



ANNUAL REPORT 2020/21

HOW DID WE PERFORM?



INTRODUCTION BY BOB MCDUGALL, CHAIR



As I pen my second annual report as Chair of Horizon Housing Association, I am delighted to report continued improvement over the period from this time last year to now.

Whilst acknowledging the major progress we have made; I can only do so by paying tribute to those who worked so hard to help us on our journey of improvement. Above all else, it is very much a team effort!

Whilst the annual report covers the period of the financial year just past i.e., 1 April 2020 – 31 March 2021, I have taken the liberty of highlighting any major issues which have happened up until the current time of writing, thereby making the report a little bit more time relevant.

It would be impossible to write this report without mentioning Covid-19 and the impact it has had on all our lives, as well as Horizon.

Whilst this reporting period is only up to 31 March 2021, it would be silly to ignore what effects the restrictions have had for our tenants, staff, board and other stakeholders. The impact of the pandemic has had a material effect on the way we have operated since March 2020 with severe restrictions on many of the services we normally provide, ranging from repairs and gas maintenance to allocations and lettings, with a consequent impact on how staff deliver those services.

For nearly 15 months, our staff have had to work from home, and what would normally be face-to-face meetings between residents and staff have become Zoom or Teams meetings. I can only pay tribute to our staff for all their efforts and their willingness to change their work practices and operations during lockdown and beyond.

They have individually and collectively worked tirelessly to keep in touch with tenants, offering support, advice, and assistance to people during the pandemic and helping to keep services going through very difficult times. They have my, and the whole Horizon Boards', gratitude for their commitment and efforts.



ACKNOWLEDGEMENTS

Firstly, let me acknowledge the huge efforts and hard work of our Board Members, who have worked tirelessly over the year to help support our staff to maintain services as best as possible.

It has, at times, been difficult with the lack of face-to-face contact but I pay tribute to each Committee Member who stayed the course on behalf of our staff and customers.

Inevitably during the year there have been changes to the Board membership which I should like to highlight. During the year we saw the resignations of Janice Flanigan and Stuart Dow, both of whom played an important role in providing leadership and good oversight on the management board, and I offer my grateful thanks to each of them for their efforts and hard work.

We also welcomed Rachael Docking and Jane Petty to the Board, and we hope they enjoy and value their time with us in the future.

To all our former Board colleagues I offer a huge thank you and appreciation for all their time, efforts, and commitment to Horizon Housing Association, which is immensely appreciated, and I wish each of them the very best for the future.

SOME BACKGROUND

Like most organisations, we refer to the impact of Covid on our business, but what does this statement really mean?

I thought it would be useful to give you a brief outline of some of the things we have been able to achieve during the period under review:

-  Horizon's offices closed – Monday 23 March 2020
-  We dealt with over 8,000 calls over the last 12 months, an average of 156 per week
-  Our tenancy sustainment team have helped over 206 tenants (up from 164)
-  Carried out 61 adaptations
-  Dealt with more anti-social behaviour complaints than ever before
-  Organised seven board meetings, four audit meetings and one AGM/SGM (all virtual)



- Received over 8,000 emails in the generic email inbox
- Continued to liaise with our Residents' Improvement Group members, who are carrying out a second scrutiny report virtually
- Carried out planned maintenance in 90 properties
- Completed 2,430 repairs, 2,002 non-emergencies and 428 emergencies
- Dealt with 36 void properties
- Consistently met deadlines for finance postings and producing management accounts
- Replaced electric to gas boilers in four properties out of the nine properties programmed
- Upgraded two electric properties to Air Source heat pumps (renewable energy)
- Upgraded two properties with new efficient storage heaters
- Delivered the First Touch project, which allows staff to do more when they are out on home visits
- Managed to secure over 140 iPads and data for tenants, helping to get them online
- Our estates team managed to continue to deliver services throughout the last year, supported by the in-house maintenance team and painters
- Ensured we were visible for our tenants in our communities
- With support from Link group health and safety, created a Covid-safe working environment
- Accessible housing summit, 167 attendees joined the summit, Attendees came from a total of 80 organisations
- Financially, we performed very well



SO, WHERE ARE WE NOW?

Hopefully, the worst of Covid restrictions are coming to an end - and things can only get better!

We have a refreshed and highly motivated Management Board who are well versed in what good governance looks like - please believe me when I say we do not have any shrinking violets on the Management Committee!

Our staff are also over the worst and the operating culture is markedly different.

As you may recall, Horizon is part of the Link group and therefore benefit from the strength and financial resources being part of a larger organisation allow. Over the report period we have reviewed our Inter Group Agreement between the partner organisations in the group to ensure they are up to date, relevant and even more democratic than before – all good governance practices.

Link itself has also completed the amalgamation of Weslo Housing Association, which adds a further dimension to the wider business as well as welcoming many more new customers who can benefit from enhanced services and high-quality staff.

All the partners in the group are working well together and are seeing benefits accruing from the greater range of policies, services and support available to Horizon from being part of a much bigger and wealthier organisation.

Ultimately, it is about you – the customer. All of this is predicated based on maintaining and improving services for our tenants. So that is the ultimate test facing us in future.

CONCLUSION

In the meantime, I firmly believe the future is bright for Horizon Housing Association. We remain financially sound and continue to improve our governance and regulatory functions. Morale at both Board and staff levels is excellent with a great feeling of a combined team effort.

