KNOWES HOUSING ASSOCIATION LIMITED

BUSINESS PLAN

2026 - 2029







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Introduction

This Business Plan sets out the strategic direction for Knowes Housing Association Ltd for the period 2026-2029. It provides a clear framework for decision-making and identifies the priorities that will guide our work over the next three years. The plan has been developed to support our Board, employees, customers, partners and stakeholders in understanding what we aim to achieve and how we will measure success.

Knowes Housing Association is a registered social landlord, registered charity and registered property factor operating primarily within the Faifley and Duntocher area of Clydebank, West Dunbartonshire. The Association currently owns and manages 1,069 homes for social rent and provides factoring services to over 551 owner occupiers and continues to support a range of community initiatives designed to improve quality of life and strengthen local communities. In partnership with West Dunbartonshire Council, we also provide a six-bed short stay respite accommodation facility. The Association is also progressing plans for the development of 27 new homes at Abbeylands Road, following an assessment of financial viability and funding approval being obtained.

Demand for affordable housing across West Dunbartonshire continues to exceed supply, placing increasing pressure on housing providers and services. Faifley has historically ranked among the more deprived communities in Scotland according to the Scottish Index of Multiple Deprivation (SIMD). Its social and demographic profile contributes to continued demand for affordable housing and community services. Alongside West Dunbartonshire Council and other Registered Social Landlords, Knowes Housing Association plays an important role in meeting local housing need through housing allocations. At the same time, the Association operates in a challenging environment characterised by rising costs, regulatory change, climate change obligations, welfare reform and increasing customer expectations. This Business Plan sets out how the Association will respond to these challenges while continuing to deliver high-quality, affordable homes, excellent services and a sustainable community.

Vision, Mission and Core Values

Our Mission

To provide good quality, affordable homes and services which meet the needs and aspirations of the community we serve.

Our Vision

To create better housing and strong communities where people can thrive.

Our Core Values

Respect and Equality of Opportunity

We treat everyone with respect and recognise and respond to their individual needs.

Customer Focussed

We ensure that our customers and community are at the centre of everything we do.

Communication

We communicate effectively with our customers and colleagues.

Continuous Improvement

We are committed to reviewing, developing and improving all of our services and processes.

Honesty and Professionalism

We behave in a professional manner and act with honesty and integrity.

These values underpin everything we do and provide the foundation for achieving the objectives set out within this Business Plan.

How We Developed Our Business Plan

The Business Plan was developed following strategic discussions involving the Board, Senior Management Team, Customer Engagement Group and external advisers during the Association's strategic planning process in 2026.

Our discussions focused on understanding the external environment and identifying the opportunities and challenges likely to affect the Association over the next three years.



Key Strategic Challenges



Political

Ongoing housing emergency across Scotland.
Increasing demand for social housing.
Potential changes in Government funding priorities.
Public spending pressures.



Economic

Continuing cost-of-living pressures.
High construction and maintenance costs.
Affordability pressures affecting tenants.
Financial pressures throughout the public sector.
Global social/economic pressures.



Social

Rising homelessness.
Growing waiting lists.
Increased demand for tenancy support services.
Community wellbeing and health inequalities.



Technological

Cyber security risks.
Digital transformation pressures leading to increased costs.
Increased demand for online customer services.
Emerging use of artificial intelligence.



Legal and Regulatory

Increased compliance requirements.
New Scottish housing legislation.
Increased legislation regarding tenant safety.



Environmental

Net Zero obligations.
Energy efficiency requirements.
Climate resilience and adaptation.

These factors informed the five strategic priorities contained within this plan.

Key Stakeholders

The success of Knowes Housing Association depends upon strong relationships with our stakeholders.

Key stakeholders include:

- Tenants
- Factored owners
- Housing applicants
- Shareholders
- Board Members
- Employees
- West Dunbartonshire Council and other affordable housing providers
- Scottish Housing Regulator
- Scottish Government
- Funding partners
- Elected members
- Police Scotland and the Scottish Fire Service
- Contractors and suppliers
- Citizens Advice Bureau
- Community Links Scotland
- Flourishing Faifley
- Local schools and community organisations.

Throughout the life of this plan we will continue to engage with stakeholders, listen to feedback and involve people in shaping our services.

Strategic Priority 1
Investing in Our Homes

Our Aim

To provide safe, warm, energy-efficient homes that meet the needs of current and future customers.

Strategic Objectives

1.1 Invest in our properties through our planned maintenance programmes.
1.2 Carry out Stock Condition Surveys on our properties to support our Asset Management Plan.
1.3 Maintain compliance with all landlord health and safety obligations.
1.4 Meet EESSH standards and prepare for future Net Zero requirements.
1.5 Progress new housing development opportunities where financially viable.
1.6 Explore opportunities for property acquisitions where appropriate.

