

Reg No. IP000193

Triangle Housing Association Ltd

Report and Financial Statements

For the Year Ended 31 March 2024

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Triangle Housing Association Ltd
Year Ended 31 March 2024

Board of Management

Mr N Dunlop	Chairperson
Mrs D Harshaw	Vice Chairperson
Mr W McCluggage	Company Secretary/Fraud Liaison Officer
Mrs D McBride	Treasurer
Mr M McCracken	
Mrs J McCollam	
Mrs C Condren	
Mr D Balmer	
Mr M Dallat	
Mrs A Murray	(Co-opted 26 June 2023)
Ms N Diver	(Resigned 26 June 2023)
Ms K McKenzie	(Retired 26 June 2023)

Chief Executive

Mr C Alexander

Registered office

60 Eastermeade Gardens,
Ballymoney
Co Antrim BT53 6BD

Registered under the Co-operative and Community Benefit Societies Act (Northern Ireland) 2016 (formerly the Industrial and Provident Societies Act (Northern Ireland) 1969).

Registered number

IP 000193

Registered with the Charity Commission for Northern Ireland – NIC 101486

Statutory Auditors

ASM (B) Ltd
Glendinning House
6 Murray Street
Belfast
BT1 6DN

Bankers

Danske Bank Ltd
22 The Diamond
Coleraine
BT52 1DA

Barclays Bank
Donegall House
Donegall Square
North Belfast
BT1 5GB

Ulster Bank Ltd
11-16 Donegall Square East
Belfast
BT1 5UB

Solicitors

Macaulay Wray
35 New Row
Coleraine
BT52 1AH

Edwards & Co
28 Hill Street
Belfast
BT1 2LA

Wilson Nesbitt
33 Hamilton Road
Bangor
BT20 4LF

Cleaver Fulton Rankin
50 Bedford Street
Belfast
BT2 7FW

Mills Selig
21 Arthur Street
Belfast
BT1 4GA

Shoosmiths
2 East Bridge Street
Belfast
BT1 3NQ

Report of the Board of Management for the year ended 31 March 2024

The Board presents its report together with the financial statements for the year ended 31 March 2024.

Statement of Board of Management's responsibilities

The Board of Management is required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association as at the end of the financial year and of the surplus or deficit for that period.

The Board of Management confirms that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the period ended 31 March 2024. The Board of Management also confirms that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The Board of Management is responsible for keeping proper accounting records, which disclose, with reasonable accuracy, at any time the financial position of the Association. It is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

Triangle is incorporated under the Co-operative and Community Benefit Societies Act (Northern Ireland) 2016 (formerly the Industrial and Provident Societies Act (Northern Ireland) 1969) (IP000193) and is established for charitable purposes and for the public benefit. Triangle is a registered housing association with the Department for Communities (Reg 32). It is a not for profit organisation and is registered as a charity with the Charity Commission for Northern Ireland (NIC101486) and has charitable status with HMRC.

Business Review

Triangle (the Association) provides social housing; including general needs housing; supported housing and care for people with disabilities and the elderly; intensive housing support services (floating support) to vulnerable clients and progression to employment services to people who are economically inactive. During 2023/24, the key achievements were:

- Triangle reluctantly increased its rents in line with CPI + 1% (10.1%) for the 2023/24 year. This reflected the high rate of inflation at that time. Despite this, rent for general needs properties were lower than local housing allowances and market rents.
- Triangle completed 41 additional housing units in the year. At the end of the year Triangle had 1,442 units of accommodation compared with 1,404 units the previous year. We disposed of some properties on the open market and also some house sales were made to sitting tenants under the Statutory House Sales Scheme, which has now ended.
- Triangle also provided direct support and care services to 160 service users with learning disabilities and 37 frail elderly people.
- Triangle provided homes for 284 people with special needs with support services delivered to them by 11 joint management partners.
- In addition, floating support services were provided to 820 people who required emergency accommodation and support and longer-term peripatetic support services.
- Triangle also provided employment support services and training to 841 economically inactive service users with 208 securing employment.
- Additional service users attended employment training at Triangle's Alternative Angles social enterprise sites.

