

FIXED INCOME INVESTOR PRESENTATION

May 2021

PRESENTED BY:
Matthew Bailes and Nicola Ewen

May, 2021

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UK MiFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (a) the target market for the Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("UK MiFIR"); and (b) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

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Presenting Team



Matthew Bailes

Chief Executive

Matthew has been our Chief Executive since September 2015

Previously Matthew led the English Social Housing Regulator, where he introduced stress testing and In Depth Assessments

Matthew joined the Regulator from MCHLG where he was the Senior Civil Servant responsible for policy on affordable housing



Nicola Ewen

Executive Director - Finance

Nicola leads the finance function for the Group including Corporate Finance, Financial Services and Financial Operations

Nicola is a Fellow of the Association of Chartered Certified Accountants with over 20 years of experience in the social housing sector, a board member and member of the Audit and Risk Committee of Grand Union Housing Group and a director of Grand Union Group Funding plc. Nicola spent 5 years at Notting Hill Housing then Notting Hill Genesis as the Director of Financial Services

Agenda

- ▶ Paradigm Group Overview
- ▶ ESG Overview
- ▶ Operational Update
- ▶ Development Programme And Strategy
- ▶ Financial Review And Performance
- ▶ Treasury Overview
- ▶ Summary

PARADIGM GROUP OVERVIEW

May, 2021

Paradigm Group Summary

One of the largest social housing providers in our core operating areas of Buckinghamshire, Bedfordshire and Hertfordshire

- **Concentrated regional presence** and expertise in the South East of England (predominantly outside London)
- Clearly defined strategy supported by an **experienced management team and robust governance**
- Core focus on **affordable housing** maintained through corporate strategy
- Conservative financial profile underpinned by **strong metrics** and risk-adverse treasury policies
- Experienced and well-run development plan, with a **proven track record** and low exposure to market sales
- **Comprehensive and structured** risk framework and controls
- Committed to **Sustainability** across our offering – core to our values, our history, our customers and our people
- Financial and operational strengths externally recognised by **A+ rating** by S&P and **G1/V1 rating** by Regulator

>15,000 homes

30 years
operating in the
South East of
England

>£1.25bn
housing assets

EBITDA-MRI >
150%

SH lettings
operating margin
>40%

93% turnover
social housing
activities

G1 / V1
regulatory
grading

A+ credit
rating

Paradigm Group Overview

Over 30 years supporting the provision of social housing in our region



Corporate History – Milestones

- ✓ Established as the first large scale voluntary transfer housing association in 1988, when Chiltern DC transferred 4,500 homes to Chiltern Hundreds HA (CHHA)
- ✓ In 1999 CHHA restructured and renamed as Paradigm Housing Group to reflect extensive growth across the region beyond Chiltern DC
- ✓ In 2018 we celebrated our 30th anniversary
- ✓ In 2019 we took handover of our 15,000th home
- ✓ In 2021 we carried out the largest stock swap in the sector with The Guinness Partnership, involving almost 2,500 homes

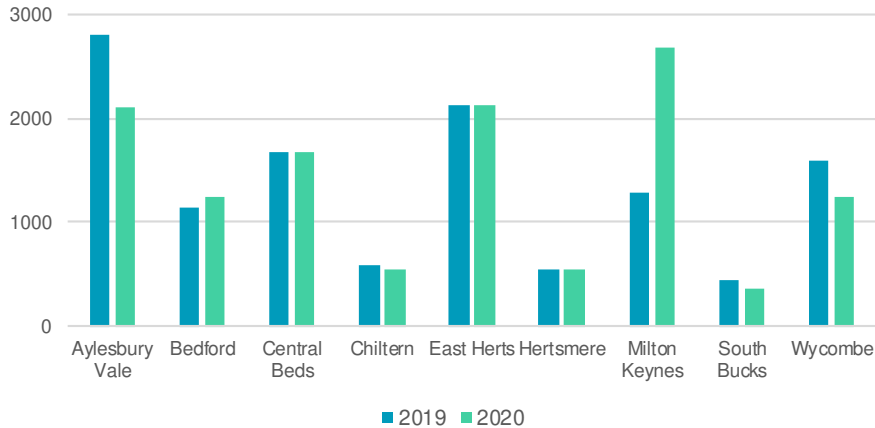
Corporate Plan 2021 – 2026

- ✓ 2,250 new homes, tenure mix 50/50 split between affordable rent and Low Cost Home Ownership,
- ✓ Maintain a prudent funding and treasury strategy
- ✓ Ambitious customer satisfaction targets for customers and for shared owners. Including enhancing digital services
- ✓ Maintaining 100% compliance with health and safety regimes and Decent Homes regulatory requirements
- ✓ Carbon neutral by 2050 and aiming for vast majority of stock at EPC C by 2030

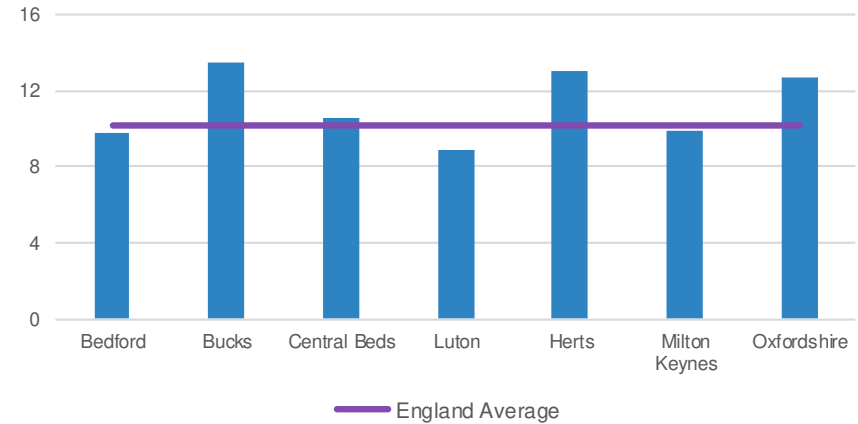
Regional Housing Demand Analysis

Strong housing demand in our areas of operation with long waiting lists for homes and market prices/rents out of reach for many lower quartile income earners

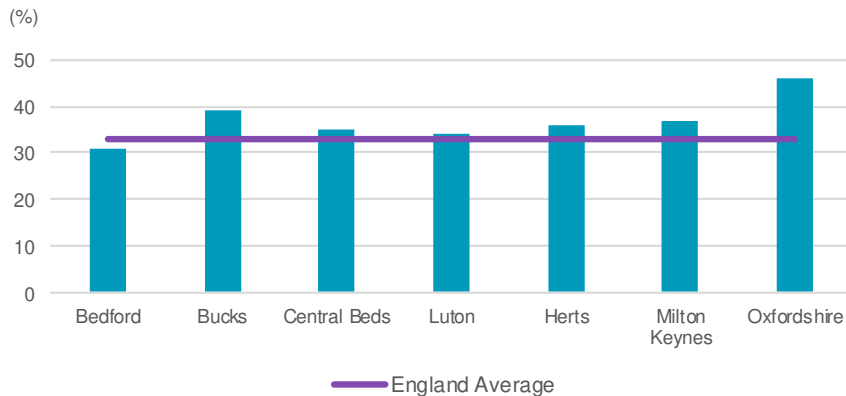
Households on local authorities' waiting lists



