



Because good homes make everything possible

PRESS RELEASE

13 March 2023

Network Homes and Sovereign Housing announce intention to merge

Sovereign Housing and Network Homes have today announced their intention to merge. The decision was agreed by their respective board meetings on Thursday 9 March. The target date for the completion of the merger is 1 October 2023.

The new organisation, Sovereign Network Group, will be one of the largest housing associations in the UK, with over 82,000 homes across the South of England and in London. Subject to a formal appointment process, it is expected that Mark Washer, CEO at Sovereign will become the Chief Executive and Helen Evans, currently CEO of Network Homes, will become Deputy Chief Executive. Sovereign Chair Paul Massara will become Chair of Sovereign Network Group and interim Chair at Network Homes, Jon Gooding, will become Deputy Chair.

Sovereign Network Group will have an annual income of over £830m in 2024-25 and will invest £9.2bn over the next ten years, building 25,000 new homes – almost 4,000 more than in current plans, as well as regenerating estates and improving the quality of existing homes. They have also pledged to establish a new Community Foundation to invest £100m in communities over a ten-year period.

The merger comes at a time when housing associations are facing a challenging economic outlook with rising costs affecting their supply chains and their rents capped by government. At the same time, social housing tenants face high energy and food bills and there is chronic shortage of affordable homes. Together Sovereign and Network Homes will be well-placed to weather the economic storms and to continue to invest in building safety, technology to improve customer experience and decarbonisation.

Under the proposals, the new organisation will initially take the form of a group structure with Sovereign being the parent (renamed Sovereign Network Group) and Network Homes the subsidiary (renamed Sovereign Network Homes), with a view to full amalgamation happening in April 2025.

Speaking from Sovereign's office in Basingstoke today Mark Washer said:

“This is a really exciting opportunity for both Sovereign and Network Homes. Together we can build more homes and invest more in the homes we own. As we merge, we will learn from one other, bringing the best from each organisation. As a housing association with over 80,000 homes and a really strong financial profile we will be able to deliver more for all of our customers.

We want to merge because we share the same vision: providing our current and future customers with more, better quality homes in thriving communities, to offer sector-leading services, and create



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a real catalyst for positive change. The headwinds we face in housing now – and there are more coming – make it even more urgent that we should be bold and innovative. Sovereign Network will be well-placed to embrace that change and shape the future of the sector.”

Over the last few months, as I’ve got to know Helen and her team, I can see this is really good fit – two organisations which are passionate about delivering sector-leading services in thriving communities.

Helen Evans, speaking from Network Homes’ head office in Wembley said today:

“This is the right time for this merger, and the right merger for both Network Homes and Sovereign. Together our size and resilience as an organisation will increase our ability to invest and to build new, affordable homes.

“Our plans for a new Community Foundation, spending £100m over the next ten years will ringfence our commitment to create places and communities where people can take control and improve their lives. And our people will also benefit, with new opportunities for learning and development.

“This is an important new chapter for Network Homes and I know that it will deliver benefits to residents, our people and help us to better fulfil our mission to provide safe, secure and affordable homes for as many people as possible.”

-ENDS-

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-ENDS-

Notes to editors:

1. Network Homes owns and manages over 21,000 homes, housing over 38,000 people predominantly in London and Hertfordshire. We are a strategic development partner of the Greater London Authority and aim to start a minimum of 1,000 affordable homes by March 2023 with an ambition to do more if market conditions and grant funding allow. Housing associations were set up to support people in housing need and this remains at the heart of everything we do today. We’re an independent, charitable organisation and all the money we make is reinvested in delivering our



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mission of providing safe, secure and affordable homes for as many people as possible.

2. Sovereign is a leading housing association, striving to provide quality, affordable homes in happy, successful places. We have deep roots in the south of England, with almost 60,000 homes focused in a core area covering Berkshire, Hampshire, Oxfordshire, Gloucestershire, Dorset, Devon, Wiltshire, the West of England and the Isle of Wight. We're driven by our social purpose, with residents at the heart of everything we do. We build homes and provide great services, but our work doesn't stop at the front door – we invest for the long-term, creating great places to live, working with residents and partners to support them in realising their potential.
3. The boards of management of **Sovereign Housing Association Limited** and **Network Homes Limited** have agreed to enter into formal negotiations with a view to forming a legal partnership.
4. The legal structure in which the two groups will be brought together remains to be determined and further information will be provided in due course.
5. The partnership will be subject to registration by the Financial Conduct Authority, which is currently expected to be around September 2023.
6. **Sovereign Housing Association Limited** is registered as a charitable community benefit society under the Co-operative and Community Benefit Societies Act 2014 with registered number 7561 and as a Registered Provider with the Social Housing Regulator with registered number 4851.
7. **Sovereign Housing Capital Plc** (registered company number 06992513) is a wholly owned subsidiary of Sovereign Housing Association Limited.
8. **Network Homes Limited** is registered as a charitable community benefit society under the Co-operative and Community Benefit Societies Act 2014 with registered number 7326 and as a Registered Provider with the Social Housing Regulator with registered number 4825.