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- £289k was invested in replacing components within existing housing stock. There are no significant fire safety or damp and mould issues within our stock.
- Tenant satisfaction levels remained strong, however, satisfaction with our repairs service was lower than our target. Repairs timeframes were also lower than planned. We procured a new response repairs contract and a new heating maintenance contract during the year. An improvement plan has been implemented to secure improvement in key performance indicators in 2024/25.
- The average energy performance rating of Triangle's stock was 77.9 at March 2024. Updated assessments were carried out on 125 properties during the year. This resulted in a slight decrease on the average rating due to changes in methodology and higher energy costs. Energy performance ratings are considerably higher than the average for Northern Ireland housing stock (65.83). 88.4% of Triangle's stock has an energy performance band of A-C (an increase of 1% from 2022/23). This compares to the NI Average of 50%. The Board has approved a Zero Carbon Strategy which contains ambitious targets to reduce the organisation's carbon footprint significantly over the next few years.
- The percentage of properties void but available for letting reduced was 3.5%. This increased from 1.78% in 2022/23 during the year. Whilst rent arrears increased to 5.1%. slightly increased (by 0.4%), this represents a good performance given the cost-of-living challenges faced by tenants.
- Triangle secured over £610k in financial support for our tenants and service users through its financial inclusion and floating support services.
- The surplus for the year before transfers to reserves was £916,243 compared with a surplus of £928,714 for the previous year. Triangle employed an average of 462 staff throughout Northern Ireland during the year.
- Along with four other organisations, Triangle formed a consortium of supported employment providers (called PROSPER) and successfully secured £4.8m in funding to deliver employment services to the economically inactive throughout 10 of the 11 council areas in Northern Ireland.
- Triangle appointed a new managed cloud and IT service provider.
- The accounts have been prepared in accordance with the Housing SORP, Statement of Recommended Practice for Registered Social Housing Providers.

Value for Money

Value for Money (VfM) in Triangle means:

- Delivering maximum value to the customer while minimising costs. This means understanding the customer's definition of value and focusing on the right things and doing things right.
- Making the best use of available, or limited, resources. Working effectively and efficiently while maintaining and improving the service to our customers.
- Ensuring clear correlation between transparent and well understood costs, and the quality and level of service provided.

Defining value for money is important as is managing and demonstrating it. Triangle's Board of Management, through the executive team, leads the approach to value for money. The Board sets the strategic direction of the organisation and relates value for money to the organisation's vision and purpose. An exciting and ambitious new corporate strategy for the period 2023-2026 has been adopted by the Board.

Value for money is embedded within the operations of the organisation using a variety of methods. Triangle produces a balanced scorecard to both establish and monitor progress against corporate and annual plans. The organisational scorecard operates as a top-level view of the business and draws on the most essential indicators of organisational success. This approach forms the basis of its value for money management process. It is reviewed by the Board of Management on a quarterly basis and is populated with 'value' and 'money' measures as well as covering the efficiency of the 'value delivery system'.

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Triangle identifies four strategic objectives under the four themes of stakeholders, people, finance and processes. Achieving a balance of progress against the specific targets within these four themes and ensuring that we remain true to our core values should, we believe, ensure success.

Stakeholders - Improving lives by delivering excellent services

People - Valuing and enabling our people to meet current and future challenges

Finance - Creating sustainable growth through strong financial management

Processes - Continually improving key organisational processes

The corporate and annual plan scorecard is reflected in an operational plan for each department as well as individual employee scorecards monitored at regular performance reviews and annual appraisals by Managers.

More specific strategies have been developed around core activities that lead to economic, efficient and effective services. These include; a Development and Asset Management Strategy; a Treasury Strategy; a Tenant Participation / Service User Participation and Engagement Plan; Financial Inclusion Strategy and an Equality Plan. The Board has considered its response to the climate crisis and agreed a detailed Net Zero Carbon Strategy.

Triangle can demonstrate how value for money (VfM) has been delivered in the financial year 2023/24 and has a plan for securing value for money into the future. It is a self - assessment process undertaken by the Board of Management and senior employees of the organisation. The organisation also uses a variety of methods to involve tenants, service users and staff in the development of strategy and to confirm what value for money represents from their perspective. The organisation also undertakes a nationwide benchmarking exercise with other registered housing associations.

Triangle employs a range of external accreditation processes to assess and provide frameworks and recommendations for improving its value for money approach, including: ISO9001 quality management process; Investors in People (Silver Award secured) and the Customer Service Excellence Award (secured).