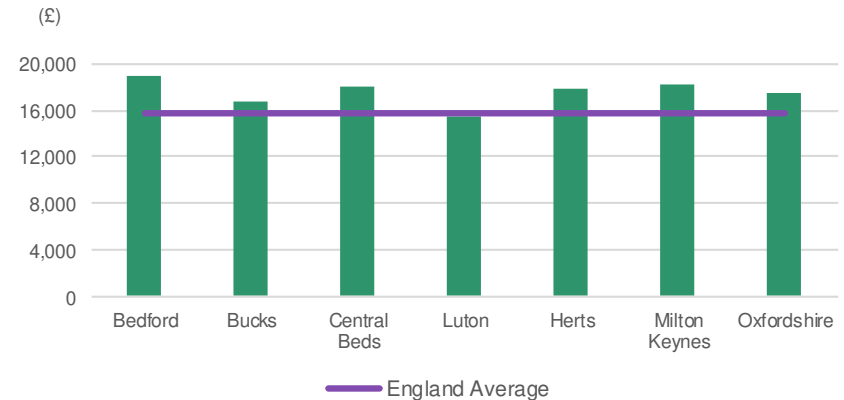
Average House Prices to Income Ratio (2019/20)



Income Proportion Spent on Rent (2019/20)



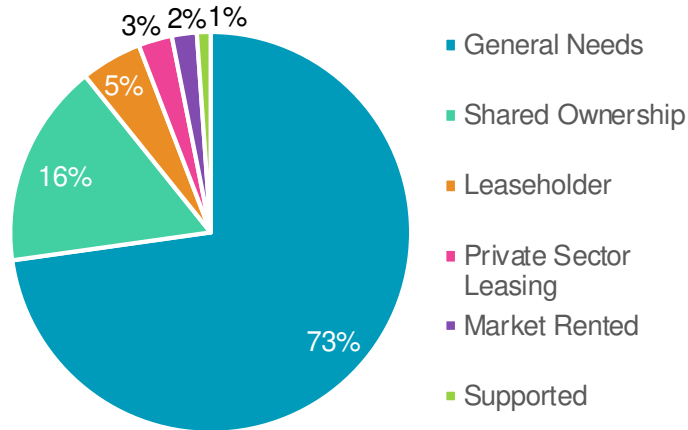
Lower Quartile Income (2019/20)



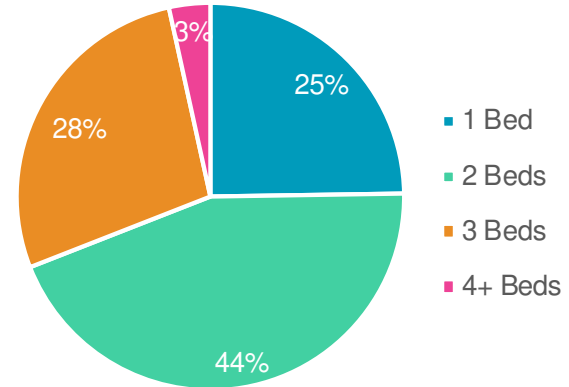
Stock Profile

A well balanced and relatively young stock profile, focussed on General Needs housing outside of London

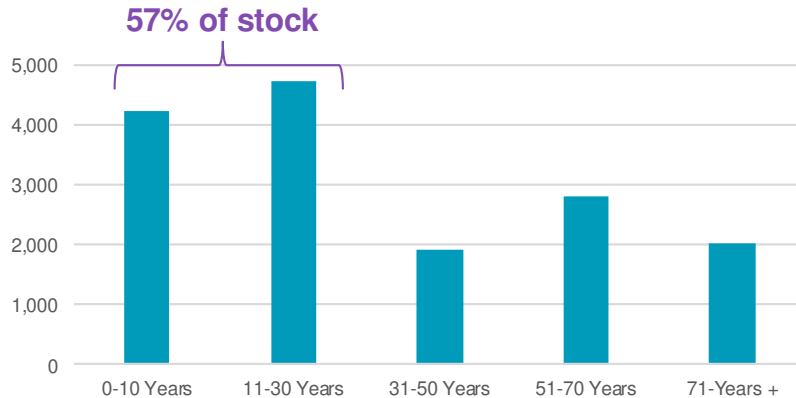
Stock Tenure



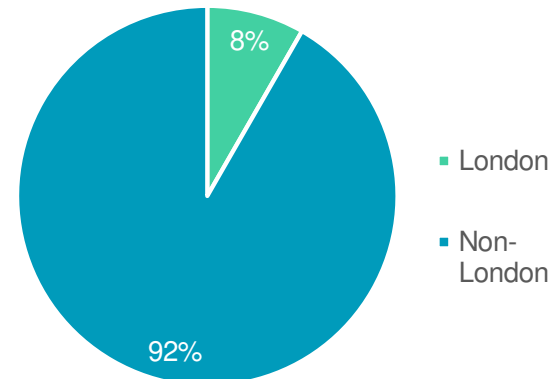
Stock Size



Stock Age Profile



Geography



ESG OVERVIEW

May, 2021

Key Environmental Developments

Paradigm is on a journey to improve its environmental performance

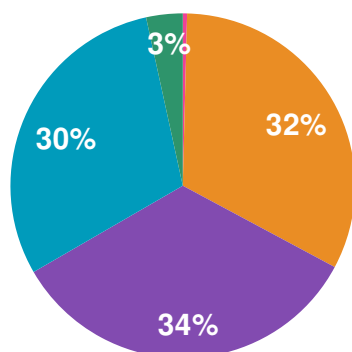
- Starting a programme of works, with the aim of ensuring the majority of our stock reaches EPC C standard by 2030.
- Pilot projects to test how we can provide low and zero carbon sources of heating
- Committing to an Environmental Strategy to address climate change resilience, energy efficiency and conscientious management of waste and hazardous products
- All new build homes will achieve a minimum EPC rating of B
- Detailed plan to achieve net zero carbon by 2050 is embedded within our strategy



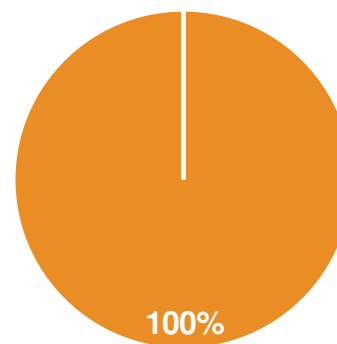
Average SAP rating
72.2. vs.
Sector average of 68.4²

