

**Hillcrest Homes (Scotland) Limited
Governing Body Meeting**

Item 2.1

**Minutes of the meeting held on Tuesday 21st October 2025
at 5.30p.m. on MS Teams/HQ Board Room**

Present:	D. Boyle C. Robertson A. Fyfe D. Hogg P. Shepherd M. McMurdo S. Qadar E. Jones A. Gauld	(Chair, HQ) (Teams) (HQ) (Teams) (HQ) (Teams) (Teams) (Teams) (Teams)
In attendance:	J. Alexander F. Morrison M. Percival S. Strachan G. Anderson L. Davidson	(Chief Executive, HQ) (Deputy Chief Executive, HQ) (Director of Finance, HQ) (Sustainability Manager, HQ) (Digital, Data & Technology Manager, HQ) (Board Services Officer, HQ)

Action by

1. *Introduction*

The Chair explained that the Edinburgh site visit was cancelled due to numbers. A new date will be scheduled for Spring 2026.

1.1 Apologies for Absence

Apologies for absence were received from S. Elder, R. Burnett and B. Matheson.

1.2 Declarations of Interest

There was one declaration of interest from A. Gauld for Item 3.4.

2. *Minutes and Matters Arising*

**2.1 Minutes of the Governing Body meeting held on 1 September 2025 and
matters arising**

The minutes were approved as an accurate record of the meeting.

Matters arising:

Item 3.1 River Street – still awaiting update on Scottish Government’s position on HAG repayment.

Item 4.2 Treasury Management Policy – the review is underway and will be presented to the Governing Body at the November meeting.

Item 4.2 KPIs – this will be discussed at the Hillcrest Management Team meeting in November and KPIs and benchmarking will be discussed at the Governing Body’s business planning meeting in January.

S. Qadar joined the meeting.

2.2 Minutes of the Operations Sub Committee meeting held on 9 September 2025

The Governing Body noted the minutes.

2.3 Minutes of the Audit and General Purposes Sub Committee meeting held on 8 October 2025

The Governing Body noted the minutes.

C. Robertson and A. Gauld joined the meeting.

3. *Business Matters and Approvals*

3.1 Net Zero and Climate Change Strategy

The Sustainability Manager presented the Net Zero and Climate Change Strategy for 2025-30. The strategy outlines Hillcrest’s commitment to becoming a net zero organisation by 2045, with detailed actions planned through to 2030. Bi-annual progress reports will be presented to the Operations Sub Committee.

The Governing Body noted the actions set out in the strategy and whilst we should be ambitious in what we want to achieve, we also need to ensure that we are able to deliver these from a financial and technological perspective. The cross organisational working group has been established to ensure that all areas of the business are consulted as part of the development and delivery of the strategy. The budget includes retrofit works, alongside external funding streams towards these works.

The Governing Body approved the Net Zero and Climate Change Strategy 2025-30.

3.2 ESG Report

The ESG report for 2025 was presented to the Governing Body for approval. The ESG report underwent its second external assessment by RITTERWALD, and the report's grading has advanced from 'Satisfactory' to 'Exemplary,' reflecting the improvements to our ESG risk reporting processes which were implemented following last year's assessment.

A. Gauld noted the funding awarded by the Hillcrest Foundation and the work of the Housing Services teams providing financial support to tenants. It was suggested that the outcomes and impact of this work could be included in future reporting to capture the wider social impact.

M. McMurdo noted the excellent work in producing this document and asked if this will be made available to external stakeholders. The ESG report will be uploaded to the website and there will be publicity on the exemplary status to promote the positive work of the organisation.

The Governing Body approved the following:

- *ESG report for Hillcrest for 2025.*
- *SRS data return to be submitted to Sustainability for Housing by the end of October 2025.*

3.3 Explorer Road – Solar Array

The Sustainability Manager presented the report to seek approval to submit an application to partially fund solar panels at the Explorer Road office. The Governing Body noted that there is no binding requirement on Hillcrest to proceed with the works should the application be successful.

E. Jones asked if a cost benefit analysis has been carried out and if there will be any impact on insurance premiums. These are still be confirmed and this will be reviewed alongside the funding application.

The Governing Body were supportive of the proposal. It was noted that two Governing Body members will be named on the application. D. Boyle and A. Fyfe volunteered to be named on the application. The Governing Body will be updated on the outcome of the funding application.

The Governing Body gave approval to proceed with the application to the Community Building Fund on the understanding that this is not a commitment to proceed with

the work should the application be successful.

S. Strachan and A. Gauld left the meeting.

3.4 Cladding Update

The Director of Finance and Property presented the update on the cladding remediation works at Colonsay View.

