



Paragon Housing Association 2023/24

CHAIR'S REPORT 2023/24



Audrey with colleagues Elisabeth & Susan getting to grips with E learning

As you read this report some of you may not have heard the sad news that Flora Wallace passed away in May 2024. She was one of our founding members and a great servant to the Association carrying out many roles including that of Chair. She was loved and respected by us all and is greatly missed.

This is my first Annual Report as Chair of the Association. I am going to stick with Flora's tried and tested technique for her report of using a quote to set the theme.

“While it is wise to learn from experience it is wiser to learn from the experiences of others”

I would have to say that it was a challenging task taking on the job after the 2023 AGM. It's a big role to fill and I suspect very few people would feel that it is one they can easily step into. Even though my professional career has been in housing and I have committee experience, the role of Chair was new to me. There is a lot to get your head round and it's even more daunting when you are taking over from the Paragon legend that was Flora.

I would have to say that right from the start of joining the committee through to serving my first year as chair, Flora, committee colleagues and staff were by my side sharing their knowledge, skills and experience. When I came up against a new task or challenge there was someone there to help. Flora provided a steady hand and wise head to steer me through. You can draw on your own

experiences but it's good to be supported by those who have “been there, done that and got the t-shirt.” I have also attended conferences and training to gain knowledge of what is going on in the sector and what can we learn from others.

The Management Committee members come from a range of backgrounds. I am delighted that we have some long standing members and also new people coming onboard too. Some of our experienced members moved on after giving us great service and they have been replaced with new members. What really impresses me is that no matter how much experience people have, members are willing to learn, grow and listen to each other. The world is rapidly changing and challenges around housing and delivering services is not immune from change so an open and learning approach is important. One of Flora's mantras was “we are not complacent”. I believe that this a key factor in successfully evaluating and delivering our services.

I would also like to make mention of the passing away of another great servant to the Association. Michael Hesketh, also a past Chair, who sadly died in July 2024. Although I did not work with him for very long, his legacy to the Committee is apparent. He fostered a sense of belonging and respect among members to help them get the job done. He had a real twinkle in his eye as he was prepared for a bit of fun too. He is missed.

The best way to pay tribute to these colleagues is to tell you what we have been delivering in this last year and where we are headed. The show goes on. There is detailed information throughout this report but here are some highlights to look out for.

Our ongoing monitoring of tenant feedback established that the Key Performance Indicators in our Annual Return on the Charter (ARC) report improved. Day to day business continued with times for reletting empty properties reducing and there was a solid performance on arrears management. Average response times to carry out non emergency repairs increased a bit but satisfaction with the service improved.

We remain committed to supporting tenants to stay in their homes and to be safe and warm in these challenging times. The Warm Welcome initiative continued into 2023/24 and was further enhanced with funding to enable our principal contractor, Everwarm, to employ a trainee energy advisor based with the Association to work exclusively with Association tenants.

Health and Safety continues to be a priority and it was satisfying to note that all annual gas safety checks were carried out on time in the year.

The excellent and dedicated Tenant Scrutiny Panel continued to meet, and we were grateful for their input in producing our 2023/24 Annual Complaints Report. At their suggestion, we added a “spotlight” section and looked at repairs, taking it beyond a statistical report. The owners group also met and it provides a great focus for discussions on what matters to owners in our estates.

On the investment front there was great news when we started work on 17 new properties in the Westquarter area of Falkirk. Over the next 2 years we aim to deliver around 40 new units of social housing for rent through new build and buy backs. At a national level there are concerns in the housing sector about the reduction of funding from Scottish Government for future new build investment so there may be fewer development opportunities going forward.

Investment and expenditure on the fabric of the housing stock continued with £3 million spent on repairs and projects such as a boiler replacement programme. We are making use of national procurement frameworks to ensure value for money and currently have a major programme of new kitchens on site.

Looking back at my first year as Chair I can see steady progress and stability in the organisation, despite all the challenges faced. Committed management committee members and staff keep us moving forward. My gratitude to them for all their support. I also offer thanks to all our tenants, residents, community groups, consultants, contractors, lenders and all other partners for their help and support.