Adding Value

Since 1977 Triangle has been providing value including significant social value by engaging in the following activities:

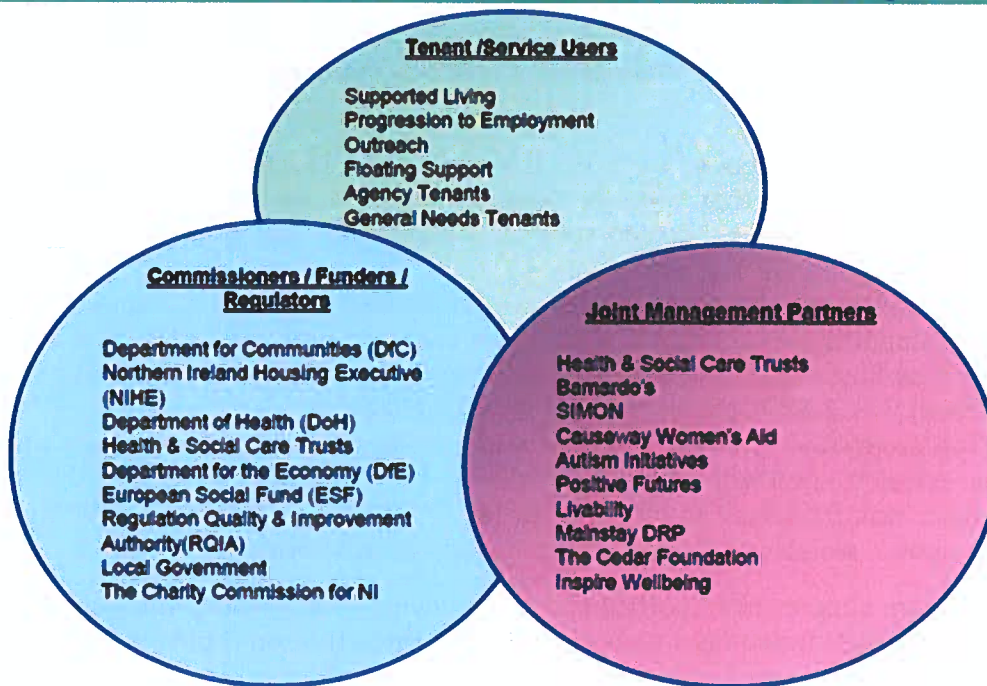
- Building new homes.
- Landlord services such as housing management and maintenance.
- Supporting people to live independently and alleviating homelessness. The organisation directly manages supported accommodation for people with learning disabilities and frail elderly and provides floating support services to those with emergency housing issues.
- Community investment - particularly working to increase employability for those furthest from the labour market.
- Partnering with other providers of services to the community consistent with the value added by its own directly managed activities.

Significant additional value is also created by Triangle in the process of delivering these activities, notably through good procurement practice. Tenants and service users have always been the primary focus for this value; however, a significant amount of value extends to the wider community and local and national government in the pursuit of their policy objectives.

Triangle's governing board, executives and tenants involved in decision making must recognise and balance diverse perspectives, including those representing existing and future tenants. Triangle's customer base can be summarised as follows:



Key Stakeholders / Customer Groups



Tenants and service users are the ultimate test of the value of our activity. The Tenant Advisory Group for people with learning disabilities has confirmed that it considered the following critical in securing value for money:

- values;
- staff attitude;
- person centred services;
- a safe environment;
- increasing levels of independence.

The provision of accessible information is important to them and the Tenant Advisory Groups have worked hard in helping the organisation develop and produce accessible information.

Interviews were carried out with general needs tenants and these identified that for them the key drivers in determining value for money were:

1. Customer Service
2. Response Repairs
3. Staff support
4. Tenant/community engagement

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Rent levels in terms of affecting tenants' views of value for money was not as important as improvements to the response repairs service.

Triangle's activities as an organisation are quite unique within the housing association sector. The organisation is a medium provider of accommodation provision but a large provider of housing plus services to those with significant housing needs.

