5%	24.7%	baa
Social Housing Letting Interest Coverage	10%	1.2x	baa
Cash-Flow Volatility Interest Coverage	10%	1.5x	baa
Factor 4: Debt and Liquidity			
Debt to Revenue	5%	4.2x	ba
Debt to Assets	10%	59.8%	b
Liquidity Coverage	10%	1.2x	a
Factor 5: Management and Governance			
Financial Management	10%	baa	baa
Investment and Debt Management	10%	baa	baa
Scorecard - Indicated BCA Outcome			**baa1**
Assigned BCA			**baa2**

Source: Amplius, Moody's Ratings

Ratings

Exhibit 6

Category	Moody's Rating
AMPLIUS LIVING	
Outlook	Stable
Baseline Credit Assessment	baa2
Issuer Rating -Dom Curr	A3
LIBRA (LONGHURST GROUP) TREASURY NO 2 PLC	
Outlook	Stable
Senior Secured -Dom Curr	A3
LIBRA (LONGHURST GROUP) TREASURY PLC	
Outlook	Stable
Senior Secured -Dom Curr	A3
GRAND UNION GROUP FUNDING PLC.	
Outlook	Stable
Senior Secured -Dom Curr	A3

Source: Moody's Ratings

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