The fire alarm system works are in progress and waking watch services are now in place. The waking watch service will remain in place until the fire alarm system is fully installed, with both these costs being fully funded by the Scottish Government.

The cladding remediation works have been included in the 2026-27 budget at an estimate of £12m. The RBS loan facility will be used to fund these works. An additional 1.5% rent increase over the next 3 years (0.5% each year over a 3 year period) has been included to pay for the additional loan interest costs.

D. Boyle noted that 3 on site fire wardens are required as part of the waking watch, with an additional warden to provide assistance for residents requiring a Personal Emergency Evacuation Plan. D. Boyle queried the additional fire warden and if this service should be provided by the Scottish Fire and Rescue Service following the installation of the fire alarm system. This will be clarified and an update provided to members.

MP

The Governing Body noted the following:

- *Fire alarm system works are in progress.*
- *Waking watch staffing requirements have reduced from 9 fire wardens to 3.*
- *Scottish Government have confirmed that full funding will be received for surveys, waking watch and fire alarms.*
- *Residents have received hand delivered letters providing updates, an information has been held in conjunction with the Scottish Fire and Rescue Service and household information is actively being collated.*

A. Gauld joined the meeting.

3.5 Development Report

The Deputy Chief Executive presented the annual update on all projects either on-site, programmed or speculative.

D. Boyle noted that with the programmed projects, Hillcrest will be approaching 10,000 properties on their portfolio. An acknowledgement and celebration of this milestone will be considered and discussed with the Communications Team.

JA/FM

The Governing Body noted that the Derby Street development was named a winner

at the Dundee Civic Trust Awards last week, recognising its outstanding contribution to the city's built environment and community.

The Governing Body noted the report.

3.6 Loan Drawdown Authorisation

The report to request a change to the staff who can authorise a loan drawdown from the current RBS loan facility was presented to the Governing Body for approval. This follows the retirement of the previous Chief Executive and to align with the revised Treasury Management Policy to include the Director of Finance and Property and Head of Finance to authorise loan drawdowns from existing loan facilities.

The Governing Body approved the following changes to the staff who are authorised to approve a loan drawdown on the RBS loan facility:

- *Remove Angela Linton, retired Chief Executive.*
- *Add John Alexander, Chief Executive.*
- *Add Mark Percival, Director of Finance and Property.*
- *Add Ann Moir, Head of Finance.*

4. Briefing/Information/Governance Matters

4.1 Assurance Statement

The Deputy Chief Executive presented the supporting evidence for the Assurance Statement to the Governing Body. A review of the Board reports was carried out where the standards were linked back to the specific reports. An overview of each standard, including the reference to other supporting evidence was also carried out.

The Governing Body noted that Hillcrest meet all regulatory standards with the exception of EICRs. It was noted that this was due to non-access and updates are regularly reported to the Operations Sub Committee.

The Governing Body:

- *Noted the comment around the outstanding EICRs in the statement*
- *Agreed that there is sufficient evidence to sign the declaration.*

G. Anderson joined the meeting.

4.2 Governance Matters

The Chief Executive presented an update on the following – Housing Bill, Housing Emergency, meeting with the Scottish Housing Regulator and update on the SFHA

Governance Conference.

The Digital, Data and Technology Manager presented an update on the introduction of email addresses for Board members and a Hillcrest-managed device.

At present, communication with Board members is reliant on personal email accounts which creates cyber security risks. By providing Hillcrest email addresses, this will ensure all Board communications are encrypted and protected under our corporate security policies. To further strengthen security, a Hillcrest-managed device was also recommended for consideration.

The Governing Body discussed the email address and devices in detail. Whilst the cyber security risk was acknowledged, some members highlighted that Board reports are shared through a secure Board portal and there is no high-risk information being shared via email. Other members were supportive of the introduction of a Hillcrest email address due to the increasing risk of cyber-attacks. The Governing Body were not supportive of a Hillcrest-managed device, highlighting that this would only be used to access the Board portal and that a Hillcrest email account could be added to their personal devices.

The Governing Body agreed to set up a working group with the Data, Digital and Technology Manager to discuss the concerns and agree a way forward. E. Jones and D. Boyle volunteered to take part in the working group.

The Governing Body noted the report and a decision on the introduction of company email addresses and Hillcrest-managed devices will be put on hold, pending the outcome of the working group.

G. Anderson left the meeting.

5. Other Issues

5.1 Training/Conference Opportunities

The Chief Executive noted the outcome of the Governing Body annual reviews, and the Board training requirements will be reviewed.

5.2 A.O.C.B.

There was no other competent business.

6. Date of Next Meeting

Tuesday 25th November 2025

There being no other business the Chairperson thanked members for their attendance and closed the meeting.

.....