The legacy of all that experience stands us in good stead for moving forward. There may be challenges to face, but we will thrive and grow as we continue to learn from new experience.

Audrey Anderson
Chair

Committee 2023-24 as at 31st March 2024

Audrey Anderson: Chair

Flora Wallace: Vice Chair

June Anderson BEM: Vice Chair

Malcolm Richards: Treasurer

Susan Robertson: resigned

Elisabeth Campbell

Kathleen Menzies

Elizabeth McNie

Claire Munro

Barry Lees

Susan Gilbert

Michael Hesketh

Rosie Murray: resigned

Fiona Speirs: resigned

THANK YOU

Fiona Speirs, Rosie Murray and Susan Robertson left the Management Committee during the year and their knowledge, experience, service and support has been greatly welcomed and appreciated over the years. Into 2024/25 Claire Munro left the Management Committee. All had a great impact on the work of the Association. They are very much committed to the cause of social housing and their contribution to the work of the Association has been very valuable.

Thank you all.



GOVERNANCE REPORT

The Management Committee's role is to provide the leadership and strategic direction to the Association. Members are involved in high level decisions such as policy making and setting the annual rent increase while taking account of outcomes for service users. Staff are responsible for operational matters.

The Management Committee and sub committees met on a regular basis. During the year the required statutory and regulatory returns were made on time. This included the Annual Assurance Statement (AAS) to the Scottish Housing Regulator (SHR). These statements are produced following a review of supporting evidence and to substantiate this a number of activities are undertaken such as internal and external audit reviews.

Following the submission of these statements for 2023/24 the SHR issues engagement plans and the Association has been classed as compliant for the period 31st March 2024 until 31st March 2025.

MEMBERS EXPERIENCE & ACTIVITIES

The members of the management committee have suitable skills and experience to perform their roles and these are regularly supplemented by training and attendance at conferences and seminars. The SHARE elearning facility is also proving a big hit.

Audrey Anderson took over from Flora Wallace as Chair following the AGM in September 2023. Office bearer support was ably provided by Flora Wallace and June Anderson BEM as joint Vice Chairs and Malcolm Richards as Treasurer.

Officers of the Association continued to be actively involved in the wider national housing movement with the Flora Wallace serving on the Executive Committee of Employers in Voluntary Housing as Treasurer and June Anderson is active in a number of bodies including the Clackmannanshire Tenant and Residents Federation, the Regional Tenant Network (now relaunched as Tenants Together) and SHR's National Tenant Panel.

MEMBERSHIP & AGM

Membership as at the end of March 2024 was 123.

The well attended AGM 2023 was held in the Beancross Hotel. In the rare absence of Flora Wallace, June Anderson chaired the meeting.

Members met up to receive the annual report and accounts. The Association's Auditors, RSM, presented the accounts and gave an unqualified audit report. Chris Docherty of RSM attended to present them.



Members were elected and it was a warm welcome for Susan Gilbert our new tenant member.



There was also an opportunity to find out more about the work of the Association and our partners at our display area. One of the highlights of the night was the presentation of the Annual Garden Competition prizes. Great entries as usual.

There was an added celebration as our Housing Management Team won the Happy To Translate (HTT) Team of the Year Award. This was in recognition of the work they had done in using HTT tools to implement new tenancy support initiatives.

Housing Management & Investment

Susan Gilbert, Chair of the Housing Management and Investment Sub Committee presided over another busy year.

Housing Management Operations

It was a steady housing management performance with arrears and void relet times reducing. The key ARC indicators on satisfaction also improved. There was a dip in average repairs response times for non emergency repairs but satisfaction around repairs increased from 77.25% to 78.99%.

The rent harmonisation project moved on with consultation events. It is a huge task, and we were assisted in this by Arneil Johnston consultants. Work continues into 2024/25 with more events planned.

To gain assurance around our processes and data collection we had an internal audit of our ARC “Right First Time Indicators”. The rating was satisfactory with a few non-priority recommendations.

The Tenant Scrutiny Panel continued to do a great job including looking at the Anti Social Behaviour Policy and helping us compile the Annual Complaints Report. The owners group continues to meet. We really appreciate all they do.