EPC Rating Distribution of Existing Stock and Completions in FY20/21¹

Existing Stock



Completions in FY20/21



1. Excludes shared ownership and leaseholders
2. 2019 English House Condition Survey

A Social Landlord

Focussed on providing an excellent service for our customers

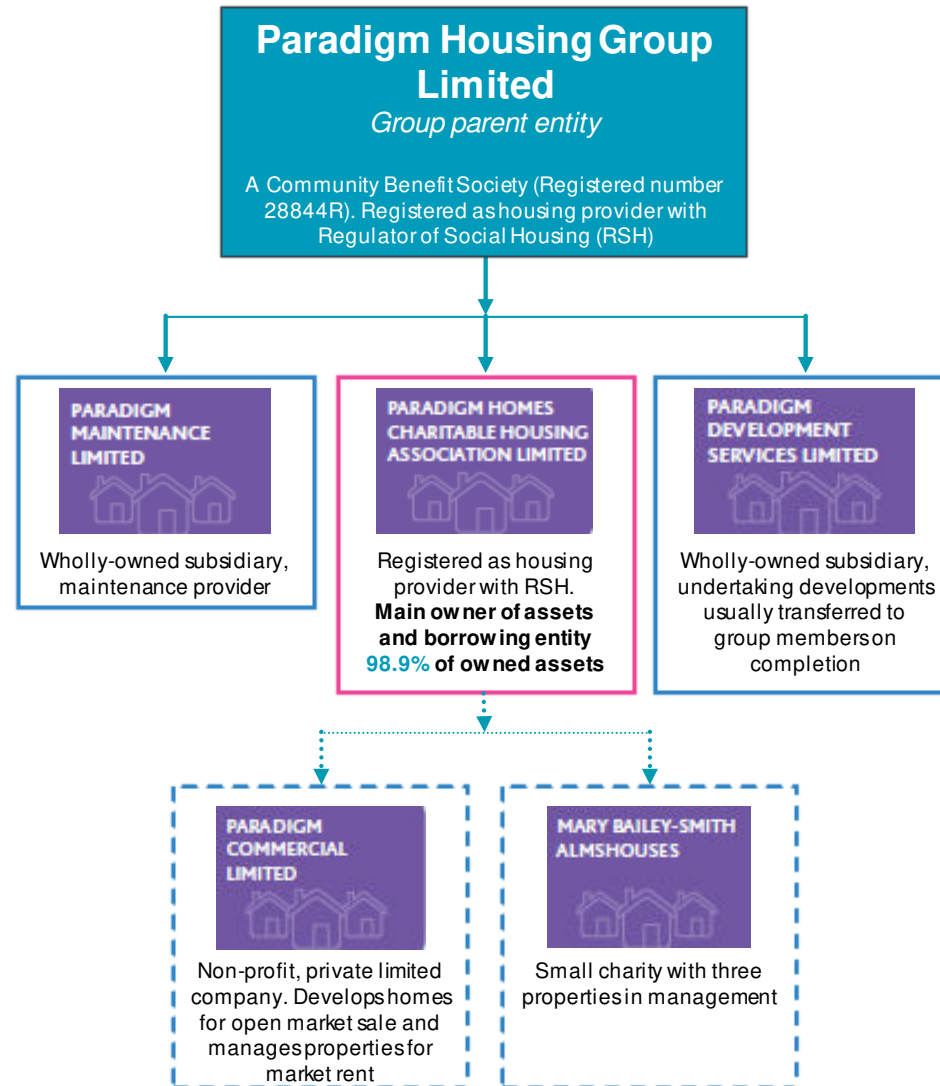
- Paradigm is committed to providing homes to people who need them and can't afford them in the open market
- As a social landlord, we provide and deliver services to a variety of communities
- We engage purposefully with our customers, listening and acting on their views to improve how we serve them
- We provide extensive support to customers who need more help to sustain their tenancy
- We aim to understand and respond to the diverse housing needs in our areas of operation
- We are committed to delivering equality of opportunity, diversity and inclusion in all areas of the business
- We continue to provide extensive support to our customers and communities through the Covid-19 pandemic

Paradigm plays a pivotal role in supporting its communities



Organisational Structure

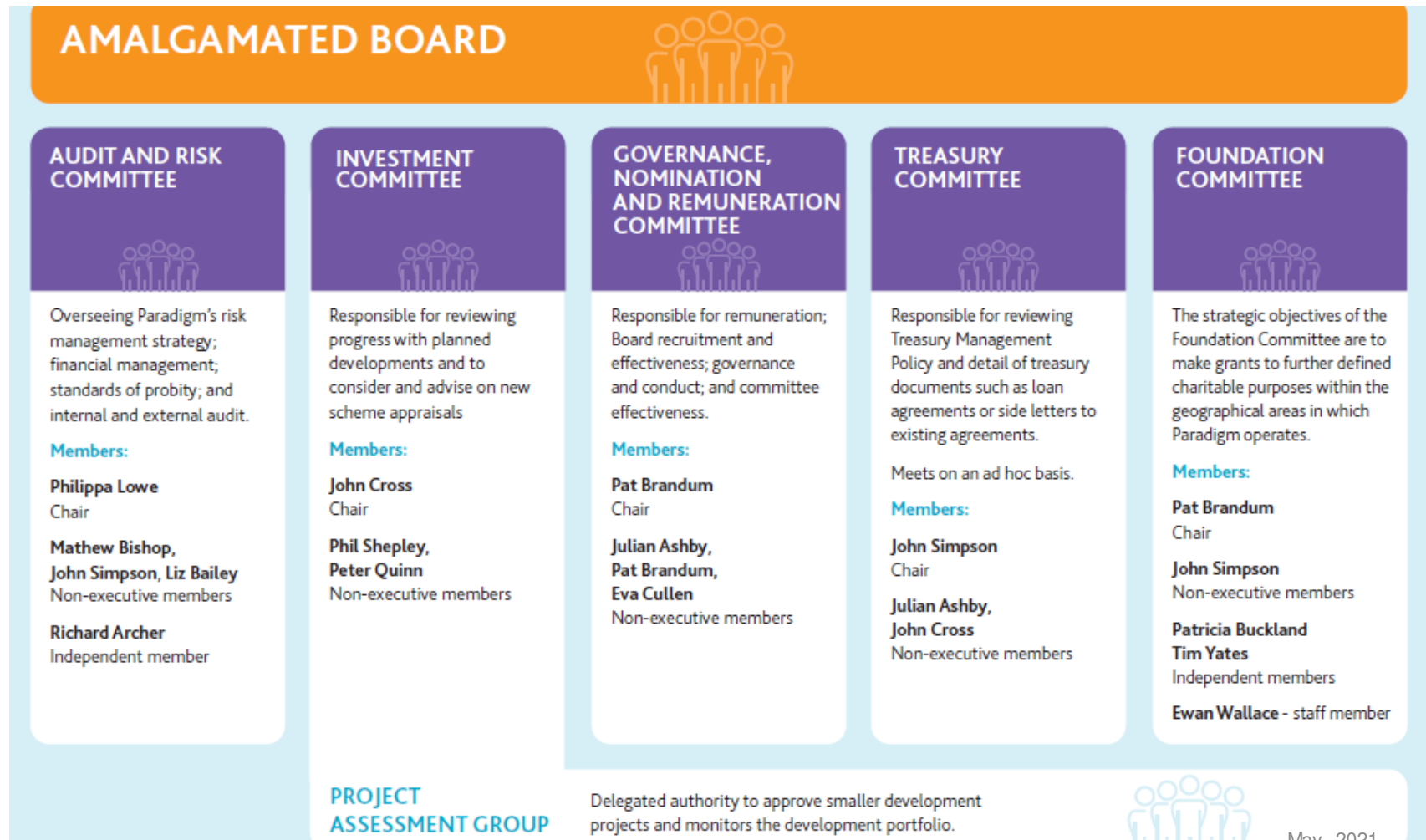
A simple, clear and purposeful group structure



Governance Structure

Of critical importance to our robust, transparent operations

- The Amalgamated Board (which comprises the entity boards of PHG, PHCHA and PCL) is composed of ten non-executive members plus one executive with meetings taking place at least six times per year



Management Structure

Highly skilled team with decades of experience in and outside the HA sector



Matthew Bailes
Chief Executive



Nicola Ewen
Executive Director of Finance

Tracey Gray
Executive Director – Customer¹

Patrick Dawson
Chief Information Officer

Sarah Nickson
Executive Director Strategy & Business

Justin McCarthy
Executive Director of Property

Martyn Jones
Executive Director of Development & Sales

Ewan Wallace
Director – Legal & Assurance

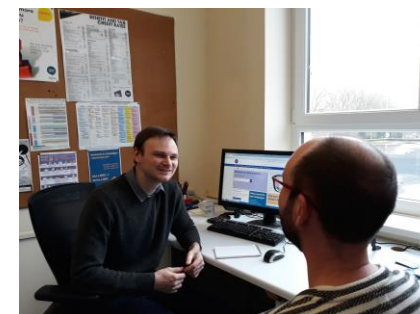
1. Tracey Gray to leave Paradigm at the end of June 2021

Sustainability Finance Framework

A newly established framework that supports both capital markets and bank Sustainable financing

