|  |  |
| --- | --- |
| Hillcrest Homes (Scotland) Limited **Annual General Meeting** | Item 2.1 |
| Minutes of the meeting held on Thursday 15th August 2024 at 6.00p.m.in HQ Board Room, Explorer Road, Dundee/MS Teams |  |

**Present - HQ:**

|  |  |  |
| --- | --- | --- |
| D. Ross  J. Lynch  V. Howard  A. Macdonald  F. Doran | D. Boyle  B. Davidson  B. Fenton  W. Johnston | G. Burns  J. Roberts  A. Fyfe  R. Burnett |
|  |  |  |

### **Present – Teams:**

M. McMurdo

A. Russell

G. Wilson

D. Hogg

### **In Attendance**

L. Don Company Secretary, Director of Corporate Services (HQ)

F. Morrison Deputy Chief Executive (HQ)

M. Percival Director of Property (HQ)

J. Booth Director of Hilcrest Futures (HQ)

C. Pickthall Head of Housing and Hillcrest Enterprises (HQ)

B. Harris Head of Innovation and Improvements (HQ)

D. Milton Head of Development (HQ)

J. Thomson Head of Hillcrest Maintenance (HQ)

A. Murphy Head of Finance (HQ)

N. Tragham Head of HR & OD (Teams)

J. Chittleburgh Chien and Tait (Teams)

C. Lyall Findlays (HQ)

F. Stevenson Board Member, Hillcrest Maintenance (HQ)

D. Kelman Board Member, Hillcrest Enterprises (Teams)

L. Davidson Board Services Officer, Hillcrest Homes (HQ)

L. Don, Director of Corporate Services and Company Secretary, welcomed everyone to the 55th Annual General Meeting of Hillcrest Homes (Scotland) Ltd and confirmed that the meeting was quorate.

1. **Apologies for Absence**

Apologies for absence had been received from the following members:

S. Ash M. Hussain S. Qadar

P. Cairns T. Kirby D. Ridgway

M. Hunter A. Matthew P. Shepherd

N. McAlinden L. Naumann M. Cox

H. Gow M. Burns

2. **Minutes of Meetings**

2.1 **Minutes of the 54th Annual General Meeting held on 10th August 2023**

The minutes were circulated with the papers for the AGM. The minutes were agreed as a correct record. This was proposed by F. Doran and seconded by A. Fyfe. There were no matters arising.

2.2 **Minutes of the Special General Meeting held on 12th December 2023**

The minutes were circulated with the papers for the AGM. The minutes were agreed as a correct record. This was proposed by R. Burnett and seconded by A. Fyfe. There were no matters arising.

3. **Chairperson’s Report**

Hillcrest Homes

The Chair, D. Boyle, reported that this was his first year as Chair of Hillcrest Homes with a series of achievements and successes, however, there have also been a number of challenges.

Over the last year, Hillcrest has seen rising costs, increases in interest rates and development delays. Hillcrest have supported tenants through the cost of living crisis, keeping rents affordable and the increasing needs of the people we support. The newly named Financial Wellbeing Team generated over £1.9 million and HEAT £1.4 million back into tenant’s pockets.

The impact of Storm Babet in October, with Brechin hardest hit, saw our tenants and people we support being evacuated due to severe flooding, with individuals being moved to alternative accommodation to allow repairs to be carried out.

Hillcrest has continued to deliver affordable homes in partnership with local authorities. These include Derby Street, Dundee; Cove, Aberdeen; Sunnyside Hospital and the purchase of land for a large site in Edinburgh. There have also been a redevelopment of the building at Sugarhouse Wynd, Dundee to repurpose the building for Ukrainian refugees.

Ferry House, a residential home in Broughty Ferry, shut the doors earlier this year. All residents and their families were supported to find alternative services and the building will be repurposed into affordable homes for people in housing need.

The Hillcrest Foundation has awarded £150,000 to community groups with initiatives supported including reducing isolation, improving health and wellbeing and tackling inequality. Hillcrest Foundation, Help for Kids and Dundee Bairns also recently launched the Bed for Bairns initiative. The Foundation donated £20,000 to the project.

Our first Environment, Social and Governance report was published in October 2023 which sets out our sustainability goals and offers insight into our social and governance aims.

There have been a number of staff initiatives throughout the year. These include a refreshed Hillcrest induction programme, Faces of Futures campaign and a relaunch of our website and staff intranet. Hillcrest was also proud to have been re-awarded with the Investors in People Gold and Investors in Young People Silver awards.

The Chair thanked the senior team for their leadership, Board members for their support and the dedication and hard work of all staff.

Hillcrest Enterprises

The Chair, W. Johnston, presented an update on Hillcrest Enterprises, reporting that 2023/24 was another successful year. There was significant grown in mid-market rent with an additional 124 properties completed and handed over to allocate to tenants on low incomes. This included properties at Victoria Dock, one of Scotland’s largest modular development of affordable homes on Dundee’s waterfront.

The achievements of Hillcrest Enterprises is down to the hard work and dedication of staff, with Hillcrest Enterprises awarded the outstanding contribution award at the recent Hillcrest staff conference.

Hillcrest Enterprises also approved £100k of gift aid contributions to the Hillcrest Foundation to provide support for a number of projects including new home hampers, and many more valuable initiatives.

To support tenants during the cost of living crisis, a dedicated Energy Advice and Income Maximisation post was appointed to offer additional support to our tenants.