The cost of living crisis continued and we were successful in obtaining over £100,000 of external funding to fund our umbrella “Warm Welcome Home” project. Help was provided to eligible tenants with practical assistance like providing warm duvets, thermal curtains, food vouchers and more. The feedback on the project has been great.

We successfully obtained funding to recruit a Trainee Energy Advisor through a partnership project with Everwarm. Duncan Watson took up his role in December 2023 and is based at the Association’s office in Grangemouth but is often out on site working with individuals and groups of tenants. We were delighted when Duncan passed his National Energy Action/City and Guilds Level 3 Energy Awareness Award exam in February 2024. His energy surgeries have been well received.

Into 2024/25 we were able to source further funding which means we can run the advice and energy assistance project into 2024/25.

We continued to work with LinkLiving on the HoME project (Help on Managing Everything). This project helps tenants stay in their homes and manage their tenancies in challenging circumstances. Our thanks go to our partners for providing this very valuable project.

There were some notable highlights for the team during the year.

We had members of staff gaining new qualifications including City and Guilds in Understanding Building and Managing Repairs, Chartered Institute of Housing Level 3 Housing Practice and our Senior Housing Officer achieved CIH Chartered Member status. Congratulations to them.

Evelyn Mathershaw, our Housing Manager was elected to the Board of the Tenants Information Service (TIS) and so keeps up to date with all the news on tenant participation and engagement.

We were delighted that the Housing Management Team won the Happy to Translate (HTT) Team of the Year in March 2023. This was in recognition of the team using HTT tools to reach underrepresented groups when delivering the Warm Welcome Home project. This achievement was recognised at the AGM in September 2023 where the team showed off their trophy to members and guests.



Operational Performance



Housing Stock Breakdown by Area as at 31st March 2024

The number of housing units increased by 5 from 1445 as at March 2023 to 1450 at the end of March 2024.

Local Authority Area	31 st March 2024	31 st March 2023
Falkirk	875	870
Clackmannanshire	416	416
Stirling	159	159
Total	1450	1445



Allocations and Voids

	2023/24	2022/23
Number of void properties over 6 months at year end	0	6
Average time to relet void properties Measured in days	45.52	73.42



Rents

	2023/24	2022/23
Rent collected as percentage of total rent due in the reporting year	98.04%	97.03%
Gross tenant non technical arrears as % of gross rental income	5.79%	6.27%
Percentage of rent lost through properties being empty during the last year	1.08%	1.54%



Repairs & Maintenance

	2023/24	2022/23
Average length of time taken to complete non emergency repairs. Measured in days	10.22	9.72
Emergency repairs average length of time to respond. Measured in hours	1.61	2.01
The number of times statutory duty to complete a gas safety check not complied with	0	1
Repair satisfaction	78.99%	77.25%
Right First Time	84.82%	96.35%



Complaints

Completed 2023/24		Upheld – fully or partially
No. Frontline Complaints	125	65
No. Investigative Complaints	39	29
% Responded to in Target Time Frontline Line	2023/24	2022/23
	96%	98.5%
% Responded to in Target Time Investigative	2023/24	2022/23
	97%	91.7%

Planned Maintenance and Investment in Housing Stock

Meeting the Scottish Government's various housing standards continues to be a key part of the work of the Programme and Regeneration Team.

As at March 2024, 90.55% of the Association's properties met the Scottish Housing Quality Standard (SHQS) and 98.06% met the Energy Efficiency Standard Social Housing 1 (ESSH 1).

The Scottish Government have advised that for ESSH 2 milestones set for this in 2025 & 2032 are temporarily on hold while there is a review of this standard in order to align it with net carbon zero targets.

The outcome of the review is now planned for 2024/25 and the new name for this is the Social Housing Net Zero Standard (SHNZS).



During the year there was investment in new boilers, the start of a new kitchen replacement project and planned maintenance works. The kitchen programme is scheduled to run over 5 years with over 1200 kitchens earmarked for replacement.

We are making use of framework agreements for procurement and are members of ScotExcel, SPA and PfH Scotland. This helps us ensure we are getting value for money in our procurement processes.