- Aligned to our values and sustainability strategy, Paradigm has developed a Sustainability Financing Framework to support Green, Social and Sustainable bank and bond financing
- DNV GL has independently verified the framework and provided a Second Party Opinion on its alignment with all relevant ICMA and LMA principles
- Paradigm is committed to engaging with an appropriate external review provider, to provide an annual review and assurance that each UoP issuance remains in compliance with its Framework annually until all proceeds are allocated
- Compliance will be confirmed by Paradigm's Board annually following a review by its Audit and Risk Committee

Eligible Categories	Sample Eligible Projects	UN SDG Alignment and Contribution
Affordable housing	Construction, purchase or upgrade of social housing or affordable housing	
Affordable basic infrastructure	Construction, purchase or upgrade of social housing or affordable housing and supporting infrastructure	
Green buildings	Investment in existing homes to improve EPC rating and energy efficiency Construction of homes with an EPC Rating of B or higher	 
Renewable energy	Solar energy generation (solar PV)	 
Clean transport	Electric vehicles and charging infrastructure	 



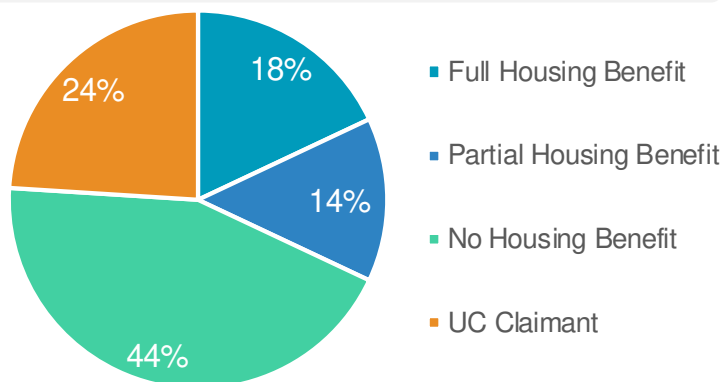
OPERATIONAL UPDATE

May, 2021

Customer Profile / Rent Collection

Paradigm works closely with its customers to support their financial wellbeing and minimise arrears

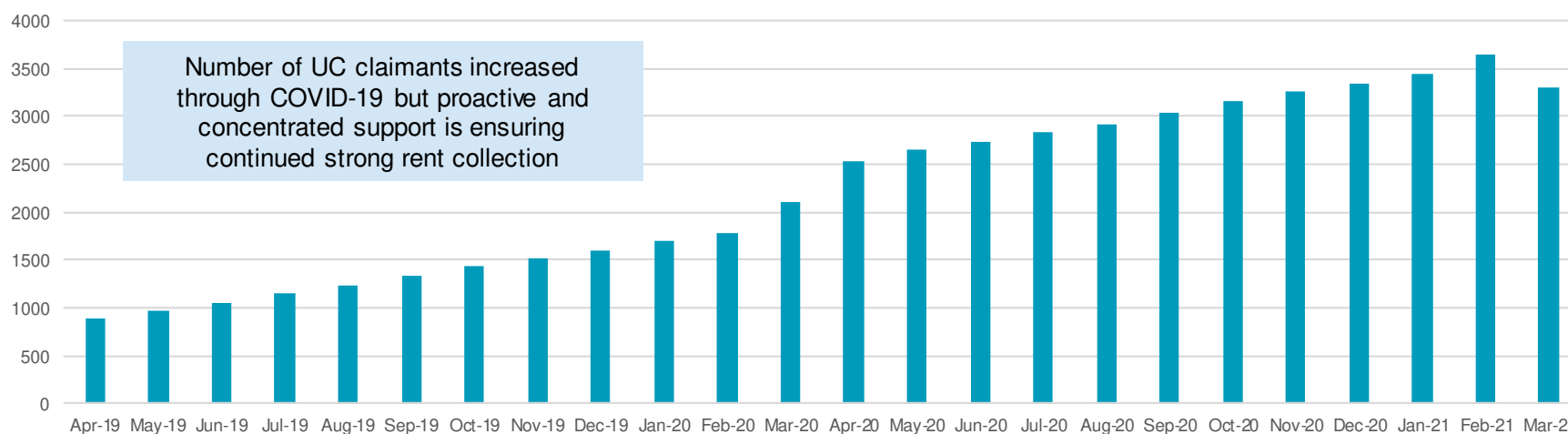
Customer Payment Source Profile



61% ratio of Average Paradigm Rent to Market Rent

	Paradigm ⁽¹⁾	Local Housing Allowance
Rent per week	£124	£202

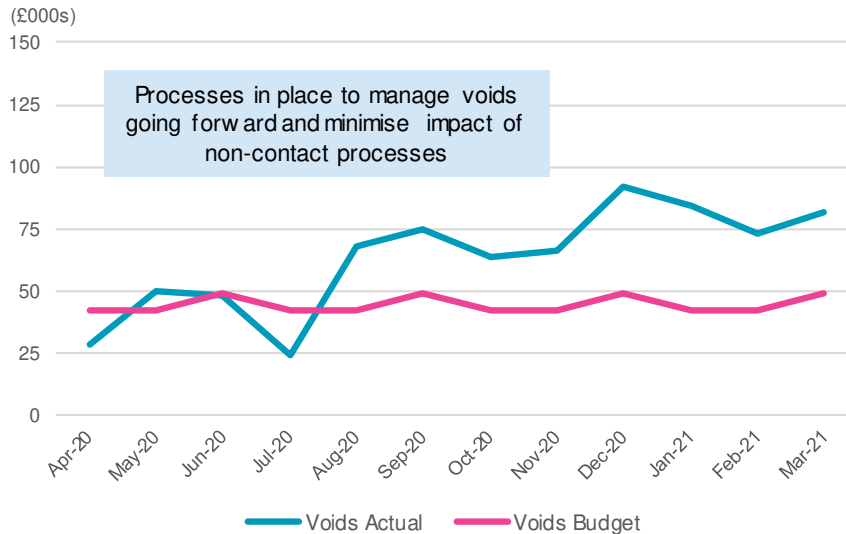
Cumulative Number of Universal Credit Applications



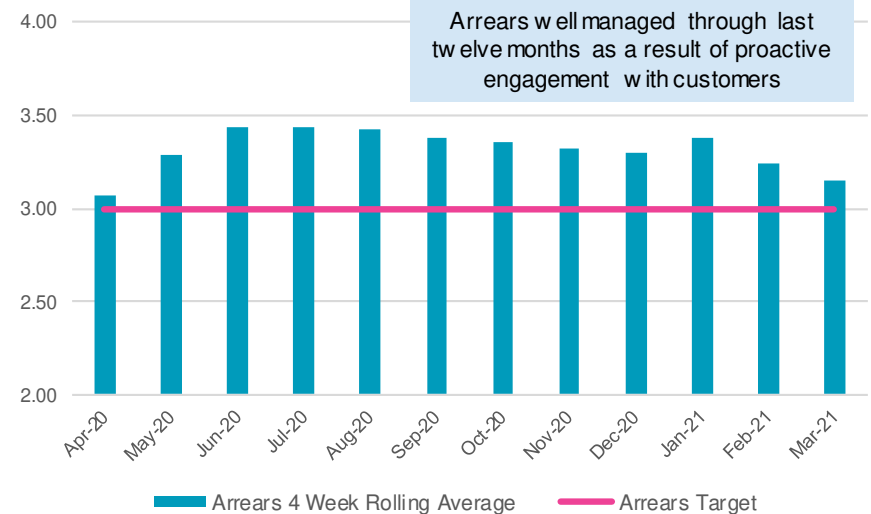
Impact of Covid Pandemic on Operations

The impact of Covid has been well managed with limited impact on voids, arrears and repairs