The Chair thanked her fellow Board members for their time and support and thanked staff for their continued hard work and resilience during challenging times.

Hillcrest Maintenance

The Chair, B. Davidson, presented an update on Hillcrest Maintenance, reporting that 2023/24 was a successful year.

Hillcrest Maintenance adopted the role of primary contractor at Falkland Avenue, Cove following the Stewart Milne Group going into administration. Handover of the properties was completed this month and the ability to keep the process internal has saved the group time and money.

Funding was received from the Scottish Government for Hillcrest Maintenance to refurbish former temporary accommodation in Sugarhouse Wynd to rehouse Ukrainian families.

A priority for the group this year was to reduce the amount of time a property is empty or void. Hillcrest Maintenance developed an app which is now in use and alongside the hard work of staff, this has led to void time significantly reducing.

Hillcrest Maintenance had a successful year with a financial profit of £100k and total savings to Hillcrest of £1.9m. Customer satisfaction remains high at 97%.

Hillcrest Maintenance continues to expand and will work with other group companies to deliver Hillcrest’s journey to net zero. Upskilling of staff has commenced to enable retrofit works to be carried out in house.

The Chair thanked staff for their hard work and continuing to grow the company together.

Hillcrest Futures

The Chair, B. Fenton, presented an update on Hillcrest Futures, reporting that this has been another busy year for the care and support company within Hillcrest.

There have been challenges around staff retention and recruitment and also tight financial constraints within the social care sector. However, there was excellent work conducted by a highly dedicated staff team to deliver positive outcomes for the most vulnerable people in our communities.

The following highlights were presented:

* Appointment of a new Director, John Booth, to lead the organisation forward.
* Hillcrest hosted the first ever fully accessible music festival ‘Futures Fest’ with over 300 people attending the event at Piperdam. This included a range of live music, a petting zoo, silent disco, face paining and various other activities. This event was a great success.
* The construction of a new purpose built supported living accommodation complex has commenced at Ryan Place in Crieff. This new facility will provide vulnerable tenants with state of the art facilities to include cutting edge tech enabled chare services to support and increase independent living.

There have also been a number of other activities over the year to include supporting people to take holidays, outings, sporting events, concerts and fundraising initiatives.

The Chair thanked staff for their hard work and dedication in supporting the people in our services.

Hillcrest Homes Chair, D. Boyle, noted that B. Fenton will be stepping down as Chair of Hillcrest Futures and thanked her for her contribution over the years. B. Fenton has served as the Chairperson and has navigated the organisation through a number of significant events and challenging times. On behalf of shareholding members, Board members and staff, D. Boyle thanked B. Fenton for her contribution over the years.

The Chair’s report was noted by all present.

4. **Accounts and Balance Sheet for the Year Ended 31 March 2023**

M. Percival, Director of Finance and Property, presented the accounts and balance sheet for the year ended 31 March 2024 and noted that all companies within the group have received clean audit reports.

Hillcrest Homes turnover increased to £51.9m from £47.4m in 2023/24. Surplus after tax reduced to £1m from £3.5m in 2023/24. Finance costs increased significantly in 2023/24 compared to 2022/23, largely driven by increasing interest rates.

The actuarial valuation for pensions was £1.7m cost, resulting in a comprehensive loss for 2023/24 of £0.7m.

Overall investment in new housing in 2023/24 was £46.3m with an additional 280 units taken into management. This is slightly lower than 2022/23 at £57.4m although 2022/23 included the purchase of 88 mid-market rent units in Aberdeen and Aberdeenshire from Osprey Initiatives.

As investment in new Housing increased, Total Fixed Assets increased to £734.0m in 2023/24 from £698.6m in 2022/23. The Comprehensive Loss in 2023/24 of £0.7m resulted in a reduction in Reserves to £80.5m in 2023-24 from £81.2m in 2022/23.

Additional borrowing helped to fund the increase in new housing, and in 2023/24 total loans increased to £264.8m from £241.4m in 2022/23. New borrowing facilities of £60.0m were also obtained in 2023-24 to fund new Developments in 2024/25 and going forwards.

High inflation and interest rates in 2023/24, along with pressures on rental income and funding levels, has been very challenging for Hillcrest. However, all companies managed to meet these financial challenges, and budgets are in place going forwards to ensure we continue to improve financial performance.

The Director of Finance and Property thanked the Finance Team for their hard work in completing the 2023/24 statutory accounts. These are the last statutory accounts that will be reviewed by Findlays as our auditors. The auditors were thanked for their hard work and support over the years.

Approval of the accounts and balance sheet was proposed by V. Howard and seconded by W. Johnston.

5. **Appointment of Auditors**

The auditors for Hillcrest Homes (Scotland) Ltd were Findlay & Company. The provision of audit services to the association went out for competitive tender earlier this year to appoint new auditors for Hillcrest Homes. Chiene and Tait were recommended for appointment. A. Fyfe proposed appointment of the auditors, seconded by R. Burnett.

Chiene and Tait were duly appointed the auditor for Hillcrest Homes (Scotland) Ltd.

6. **Election of Governing Body Members**

The Company Secretary briefed the meeting on the requirement that one-third of elected Governing Body members are required to stand down and seek re-election. The retiring members seeking re-election were D. Hogg, R. Burnett and S. Qadar.

The members seeking re-election were appointed unopposed.

There were no nominations for election to the Governing Body.

There being no other business the Chairperson thanked members

for their attendance and closed the meeting

………………………………