Growth

During the year stock numbers rose by 5 units as we continue to acquire properties through our Buy Back on the Open Market Programme – BBOOM. These acquisitions were supported through Housing Association Grant Funding (HAG). These properties are used for social rent.

At Commissioner St in Bo'ness we are working in partnership with Link HA and we will acquire 18 properties during 2025/26. Work is underway and the project is progressing well.



We have another development on site at Westquarter in Falkirk. This site will provide 17 new properties all for social rent by the Association.

Both sites are a mix of houses and flats. The development services for the projects are being provided by CURB which is the development arm of the Link Group. We have a proven track record of working in partnership with the various teams in Link Group and we are grateful to them for their support and expertise.



AUDIT COMMITTEE REPORT

The Audit Committee met on a regular basis throughout the year. There was a lot on our agenda. The work we have undertaken has been valuable to the Association as it helps us to have assurance around what we are doing and to avoid complacency. Internal and external audit are both important tools for this work. Both fall under the remit of the Audit Committee. The Chair's report highlights the value of the experience of others and our specialist advisors bring that to the table to support us in our Audit Committee work.

External Audit

External audit services continue to be provided by RSM. The Audit Committee met with the auditors on several occasions to discuss the scope of the audit and their findings.

Both the RSM team and our own staff team put a lot of hard work into the rigorous process. Lots of preparation is required and the testing of the information provided is robust. The result of the audit was an unqualified set of accounts and a positive audit opinion. Well done and thank you to all involved.

Internal Audit (IA)

The provision of internal audit services was due for review during the year and a full tender exercise was conducted on the basis of price and quality. Henderson Loggie LLP were successful once again and continue to provide services to us.

The role of internal audit is to provide independent assurance that an organisation's risk management, governance and internal control processes are operating effectively

The focus of IA is to look at how we are managing risk and keeping our activities under control. The 2023/24 IA programme consisted of the following reviews

- ARC Indicator – Right First Time – this is part of a rolling programme to look at various ARC indicators
- Gas Safety - this is carried out annually
- Follow up review
- Annual Report

There were no priority recommendations from any of the reviews. All reports were graded Good or Satisfactory. There are a few recommendations that we are following up. Progress will be reported to the Audit Committee. The IA Annual Report concluded - ***“In our opinion the Association has adequate and effective arrangements for risk management, control and governance”.***

Thanks to the team at Henderson Loggie for their valuable work and helpful recommendations. Our staff team is to be commended for their hard work in making sure that we are remaining effective in managing our organisation.

Risk Management

The management of risk is part knowing our business and operating environment and part crystal ball gazing as we try to anticipate risks that might be heading our way. It is about working out how we respond to risk.

The Audit Committee reviews risk on a regular basis – covering everything from a major global economic upset to what happens if the office phone lines go down. There is a formal annual risk review and always a good debate around this.

Cyber Security

One risk that has come flying up the risk management agenda is that of cyber security. I am delighted to report that we retained our Cyber Essentials Plus accreditation. Well done team.

As always thanks go to my colleagues who serve on the Audit Committee. You are appreciated.

Elisabeth Campbell
Chair Audit Committee



Members

- Elisabeth Campbell
- Malcolm Richards
- Kath Menzies
- Susan Gilbert

FINANCIAL SUMMARY 2023/24

	2023/24	2022/23
Income		
Rents	6,740,263	6,442,665
Voids	(74,862)	(101,741)
Service Charges	6,065	10,587
Factoring	67,782	48,220
House Sales – Loss on sale	(26,701)	(46,566)
Interest Received	246,293	68,496
Other Income	152,782	80,308
Grants	152,662	155,928
Total Income	7,264,284	6,657,897

Expenditure		
Management Costs	1,941,162	1,846,819
Grant Expenditure	0	0
Reactive Maintenance	1,442,414	1,287,173
Planned Maintenance /Special Services	1,541,279	776,658
Other Expenditure	220,564	128,528
Bad Debts	86,145	(74,162)
Interest Payable/Financing Costs	1,039,099	796,723
Depreciation of social housing	959,276	919,269
Initial recognition of multi-employer defined benefit scheme	0	0
Actuarial (gain)/loss in respect of pensions scheme	383,000	270,000
Total Expenditure	7,612,939	5,951,008
(Loss)/Surplus for Year	(348,655)	706,889