Voids by Month



LTM Arrears (Rolling 4 week average %)



- **Repairs:** Paradigm has managed its repair operations during lockdown periods to prioritise the safety of both staff and customers. This has included delays in non-urgent and planned works. Repairs are ultimately managed using an in-house Direct Labour Organisation and no substantial cost impact is expected
- **Arrears:** Arrears are a core focus for Paradigm and pre-Covid were at lowest ever levels of 2.6%. As part of managing the impact of Covid Paradigm strengthened its rent recovery team to provide regular communication and sign posting to customers. As a result whilst arrears increased during the first lockdown, they have steadily reduced since
- **Voids:** Minimal impact on voids due to the additional non-contact processes put in place to manage the letting of properties. These processes have also been adopted to allow sales of new properties to continue

Customer Engagement

Excellent customer service is core to Paradigm's vision and strategy

Customer Satisfaction

Questions	General Needs		Homeowners	
	2019/20	2020/21 (Q3)	2019/20	2020/21 (Q3)
Overall satisfaction	80%	83%	56%	56%
Repairs and maintenance	75%	78%	43%	58%
Listens and acts	72%	82%	48%	80%
Most recent contact	76%	80%	58%	63%

Customer Engagement

- ✓ Customer Insight and Involvement Strategy
- ✓ Resident Services Panel
- ✓ Early adopter of NHF Together with Tenants Charter
- ✓ Resident Quality Inspectors
- ✓ Readership Panel
- ✓ Significant enhancements to online services planned

Targeted further improvements in customer satisfaction underpinned by deployment of a new business IT system, improved data through asset management programme and a comprehensive redesign of the systems and processes used to deliver housing management and maintenance services

Asset Management Strategy

A statement of intent to make a step change in our approach to this function

- Implementing a plan to improve our data in relation to energy efficiency
- Data driven approach supports both efficient and strategic management of the Paradigm homes and estates
- Property Directorate to provide a range of co-ordinated and professional functions
- Strategy supports customer confidence and engagement in the actions undertaken on a day to day basis
 - e.g. online access for customers to fire safety information where they are living in blocks of flats for which we carry out Fire Risk Assessments
- Will capture the impact of sustainability initiatives and investments by measuring and reporting customer benefits and satisfaction as well as wider impact reporting
- Paradigm will consider opportunities and ways of collaborating with other landlords where this will yield better returns for customers and the environment

In March 2021, completed the largest stock swap in the housing association sector.

Aim to bring at least 2,250 new homes into portfolio and to grow through further stock rationalisation within core operating areas



Health & Safety Compliance

Paradigm is committed to maintaining 100% delivery on all key compliance regimes and 100% compliance with new Building Safety regimes

Gas Safety

As at 31st March, 99.97% compliant with only two properties out of target as a result of customers refusing access

Electrical

As at 31st March, 100% block compliance and 89.07% on dwellings (non-statutory)

Fire Risk Profile

As at 31st March, 100% of blocks have a valid Fire Risk Assessment (FRA) in place

Our exposure to blocks 18m or taller is limited with only four blocks in scope and subject to the pending Building Safety Case regime. Of these, only three are deemed to be genuine high rise (30m plus)

Fire Remediation

We have established a Fire Focus Group and FRA Strategy in order to assess and action key fire safety requirements. We have carried out intrusive investigations. Where remediation is required within any blocks presenting multiple high risk features (e.g. height, cladding, vulnerable customers), we have completed work or it is in progress

During our Corporate Plan (2021-2026), a new regulatory regime for Building Safety will be introduced and we have started planning for how we deliver this, working in partnership with our customers and leaseholders

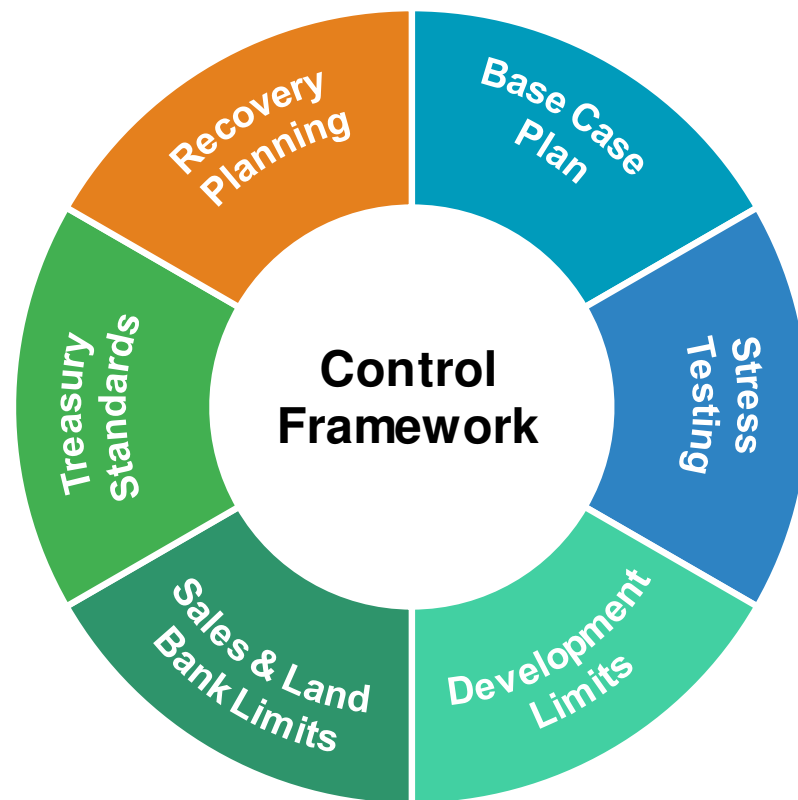
DEVELOPMENT PROGRAMME AND STRATEGY

May, 2021

Risk Framework – Outcomes of Stress Testing

A well thought out and closely managed approach to risk

- Our Long Term Plan and subsequent stress testing outcomes form the basis of our risk framework and places limits for development and sales risk
 - The **base case** plan includes our prudent assumptions for development, rental income, operating costs, asset investment (including achieving carbon neutrality) etc.
 - **Single and Multi-variant sensitivity analysis** shows we are able to withstand significant negative scenarios
 - Our **day-to-day control framework (Standards)** set minimum levels of covenant headroom, liquidity, property security and maximum sales, land bank limits and overall development limits to manage the risks identified in the stress testing. Our limits also provide a framework for delegations to sub-committees of the Board for the aggregate view of risks for scheme approvals
 - In addition, **recovery planning** is undertaken to understand the steps required should risks crystallise (e.g. as part of our COVID response)



Development Strategy

A conservative and carefully managed sales strategy with a robust control framework

Our **2021-2026 Development Strategy** sets out ambitious but carefully diligenced objectives associated with providing over 2,250 high quality new homes for those that cannot afford to either rent or buy on the open market

Main objectives

- ✓ Focus on our core operating areas; we have now exited development schemes in London
- ✓ Aiming to develop schemes of between 35 and 150 homes if developing ourselves
- ✓ Tenure mix of 50/50 affordable rent and shared ownership
 - ✓ Flexibility in approach supported by prudent management and executive oversight
 - ✓ In short term, changed planned tenure to provide more affordable rental homes to manage short-medium term exposure to property market sales risk
- ✓ A rebalance of the portfolio from predominately s106 to include a larger proportion of land-led development
- ✓ We will seek to build homes that meet our stringent design vision and quality requirements (none more than 5 storeys)
- ✓ Increasing focus on partnership working
- ✓ Continuing to professionalise the team's commerciality