Demonstrating Value for Money

A summary of the key Value for Money Metrics for 23/24 are outlined below. This represents strong business health:

- The operating margin increased from 10.35% in 2023 to 11.96% in 2024. The operating margin is lower than other housing providers, however, this reflects the high proportion of supported housing services we provide. The operating margin has remained very stable over the past 5 years.
- Our reinvestment in existing homes and new homes was 7.77% of our total asset base. This compares to 7.63% in 2022/23 and is above average for the sector.
- The rate of new housing supply delivery (new homes completed as a proportion of existing stock) was 2.84% compared to 5.45% in 2022/23.
- Gearing (the proportion of borrowing in relation to the size of our asset base) was 28.1% compared to 25.8% in 2022/23.
- Interest cover was 1.8 times against our target of 1.2 times (2022/23 – 1.9 times)

In addition to the above, we also delivered the following key outcomes:

- 841 people were supported to participate in employment or training and education
- The updated Asset Management Strategy demonstrates that our housing assets deliver excellent net present values over a 30-year period.
- All occupied homes meet the Decent Homes Standard.
- Our tenant satisfaction outcomes remain strong with 92% of tenants and service users satisfied with the overall service we provide.

Triangle's treasury policy is reviewed by the Board each year. The policy sets out investment policies, borrowing policies and treasury management procedures. The aim is to maintain sufficient cash balances to meet financial obligations as they become due and minimise interest payments on scheme loans. At the balance sheet date of 31 March 2024 Triangle had total bank loans of £47,420,717 (2023: £40,237,492). Triangle complied with all covenants imposed by its lenders.

Value for Money 2023/24

A more detailed Value for Money Report and Improvement Plan linked to the Annual Business Plan for the incoming year will be established in consultation with Board, staff, tenants and service users. A progress report will be provided within the audited accounts for 2024/25.

Summary Key Performance Indicators for 2023/24	2020/21	2021/22	2022/23	2023/24
Finance				
Number of Units	1,205	1,337	1,404	1442
Total Loans	£35,193,296	£39,557,073	£40,237,492	£47,420,717

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Gearing Ratio Historic Cost	27.4%	27.3%	25.8%	28.1%
Interest Cover	3.66	2.78	1.92	1.8
Turnover	£18,934,430	£19,931,104	£21,791,451	£23,592,931
% Rent collected	100%	99%	97%	99%
Current Basic Rent Arrears	0.9%	2.6%	3.0%	5.1%
% Rent Support & Care Arrears	2.8%	3.1%	7.5%	7.3%
% Rent loss due to voids	3.48%	4.16%	3.42%	4.8%
% of Bad Debt Written off	0.21%	0.06%	0.28%	-0.11%
No of Users Floating Support	770	886	861	820
Floating Support Cost per User	£1,180*	£1,043*	£1,168*	£1,212
No of Users Progression to Employment	447	514	331	421
Progress to Employment Cost per user	£2,179*	£1,950*	£3,344*	£807*
Housing Management				
Total voids (available to re-let)	3.15%	4.16%	3.42%	3.5%
% of Repairs completed withintarget	90.1%	88%	82.9%	83.9%
New Home starts	92	84	100	75
% of Properties Decent HomesStandard	100%	100%	100%	100%
User Satisfaction with Services				
Satisfaction Overall	95%	98%	94%	92%
Satisfaction with Involvement Overall	95%	95%	93%	90%
Satisfaction with Repairs	66%	67%	64%	69%

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Summary Key Performance Indicators for 2023/24	2020/21	2021/22	2022/23	2023/24
Satisfaction with Landlord Services	90%	93%	83%	79%
Rent Represents Value for Money	84%	78%	84%	80%
Satisfied - Support and Care	98%	98%	99%	99%
Satisfied - Community Outreach Service	100%	100%	100%	100%
Satisfied - Progression to Employment	99%	100%	100%	100%
Satisfied - Floating Support Service	100%	100%	100%	100%
No of Complaints	25	28	27	24
No of Complaints unresolved	0	5	1	1
Human Resources				
Labour Turnover	11.5%	17.3%	18.9%	21.8%
Staff Absence	6.15%	7.0%	7.5%	8.2%

*Based on income, not cost

Environmental, Social and Governance Reporting

Triangle has developed a report which sets out its Environmental, Social and Governance (ESG) activity against the Sustainability Reporting Standard for Social Housing. ESG is a framework that helps stakeholders understand how an organisation is managing risks and opportunities related to environmental, social, and governance criteria. ESG reflects the view that sustainability extends beyond just environmental issues. The Sustainability Reporting Standard for Social Housing is aligned to international frameworks including the United Nations' Sustainable Development Goals (SDG). It has 12 themes and 48 criteria.

Triangle's updated report for 2023/24 will be shared with its funders and key stakeholders.

Internal Financial Control

The Board of Management is responsible for Triangle's systems of internal financial control along with senior management is responsible for establishing and operating detailed control and reporting procedures. The systems of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement and loss.