I offer my grateful thanks to all the staff and the Board for their help, support, and enthusiasm over the last year and my thanks to you – our customers - for sticking with us and showing your support and appreciation as our improvement plan has been delivered.

The last few months have been really challenging but have also illustrated a strong relationship between Horizon and the people it serves. I have not the slightest doubt that Horizon will rise to the challenges ahead and with teamwork and dedication, from staff and Board Members alike we can, and will, take Horizon on to greater and better things.



SOME FACTS AND FIGURES

HOUSING MANAGEMENT

Indicators	2019/20	Target	2020/21	2019/20 Scottish RSL average
Current or gross rent arrears as % of total rent due	4.08%	4%	3.30%	4.4%
Average days to relet homes	13.90	15	22.08	55.6
Rent lost due to homes being empty	0.25%	<0.3%	0.27%	1.56%
% of new tenancies sustained for more than one year	98%	95%	94%	88.94%

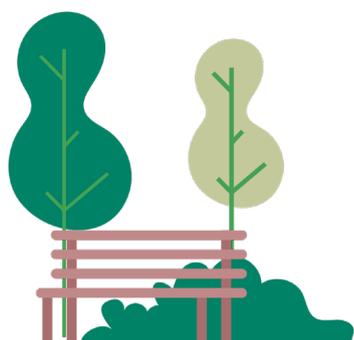
Despite the economic challenges many of our tenants faced due to the pandemic, our **rent arrears** remained below target. Our housing team and tenancy sustainment officers worked tirelessly to provide support and assistance to many tenants who were faced with the prospect of furlough or unemployment, many of whom were navigating the benefit system for the first time.

Our **number of days to re-let properties** did increase due to a pause in allocations during the first months of lockdown, however, this remains well below the national average. Despite this rise, our rent loss due to homes being empty was only slightly up on the previous year and within target.

Advice and support by **tenancy sustainment team** resulted in a total financial gain of £348,101.86 and supported 206 tenants.

Our tenancy sustainment level fell slightly but remains well above the national average with only three tenants not sustaining their tenancy for more than one year.

Overall, in what has been a challenging year for tenants and staff, housing management performance has remained high. Due to the hard work of the team, and the engagement of our tenants, rent arrears levels remain low and tenants continue to prosper in their tenancies, with sustainable communities continuing to be at the heart of the housing management service.



ASSET MANAGEMENT

We invested £378,085 to upgrade 129 properties, these works included replacement of boilers, kitchens, bathrooms, internal doors and electrical consumer units, all of which keeps our properties in good condition and a good state of repair.

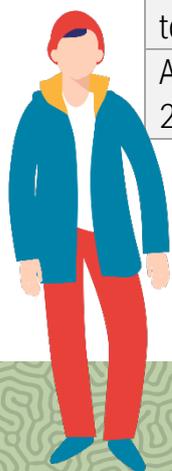
We invested a further £92,378.83 to upgrade smoke detection systems as part of our work to support the health and safety of tenants.

Indicators	2019/20	Target	2020/21	2019/20 Scottish average
Homes meeting Scottish Housing Quality Standard	100%	100%	100%	90.87%
Average time to carry out emergency repair	1.91hours	<4 hours	2.65 hours	2.95
Average time to complete non-emergency repair	5.23 days	<5 days	9.24 days	7.04
% tenants satisfied with reactive repairs (in-house survey)	90%	>96%	88%	N/A

COMPLAINTS

Indicators	2019/20	2020/21	2019/20 Scottish average
Number of stage 1 complaints received	178	125	N/A
Number of stage 1 complaints responded to in full	100%	100%	98.76%
Average working days to respond to stage 1 complaint	2.27	2.35	3.31 days

Indicators	2019/20	2020/21	2019/20 Scottish average
Number of stage 2 complaints received	23	11	N/A
Number of stage 2 complaints responded to in full	100%	100%	94.77%
Average working days to respond to stage 2 complaint	14.8	17.18	16 days



FINANCIAL PERFORMANCE 2020/21

Gross turnover (£5m in 2020/21)

Operating costs (£3.93m) in 2020/21)

Surplus (£0,912,000 in 2020/21)

Reserves (£6.1m in 20/21)

- 🏠 2020/21 results show £5m turnover, £3.93m operating costs, £0.912 surplus, reserves of £6.1m, increasing from £5.92m in 2020 partly attributable to reduced expenditure and a reduction in liabilities although this is being mostly offset by the pension liability remeasurement
- 🏠 Treasury Management Policy updated and due for approval at August 2021 Board
- 🏠 There are no financial derivatives
- 🏠 There is a business planning framework which involves itemising business objectives/tasks and resourcing these through the budget. The business plan achievement is monitored at half year, and management accounts are also monitored on a quarterly basis through Audit Committee and the Board
- 🏠 Forecasting was undertaken at 2021/22 budget planning stage, with assumptions on similar basis as in previous years apart from loan funding, now assumed to be nil. Sensitivity analysis (11 different scenarios) to stress test the cash balance, interest cover ratio and surplus as % of turnover was also undertaken

We hope you have enjoyed hearing about our activities in the past year. We are incredibly proud of our team and for their hard work and dedication to our tenants and these results demonstrate that commitment.

We know there is always more to do, and we have big plans in the year ahead, particularly in relation to our digital services, promoting accessible housing and in ensuring we play our part in addressing the climate emergency. We look forward to telling you all about it next year.

If you would like this document as a hard copy or would like to discuss any area further, please give us a call on **0330 30 30 089**.