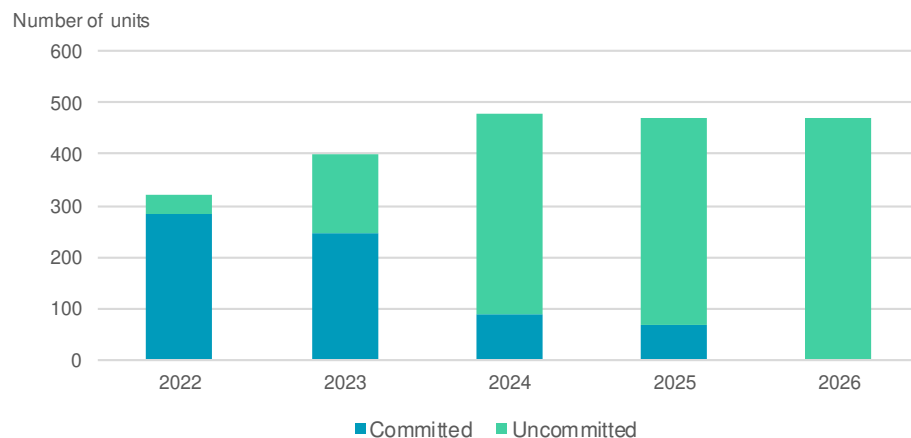
Caleb Close Luton development of 224 brand new homes for rent, shared ownership or sale



Development Programme (Long Term Plan)

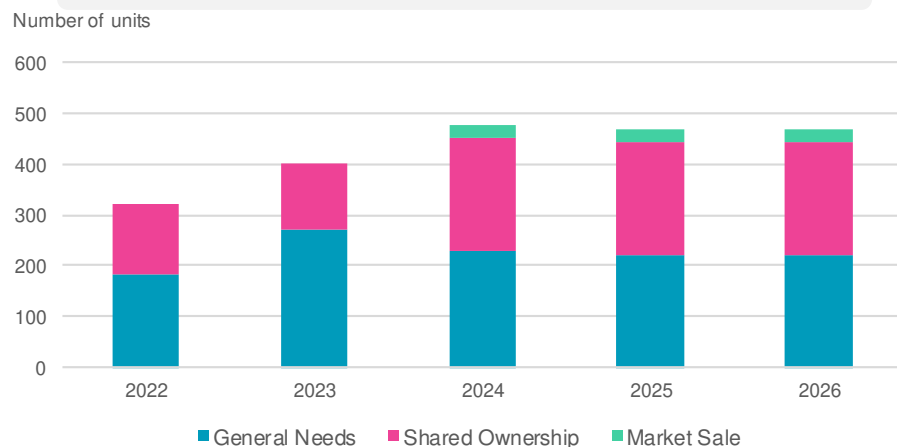
High proportion of uncommitted development, low exposure to market sale and flexibility of tenure underpin conservative development plan

Committed vs. Uncommitted



Committed	Homes	%	Cost (£m)
Social Rent	48	4.7%	
Affordable Rent	517	50.9%	
Market Rent	28	2.8%	
Total Rent	593	58.4%	84.7
Shared Ownership	425	41.6%	59.2
Market Sale	0	0.0%	0.0
Total Committed	1,016		144.0

Tenure Type



Total Approved	Homes	%	Cost (£m)
Social Rent	59	3.8%	
Affordable Rent	862	55.7%	
Market Rent	28	1.8%	
Total Rent	905	61.3%	158.7
Shared Ownership	598	38.7%	97.5
Market Sale	0	0.0%	0.0
Total Approved¹	1,547		256.3

1. Includes 1,016 committed homes

Development and Sales Controls

Robust controls supported continued strong performance in 2020/21

- Institutional focus on development and sales controls framework and governance
- Strong understanding of core operating and development areas ensures dynamic approach to sales management
- Focus on small mixed use schemes and site re-development reduces exposure and supports flexibility of sales tenure
- Presumption against the development of high-rise buildings
- Regular “MOT” reviews for all sales schemes ‘Marketing’ (route); ‘Offer’ (incentives); ‘Tenure’ (review/change)
- A mix of independent Estate Agents and in-house Sales employed
- Demonstrable track record of flexibility in tenure selection with low exposure to open market sales in underlying sales plan

Only 18 stock units
(already handed
over) – all reserved

48 units awaiting
handover : 43
reserved off plan

Average sales
margin: 28.4%
(budget of 23.5%)

Average
tranche sale:
40%

278 units to be marketed in the next 18 months



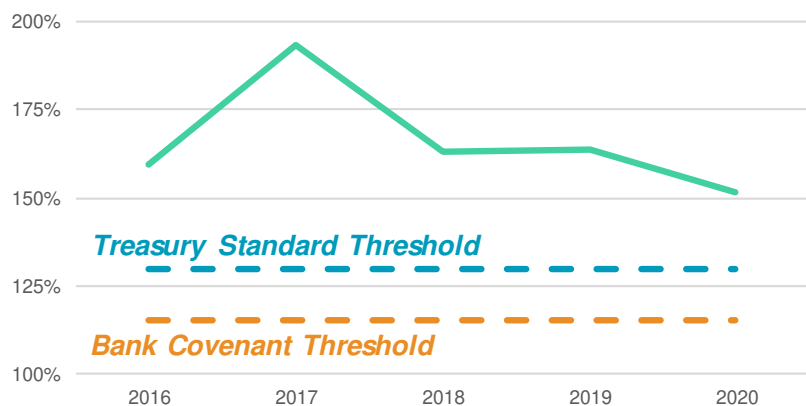
FINANCIAL REVIEW AND PERFORMANCE

May, 2021

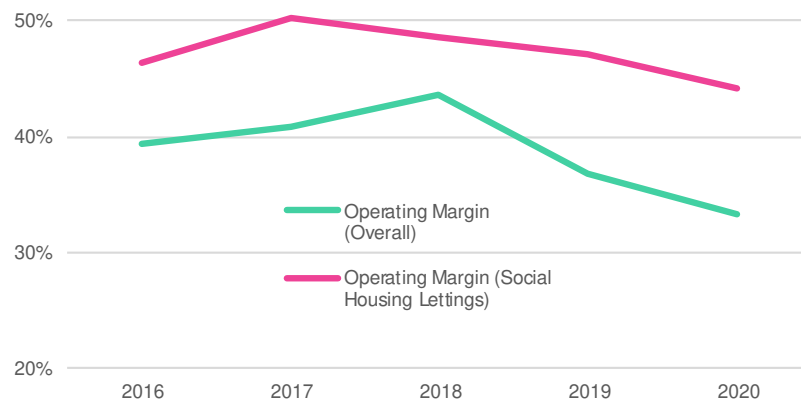
Key Financial Metrics

Paradigm is focused on making best use of its resources whilst maintaining a prudent funding and treasury strategy and a growing asset base