Success Measures

- High customer satisfaction.
- Continued compliance with landlord safety requirements.
- Delivery of agreed capital and revenue investment programmes.
- High percentage of our homes meet EESSH and SHQS standards.
- Successful completion of the Abbeylands development project.
- Positive benchmarking outcomes.
- Strong performance against Scottish Housing Charter indicators.

Strategic Priority 2 Delivering Affordable Housing

Our Aim

To provide excellent housing services that represent value for money and remain affordable for our customers.

Strategic Objectives

2.1 Maintain affordable rents.
2.2 Minimise void loss and rent arrears.
2.3 Improve digital access to our services.
2.4 Strengthen value for money in our services.
2.5 Ensure housing services support changing customer needs.
2.6 Assist in the alleviation of homelessness in the West Dunbartonshire Council area.

Success Measures

- Increased tenancy sustainment.
- Strong performance against Scottish Housing Charter indicators.
- Reduced arrears and void losses.
- Improved customer satisfaction.
- Positive benchmarking outcomes.
- Meet the agreed allocation of referred homeless cases.

Strategic Priority 3 Good Governance and Financial Viability

Our Aim

To maintain strong governance, financial resilience and regulatory compliance.

Strategic Objectives

3.1 Maintain full compliance with Regulatory Standards.
3.2 Continue robust financial planning and treasury management.
3.3 Deliver balanced budgets and maintain healthy reserves.
3.4 Continuous review of risk management arrangements.
3.5 Recruit and retain skilled Board members.
3.6 Ensure long-term financial viability.

Success Measures

- Evidence of ongoing regulatory assurance.
- Board provides compliant Annual Assurance Statements to the Regulator.
- Assurance provided by independent internal audit reports.
- Financial performance delivered in line with business plan assumptions and budgets.
- Continuous review of policies and procedures.
- Annual Board and staff appraisals.
- Sustainable long-term financial forecasts.

Strategic Priority 4 Building a Thriving Community

Our Aim

To strengthen communities and support customers to sustain successful tenancies.

Strategic Objectives

4.1 Continue providing welfare, energy and money advice services.
4.2 Maintain attractive, safe and well managed estates.
4.3 Improve customer participation and engagement.
4.4 Support local community groups and events.
4.5 Promote resident wellbeing and social inclusion.
4.6 Continue regeneration initiatives within Faifley and surrounding areas.

Success Measures

- Increased customer engagement.
- Improved tenant satisfaction.
- Positive customer and community outcomes.
- Reduced antisocial behaviour.
- Successful funding applications for community projects.
- Retention of Customer Service Excellence accreditation.

Strategic Priority 5 Empowering Our People

Our Aim

To develop, support and retain a skilled, motivated and resilient workforce and Board.

Strategic Objectives

5.1 Deliver learning and development opportunities.
5.2 Support employee wellbeing.
5.3 Maintain succession plans for key positions.
5.4 Recruit and develop Board members.
5.5 Continue our Investors in People journey.
5.6 Develop digital skills and capabilities.
5.7 Strengthen organisational culture and engagement.
5.8 Maintain effective ICT systems and cyber security arrangements.

Success Measures

- Positive staff and Board survey results.
- Low staff and Board turnover.
- Positive staff and Board appraisal outcomes.
- Effective succession arrangements.
- Annual training plans delivered.
- Improved wellbeing outcomes.
- Achievement of Cyber Essentials Plus accreditation.

Risk Management and Strategic Risks

The Association recognises that risk management is fundamental to delivering its objectives.

The principal strategic risks over the period 2026-2029 are:



Housing and Asset Risks

- Failure to maintain housing assets.
- Health and safety and legislative non-compliance.
- Energy efficiency compliance risks.



Development Risks

- Cost escalation.
- Funding shortages.
- Development viability concerns.



Financial Risks

- Inflation
- Interest rate changes.
- Affordability pressures.
- Arrears growth.

Risk Management and Strategic Risks



Governance Risks

- Regulatory non-compliance.
- Skills shortages on the Board.
- Reputational damage.



Workforce Risks

- Recruitment and retention.
- Staff wellbeing.
- Succession planning.



Digital Risks

- Cyber attacks.
- Data protection breaches.
- System failures.

Risk registers and mitigation plans will be reviewed regularly by the Board and Senior Management Team.

Financial Viability and Resources

Knowes Housing Association Ltd remains in a strong financial position and is well placed to deliver the strategic objectives set out within this Business Plan. The Association's financial strategy is focused on balancing affordability for tenants with the need to invest in existing homes, develop new housing opportunities and maintain long-term financial sustainability.

While economic conditions remain challenging, including inflationary pressures, increasing maintenance costs, and rising overhead costs, the Association's updated 30-year financial forecasts demonstrate continued financial resilience. Scenario planning and stress testing are undertaken regularly to assess the impact of changing economic conditions and ensure the organisation maintains adequate cash reserves and long-term viability.