The Board of Management has reviewed the effectiveness of the Association's system of internal financial control. The review included consideration of the business risks facing the Association and of the existing internal financial control procedures. The key elements of the control system in operation are:

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- The Board has adopted a formal schedule of matters reserved for its approval ensuring it maintains responsibility for overall strategy, approval of all property transactions and other major capital expenditure projects.
- There is an organisation structure with clearly defined lines of responsibility and delegation of authority.
- Detailed budgets are prepared covering the Association's businesses which are reviewed and approved by the Board. Actual results are compared against budget and appropriate action identified and initiated.
- The Audit and Risk Committee reviews matters relating to internal control and receives reports on a regular basis from the external and internal auditors and from the Executive Management team.
- Triangle's objective is to identify and manage those risks which are likely to occur and if they did, would have a significant impact on the organisation. Triangle uses risk management techniques in all aspects of its operations and integrates risk management as part of its culture. Triangle identifies, prioritises and assesses the risks it is subject to, as and when a risk emerges. It implements procedures to control and monitor risk. Triangle formally reviews its risk register quarterly.

Going Concern

After making enquiries, the Board of Management has a reasonable expectation that Triangle has adequate resources to continue in operational existence for the foreseeable future and for this reason it continues to adopt the going concern basis in preparing the financial statements.

Corporate Governance

It is the opinion of the Board of Management that Triangle is in compliance with Best Practice issued by the NHF Code of Governance. The Board of Management meets regularly throughout the year. There are six committees, namely Finance; Housing and Development; Audit and Risk; Organisational Development and Communications; Support Services; and Remuneration. All Committees meet regularly throughout the year.

The Finance Committee has responsibility for finance and IT. The Housing and Development Committee has specific responsibilities for development and housing management including maintenance and floating support services. The Audit and Risk Committee has responsibility for internal and external audit, risk management and fraud. A professional independent person attends this committee and advises and supports the Board on its performance. The Organisational Development and Communications Committee has the remit for human resources, organisation development, learning and development, corporate services and communications. The Support Services Committee has the responsibility for supported living, and progression to employment services. The Remuneration Committee has responsibility for overseeing the organisation's remuneration policies for all paid staff with particular responsibility for keeping under review the terms and conditions of the Chief Executive Officer and other Executive Management Team members.

Each member of the Board of Management listed on page 1 holds a fully paid share of £1 in the Association and no financial benefit is derived from such membership. Executive officers of Triangle hold no interest in the Association's share capital and, although not holding the legal status of directors, they act as executives within the authority delegated by the Board.

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Board members do not receive any remuneration, only expenses in relation to travel allowances and incidental expenses incurred in the course of their duty. Gross expenses paid to the members for the year amounted to £2,543 (2023: £1,772)

Chief Executive Officer and Directors receive remuneration agreed by the Remuneration Committee annually. Triangle makes an employer's pension contribution of either 6% or 7.5% to all staff through a defined contribution personal pension plan. No other special terms exist.

Chief Executive Officer and Directors' remuneration excluding pension contributions were as follows:

	2024	2023
	No.	No.
£80k-£85k	-	2
£85k-£90k	4	2
£90k-£95k	-	-
£95k-£100k	-	-
£100k-£105k	-	-
£105-£110K	-	1
£110-£115K	1	-

Compliance with Code of Best Practice

The auditors have confirmed that in their opinion, with respect to the Board's statements on internal financial control and going concern above, the members have provided the disclosures required by the Code and such statements are not inconsistent with the information of which they are aware from their audit work on the financial statements, and that the Board's statement on pages 2 to 11 appropriately reflects the Association's compliance with the other paragraphs of the Code.

They have carried out their review in accordance with the relevant Bulletin issued by the Auditing Practices Board, which does not require them to perform any additional work necessary to express a separate opinion on the effectiveness of either the Association's system of internal financial control or corporate governance procedures, or on the ability of Triangle to continue in operational existence.

Donations

Triangle has a charitable giving committee and made charitable donations during the year of £12,607 (2023: £17,176).

Independent Auditors

The current auditors, ASM (B) Ltd, Chartered Accountants, have indicated a willingness to continue in office.

A resolution to reappoint ASM (B) Ltd, Chartered Accountants, will be proposed at the Annual General Meeting.

By Order of the board

A handwritten signature in black ink, appearing to read 'N Dunlop'.

N Dunlop

Chair

24 June 2024