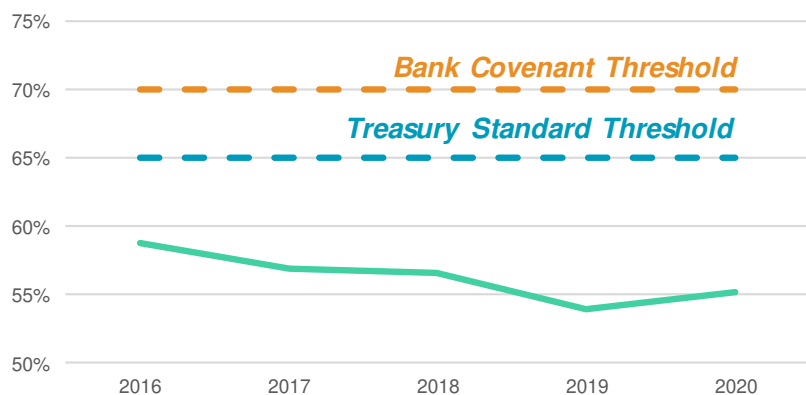
EBITDA Interest Cover



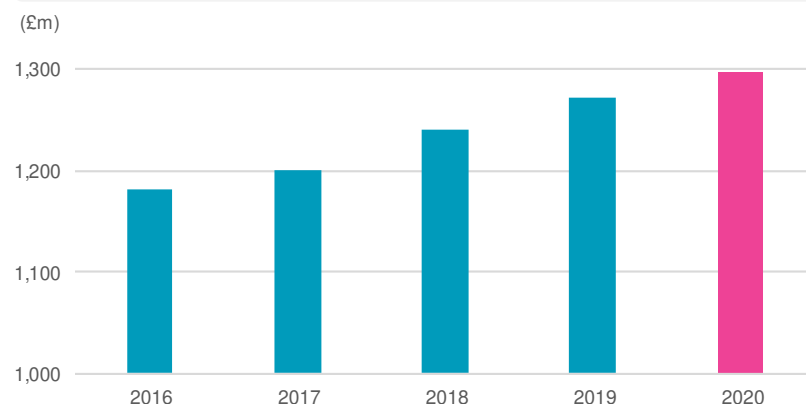
Operating Margins



Gearing



Tangible Fixed Assets – Housing Properties



Financial Snapshot

A consistent and resilient performance underpinned by strong financial management and discipline

£'000	2021 Q3	2020 Q3		2020	2019	2018	2017	2016
Revenue	93,879	88,464		129,172	130,136	123,942	136,720	115,283
Operating Expenditure	(53,852)	(56,158)		(86,184)	(82,195)	(69,950)	(80,988)	(69,952)
Operating Surplus	40,026	32,306		42,988	47,941	53,992	55,732	45,331
Operating Margin (%)	43 %	37 %		33 %	37 %	44 %	41 %	39 %
Fixed Asset Surplus	113	2,939		0	5,915	6,370	7,156	5,353
Interest	(22,461)	(20,484)		(27,786)	(29,044)	(33,648)	(29,421)	(29,536)
Net Surplus	17,751	14,761		15,202	24,812	26,714	33,467	21,148
Tangible fixed assets: Housing Properties				1,296,058	1,272,034	1,239,902	1,201,080	1,181,991
Total Reserves				614,169	591,886	572,615	546,412	512,834

- Consistently strong operating margins
 - 2020 performance impacted by a one off impairment and additional investment in fire safety
 - Increase in the repairs cost per property is due to additional expenditure in health and safety, particularly in fire gas and electrical safety and testing scheme defect costs and increase of sub-contractors has impacted 2020
- Q3 2021 performance continues to be incredibly resilient with increasing revenue and an operating margin in excess of 40%

Value for Money (VFM)

The VFM Scorecard shows how effective we are in planning, managing and operating our business

Value for Money Scorecard	Target	2021 Q3	2020 Q3		2020	2019	Peer 2019
Operating margin	>40% Turnover	43.0%	37.3%		33.3%	36.8%	31.3%
Operating margin - social housing lettings	>45% Turnover	44.7%	42.8%		44.1%	47.0%	37.3%
EBITDA MRI interest cover	170.0%	182.7%	160.3%		156.6%	162.8%	180.6%
Gearing	<55%	51.8%	56.0%		55.2%	53.9%	52.8%
New supply delivered – social housing	2.8%	1.3%	1.0%		1.8%	3.4%	2.5%
New supply delivered – non social housing	0.7%	0.2%	0.2%		1.1%	-	0.0%
Return on capital employed	3.5%	3.8%	3.3%		3.3%	4.0%	4.1%
Headline social housing cost per unit	£3,253	£3,324	£3,554		£3,993	£3,146	£3,434
Reinvestment	4.0%	3.2%	4.9%		4.3%	3.9%	7.2%

- Value means the number of homes, the appropriateness of those homes to meet local requirements, the quality of the homes and the quality of the services we provide.
 - VFM is embedded across the governance and operational structures and reflects our Values
 - Budgets and targets are set with VFM efficiency measures.
 - Increase in the repairs cost per property is due to additional expenditure in health and safety, particularly in fire gas and electrical safety and testing scheme defect costs and increase of sub-contractors has impacted 2020

TREASURY OVERVIEW

May, 2021

Treasury Management Policies (TMP)

A risk-adverse approach to treasury management combines strong governance oversight and robust treasury standards and policies

Robust Liquidity Policies

- Minimum cash balance of £5m
- Sufficient Liquidity to cover the 18 months forecast Net Cash Requirement plus a reserve to cover sales exposure risk on 50% of projected sales over the forecast period
- Max of £9m (vs £10m covenant limit) on-lend by PHCHA to Paradigm Commercial Limited

Fixed Rate Target Policy (drawn debt)

Type of Exposure	Minimum	Maximum	Current
Fixed rate	65%	95%	95%
Floating rate	5%	35%	5%

Treasury Standards

Covenant	Treasury Standard	2021 Q3
Interest Cover (EBITDA Only)	130%	179%
Gearing (Gross Debt to HC)	65%	49%
Total Debt / Total Assets less Current Liabilities	65%	51%

Strong Governance and Oversight

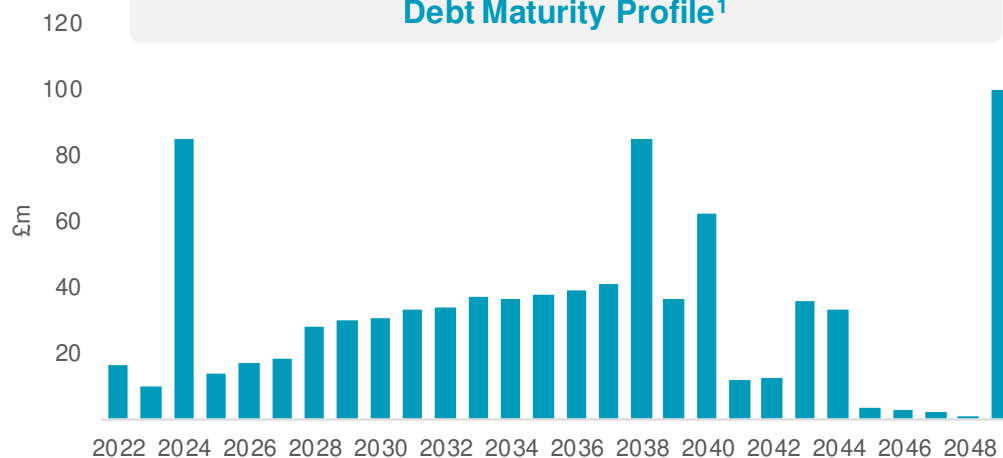
- The Group adopts a risk-adverse approach to treasury management
- Treasury Management Policy reviewed annually and approved by Board
- Centrus appointed as financial advisors to provide additional rigour and oversight on financial planning
- Strict monitoring of sales exposure to manage covenant risk and liquidity

Treasury Portfolio

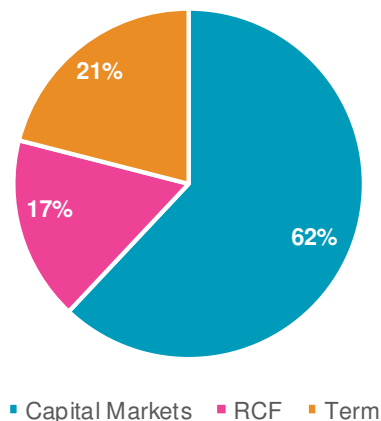
Paradigm is in the process of establishing a fit for purpose treasury portfolio that demonstrates its sustainable credentials across bank and bond markets