Our financial priorities over the life of this Business Plan are to:

- Maintain affordable rents that offer good value for money.
- Continue investing in existing homes and neighbourhoods.
- Deliver the Abbeylands Road development safely and sustainably.
- Maintain healthy cash reserves and strong financial governance.
- Build sufficient financial resilience to respond to future economic and regulatory challenges.

Regular financial monitoring, benchmarking, budget reviews and long-term business planning will provide assurance to the Board that the Association remains financially strong and capable of delivering its mission to create better housing and stronger communities where people can thrive.

Treasury Management

- The Association has cleared all previous loans and currently has no borrowings. All housing assets remain unencumbered.
- The Association plans to fund the current development project at Abbeylands Road through a mixture of grant funding and existing cash flow.
- We will continue to optimise return on cash balances through ensuring funds are invested in interest bearing, low risk bank accounts.



Rent Setting and Affordability

Knowes Housing Association's Finance Plan highlights that rents are the Association's primary source of income, generating approximately 91% of annual revenue, and are therefore critical to maintaining services, investing in homes and ensuring long-term financial sustainability. Rent levels are reviewed annually and are based on affordability, comparability with other landlords, tenant consultation and the Association's long-term financial viability.

Affordability remains a key consideration throughout the rent-setting process and we consult with our tenants on the annual rent increase and rent affordability. A large proportion of our tenants currently receive Housing Benefit or Universal Credit, providing additional protection for many households.

The 2026 rent consultation found strong evidence that rents remain affordable for most tenants:

- 86% of respondents said their current rent was affordable.
- 72% believed their rent would remain affordable after the proposed increase.
- 80% felt their rent represented good value for money.
- 62% supported the proposed rent increase.

The Finance Plan also confirms that Knowes' rents remain broadly comparable with other local housing associations and that future rent decisions will continue to balance affordability with the need to maintain homes, meet regulatory requirements, invest in energy efficiency and protect the Association's long-term financial health. Regular review of inflation, operating costs and economic conditions will ensure that future rent increases remain proportionate and evidence-based.

Asset Management

The Association continues to invest significantly in its housing stock. This includes investment in major component replacements, buy-back opportunities, and the delivery of the Abbeylands Road development project which will provide 27 new affordable homes for the community.

The Association's Asset Management Strategy is designed to strengthen its ability to deliver and sustain affordable housing for current and future tenants. Monitoring asset performance, targeted investment, and achieving value for money are central to delivering this strategy. To support effective long-term planning, the Association will undertake a rolling five-year stock condition survey programme across its housing portfolio, providing robust data to inform future investment decisions and ensure homes remain safe, compliant, and fit for purpose.

The stock condition programme will enable the Association to plan and prioritise major component replacements, including bathrooms, kitchens, heating systems, windows, and doors. Through careful investment planning, the Association aims to maintain a steady and sustainable level of expenditure across its housing stock, reducing the risk of significant fluctuations in costs and helping to minimise pressure on future rent increases. Value for money will be achieved through standard specification benchmarking, comparison with sector peers, and the procurement of high-quality products and services.

By 2029, the Association aims to complete 600 stock condition surveys through a targeted inspection programme. The information gathered will support the planned investment of 100 bathrooms, 210 kitchens, 150 heating systems, 40 window replacements, and 40 door replacements, representing an estimated investment of £2.8 million. Delivery of these programmes will be supported through the Association's procurement strategy, utilising competitive tenders and framework agreements where appropriate to secure quality, efficiency, and best value.

Monitoring and Reporting Success

The Business Plan will be supported by annual operational plans, departmental objectives and detailed performance indicators.

Progress will be monitored through:

- Quarterly performance reports.
- Scottish Housing Charter indicators.
- Benchmarking against peer organisations.
- Financial performance reports.
- Customer satisfaction surveys.
- Internal and external audits.
- Risk management reporting.
- Annual Board and Staff Away Days to discuss strategy.



What Success Looks Like in 2029

By 2029 Knowes Housing Association will have:

- Maintained strong financial health.
- Delivered high-quality, safe and warm homes.
- Met all regulatory requirements.
- Successfully invested in housing assets.
- Increased our housing stock.
- Strong levels of customer satisfaction.
- A strong and resilient Board and staff team.
- Recognition as an excellent landlord, employer and community partner.
- Continued to support thriving communities throughout Faifley, Duntocher and Clydebank.
- A strong position for future growth and sustainability.

Appendices

1. Value for Money Strategy
2. People Plan
3. Information Technology Strategy
4. Customer Engagement Strategy
5. Risk Management Plan
6. Finance Plan
7. Asset Management Plan
8. Operational Plans and Departmental Objectives
9. Strategic Success Measures and Key Performance Indicators