Capital & Reserves		
Share Capital	123	128
Revenue Reserves	18,405,735	18,754,390
Capitalised expenditure - investment in housing	691,810	647,503

FINANCIAL SUMMARY



Full set of Financial Statements presented at AGM 2024

Also available from our web site www.paragonha.org.uk

Sound financial performance

Unqualified external audit

Rent increase 2023/24 was 6.3% which

Reduction in rent void loss

£3 million spent on repairs and maintenance/improvements in the year



Malcolm Richards
Chair – H&S Committee

Health & Safety

Health and Safety is a massive topic. It underpins all our activities as we work to protect tenants, residents, staff and volunteers. It is important to have safe systems in place. To support us in this we have manuals that cover both our role as employer and as landlord through our membership of Employers in Voluntary Housing (EVH). Recent audits of these systems have shown high levels of compliance.

There are regular ongoing inspections and maintenance around health and safety. We continued with our programme of ensuring we have Electrical Installation Condition Reports (EICRs) in place to meet the recently introduced requirement for 5-year certification. Gas safety also remains a top priority with annual servicing and safety checks. I am pleased to report that all safety checks were carried out in time during the year with no failures. We carry out quality audit checks on the work of the gas safety engineers and there is an annual internal audit on processes around this. The most recent audit rated the system as good.

Thanks to all our tenants who have allowed access for these types of work to be carried out. You are the front line in health and safety and your co-operation and vigilance is greatly appreciated.

We have recently published our Tenant Health & Safety Handbook, and you can find it online on our web site. This is a good guide to health and safety topics and there are links to other sites where you can get specialist advice.

There continued to be a focus on wellbeing in the workplace. The Association took part in Public Health Scotland's development of the Mentally Flourishing Workplace Framework which is a national framework for employers in Scotland. This piece of work has helped us tackle mental wellbeing at work and to support our staff in their work in the community.

The internal STEPS Group that supports staff and volunteer wellbeing had a great programme of activities during the year including a gardening club which refreshed the office back yard, walking challenges, themed days on topics like "Beat the January Blues", support for Tea and Talk days around mental health and sessions such as resilience building. The Group also launched a Wellbeing Directory that provides details of organisations that can provide help and support to staff and the wider community.



One very popular event was the Eid Lunch that got all the staff together to celebrate. What a feast and a great way to get the team together. Thanks go to Kiran from our HM Team as she made it all happen.

I would like to thank my colleagues on the Health & Safety Sub Committee for all their support and hard work over the last year. I also really appreciate the work of our staff on this as I know they work hard to keep us all safe.

An important word on fire safety

We have seen an increase in fires in the home over the last year. Some have caused extensive damage. Fortunately to date no one has been hurt but I am urging all tenants and residents to be extra vigilant. We have experienced fires where candles have been in use and where electrical chargers have been at fault. The good news is that the fire detection methods we have in place through the alarm systems installed have worked and given early warning.

Please read our Tenant Safety Handbook for some good advice or visit the Scottish Fire and Rescue web site.
www.firescotland.gov.uk

Garden Competition 2023

The Winners

- First Time Entrant – Mrs Heeps
- Best Garden – Grangemouth – Mr B Monument
- Best Garden – Falkirk/Denny/Stirling – Mr & Mrs Reid
- Best Communal Garden/Veranda – Mrs Pietrucha
- Best Garden – Clackmannanshire – Mr Armitage



Highly Commended and Commended Winners

- First Time Entrant – Commended - Ms Bowgierd
- First Time Entrant – Commended - Mr Waskiewicz
- Best Communal Garden / Veranda – Commended - Mr T Monument
- Best Communal Garden / Veranda – Commended – Mrs Scott
- Best Garden – Clackmannanshire – Commended – Mrs Johnston
- Best Garden – Clackmannanshire – Commended – Ms Fullerton
- Best Garden – Falkirk/Denny/Stirling – Highly Commended - Mr & Mrs Haigh





About the Association

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Affiliations, Memberships & Accreditations

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