- No significant short term refinancing risk
- Balanced mix of RCF, term and capital markets debt
 - New fit for purpose facilities in both bank and capital markets support Paradigm's conservative financial policies
- Paradigm is in the process of refinancing its largest bank lender exposure and putting in place two new Sustainable RCFs, totaling £150m
 - Refinancing will reduce interest payable, improve interest cover metrics, release excess security and support fit for future documentation
 - The RCF further demonstrates Paradigm's commitment to Sustainability and is linked to energy efficiency, new affordable homes and customer satisfaction
- Expected to maintain a predominantly fixed loan book (95%) in line with our TMP
- Significant liquidity and cash on balance sheet maintained
 - >18 months liquidity in line with Treasury Management Policies

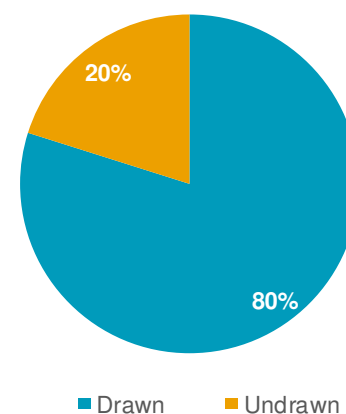
Debt Maturity Profile¹



Bank vs. Other Debt¹



Drawn vs. Undrawn¹



SUMMARY

May, 2021

Paradigm Group Summary

One of the largest social housing providers in our core operating areas of Buckinghamshire, Bedfordshire and Hertfordshire

- **Concentrated regional presence** and expertise in the South East of England (predominantly outside London)
- Clearly defined strategy supported by an **experienced management team and robust governance**
- Core focus on **affordable housing** maintained through corporate strategy
- Conservative financial profile underpinned by **strong metrics** and risk-adverse treasury policies
- Experienced and well-run development plan, with a **proven track record** and low exposure to market sales
- **Comprehensive and structured** risk framework and controls
- Committed to **Sustainability** across our offering – core to our values, our history, our customers and our people
- Financial and operational strengths externally recognised by **A+ rating** by S&P and **G1/V1 rating** by Regulator

>15,000 homes

30 years
operating in the
South East of
England

>£1.25bn
housing assets

EBITDA-MRI >
150%

SH lettings
operating margin
>40%

93% turnover
social housing
activities

G1 / V1
regulatory
grading

A+ credit
rating

Transaction Overview

Issuer	Paradigm Homes Charitable Housing Association Limited
Issuer Rating	A+ by S&P
Transaction Size	£350m (including £100m retained)
Maturity	30 to 35 year
Documentation	Standalone Information Memorandum
Asset Cover	105% EUV-SH / 115% MV-ST + Charged Cash
Denominations	£100k + £1k
Listing	London, International Securities Market
Use of Proceeds	The net proceeds of the issue shall be used by the Issuer for: a) charitable objects including the repayment of any existing indebtedness b) used by the Issuer for sustainable purposes to finance or refinance, in part or in full, eligible projects in accordance with the Sustainability Financing Framework
Bookrunners	Barclays, Lloyds Bank Corporate Markets, NAB
Target Market	UK MiFIR Professional Clients and Eligible Counterparties only

APPENDIX

May, 2021

Appendix A: Historic Performance

Income Statement and Balance Sheet Summary

	2020	2019	2018	2017	2016
Group statement of comprehensive income	£m	£m	£m	£m	£m
Turnover	129.2	130.1	123.9	136.7	115.3
Turnover before housing sales	96.1	95.8	91.4	90.7	90.2
Income from lettings	91.7	91.5	87.8	86.7	85.2
Property depreciation	9.3	9.3	11.1	10.9	7.5
Operating surplus before housing sales	32.6	38.1	43.1	44.5	39.2
Operating surplus from social housing lettings	40.4	43.0	42.5	43.5	39.4
Operating surplus	43.0	47.9	54.0	55.7	45.3
Surplus for the financial year	15.7	25.1	25.6	33.8	21.1
Group statement of financial position	£m	£m	£m	£m	£m
Housing properties	1,296.1	1,272.0	1,239.9	1,201.1	1,182.0
Net current assets	68.3	39.2	52.5	100.3	41.2
Indebtedness	715.1	685.2	692.4	682.6	694.0
Total reserves	614.2	591.9	572.6	546.4	512.8

Appendix B: Historic Performance

Statistics and unit numbers

	2020	2019	2018	2017	2016
Statistics	%	%	%	%	%
Operating margin	33.3	36.8	43.6	40.8	39.3
Operating margin excluding sales	34.0	39.8	47.2	49.0	43.4
Surplus as % of turnover	12.1	19.3	20.7	24.7	18.3
Operating margin social housing lettings	44.1	47.0	48.5	50.2	46.3
Rent losses	1.5	1.1	1.1	1.1	1.5
Gearing	55.2	53.9	56.5	56.9	58.7
EBITDA – MRI interest cover	156.6	162.8	172.5	194.8	147.0
EBITDA – MRI as a % of turnover	39.8	42.0	50.4	44.3	38.6
Surplus from social housing lettings over interest paid	123.2	129.2	116.0	134.5	116.5
Accommodation owned and managed	units	units	Units	units	units
Total social and supported rented	11,627	11,689	11,590	11,441	11,383
Total low cost home ownership	2,367	2,164	2,023	1,893	1,829
Total leasehold and market rent	1,221	1,055	1,005	897	879
Total housing	15,215	14,908	14,618	14,231	14,091

Appendix C: Board Members

A diverse, highly skilled and experienced Board is a key strength of Paradigm.



Julian Ashby - Chair

Julian joined the Board following six years as Chair and three years as Deputy Chair of the English Social Housing Regulator and a varied career over more than 30 years in the social housing sector.



Pat Brandum - Senior Independent Director

Pat, having been Chief Executive WM Housing in the West Midlands, has spent her working life in various housing organisations.



Matthew Bailes - Board member

Matthew has been Paradigm Housing Group's Chief Executive since September 2015. Matthew previously led the English Social Housing Regulator. Before that, Matthew was a Senior Civil Servant.



Mathew Bishop - Board member

Mathew has almost 20 years' construction and building maintenance experience within both private and public sector outsourcing.



John Cross - Board member and Chair of Development Committee

John has enjoyed a 30-year executive career in the social housing sector. His most recent role was Chief Executive of BPHA, a housing association with 17,000 homes, which grew significantly under his leadership.



Eva Cullen - Board member

Eva is currently Head of Customer Fulfilment Operations, Operations and Supply Chain Directorate at John Lewis.



Philippa Lowe - Board member and Chair of Audit & Risk Committee

Philippa is a qualified accountant with 27 years' Board-level experience in executive and non-executive roles. She has enjoyed an executive career in the NHS and has served as an independent Board Member in the housing sector for over twelve years, chairing Audit Committees during that time.



Peter Quinn - Board member

Peter has extensive experience in affordable housing development and was Partnerships Director at Lovell Partnerships.



Phil Shepley - Board member

Phil has 20 years' experience of contract delivery in property services and asset management, working for public and private sector customers.



John Simpson - Board member and Chair of Treasury Committee

John is a former chair of Sovereign Housing Association and its Treasury Committee and brings over 30 years' experience in the banking and finance sectors.



Liz Bailey - Board member

Liz is a Chief Information Officer with significant experience in digital strategy implementation and technology leadership within a leading research-intensive University and two major blue chip manufacturing companies. She is currently a governor and trustee at Leicester Grammar School Trust.