

Our Future Shape

Five year corporate strategy 2026-31

L&Q

Welcome

L&Q is on an improvement journey.

In 2021 we published a five-year strategy called Future Shape that set out our priorities to keep residents and colleagues safe, increase investment in our homes, and to deliver reliable, repeatable, and consistent services.

We're now at the end of that strategy, and we're proud of what we've achieved, including launching our 15-year plan to invest over £3 billion in our existing homes, reducing the number of repairs on our waiting list by 20%, transforming the way we handle complaints, inspecting over 2,000 buildings to ensure they meet new building safety rules, and introducing new ways of working and systems to help us manage residents' rent and information more efficiently than ever.

Since 2021 we have:



Launched our plan to invest £3 billion in our existing homes



Reduced the number of repairs on our waiting list by 20%



Transformed the way we handle complaints



Inspected over 2,000 buildings to ensure they meet new safety rules

Delivered over

21,500

improvements to homes through our Major Works programme



Built over

3,500

new rented affordable homes to help tackle the housing crisis



Over 2,000 buildings containing more than

32,000

homes inspected during our five year building safety programme



Completed around

1.3 million

routine repairs to residents' homes



Let over

11,500

properties that new L&Q residents now call their home



Since our Future Shape corporate strategy was published in 2021, we have seen an unprecedented degree of challenge and change. We have seen more demanding consumer and building safety legislation introduced, which has rightly increased protection for residents, but has also come with new and significant costs. In addition to this, high interest rates and supply chain issues created by global conflict have increased the cost of materials, services and energy at a time where an unpredictable housing market means that income from the sale of new homes is uncertain. And we recognise that over the next five years, the level of challenge and change we will face will only increase.

All of these factors mean that providing quality, affordable homes and services is tougher than it has ever been before, with housing association homes in London costing on average 50% more to maintain than those outside the capital. We have responded to these challenges by redesigning our organisation and selling some of our commercial ventures, releasing as much funding as possible to make sure we can continue to invest in social rented homes.

We also know that these same challenges are making life harder for residents, who continue to be disadvantaged by a shortage of affordable and social rented housing. That's why in the past five years we have conducted one of the UK's largest building safety inspection programmes, covering over 32,000 homes in over 2,000 buildings, delivered over 21,500 improvements to homes through our Major Works programme and completed over 1.3 million routine repairs for residents. We've also let over 11,500 properties that new L&Q residents now call their home, and built over 12,700 new homes, of which 70% were affordable tenures to help tackle the housing crisis – this included 3,500 new rented affordable homes. We have also secured over £78m in additional income for residents through free financial and benefits advice.

While we're pleased with this progress, we have also been listening hard to residents, and they have clearly told us that we still need to do more to improve their homes and the services we provide.

Our Future Shape sets out how we will prioritise what we do to meet resident expectations, and ensure that we can continue to make major investments in their homes, no matter what.

To make sure we remain truly focused on what matters most to residents, the foundation of this strategy and L&Q is now a simple, refined **purpose**:

To provide social homes and landlord services that everyone can be proud of.

Everything we do is guided by our values:



We step up

We take the right action to achieve our purpose



We see things through

We take ownership to get to the best solutions for all residents and customers



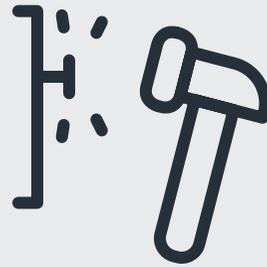
We support each other

We do it with care to make things better for everyone

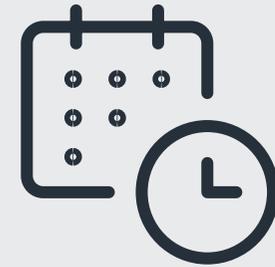
We'll deliver our purpose by focusing on three commitments.



We'll provide
**social homes to
meet housing need**



We'll provide
**good landlord
services**



We'll be
**efficient and
maximise our impact**



Our commitments
explained

Commitment one



We'll provide social homes to meet housing need

Our core focus is the provision of secure, social housing in the Greater London and Greater Manchester areas.

What we'll do

We'll provide homes that are offered at an **affordable** price for those in greatest need.

We'll provide homes with long-term tenancies, giving residents the **security** they need to build successful lives.

We'll provide **quality** homes that are safe, hardwearing, well-designed, easy-to-maintain and sustainable, providing a strong foundation for resident health and wellbeing.

How we'll do it

- We'll make sure that any homes we build or manage are affordable to construct and maintain, and affordable for residents to live in.
- We'll operate primarily in Greater London and Greater Manchester. These are areas where housing need is the greatest, and where we can best use our long-standing knowledge, experience, and established teams and partners to address challenges.
- We'll increase our social rented housing offer in the Greater Manchester area through acquiring other housing associations and homes, where this allows us to operate in a more affordable and effective way.

- We'll offer clear and consistent tenancies, and be clear on our responsibilities and those of residents.
- We'll be clear on where our support ends and where that of other organisations we partner with begins, and ensure these boundaries are well understood by our colleagues and partners. In doing so, we can support residents to maintain a safe and stable home.

- We'll set a single homes standard focused on delivering basic, good quality components, fittings and finishings that meet regulatory requirements but do not go beyond them.
- We'll apply this standard consistently to the building, maintenance, refurbishment or regeneration of social rented homes and communal areas. This will make sure we're achieving value for money from suppliers, and residents know what to expect from us.
- We'll design new homes and deliver maintenance, retrofit and refurbishments that are hardwearing, and create a dry, warm and healthy home that can be more resilient to the impacts of climate change, as well as easy and cost-effective to maintain and upgrade.

What does success feel like?



We'll provide social homes to meet housing need

We'll know we've delivered on this commitment if residents say:



"I can afford my rent and my home is efficient to run."



"My home is a place I can settle down and know it's mine for as long as I need it."



"If I'm worried about paying my rent, I know that my landlord is there to support me."



"I know that my home will come with good quality fittings that work for me and my household."

What does success feel like?



We'll provide social homes to meet housing need

We'll know we've delivered on this commitment if colleagues say:



“I'm proud to work for an organisation focused on delivering social rented homes.”



“I know that the suppliers I use are giving me value for money because we have strong contracts and standards in place.”



“It's simpler for me to improve residents' homes because I'm working to one, clear standard.”



“It's easier for me to help residents to maintain their tenancy because I know what my role is and who I can go to for support.”

Commitment two



We'll provide good landlord services

We'll be relentless in driving operational excellence, creating services that are reliable, repeatable, and consistent for residents, colleagues, partners and suppliers.

What we'll do

We'll provide **reliable**, **repeatable** and **consistent** services that are easy to use, delivered in a way residents need, and achieve predictable, positive results.

How we'll do it

- We'll introduce a clearly defined service offer for residents, setting out what we do, and how and when we'll do it, underpinned by clear policies, processes and procedures. This will include the core range of landlord services we provide and how we meet regulatory requirements.
- We'll design services that are reliable, repeatable, and consistent to make sure residents know exactly what to expect and can hold us to account to deliver this.
- We'll apply the reliable, repeatable, consistent principles to the way we manage our suppliers, ensuring we achieve value for money.
- We'll ensure that the way our business is organised enables us to deliver good landlord services and outcomes for residents, as well as value for money. We'll design and shape services centrally but deliver them regionally so that they are responsive to local needs.
- We'll design services so they deliver consistent outcomes for residents. To help us do this, we'll make sure residents are placed at the heart of informing, influencing, and shaping our services, and will use their views to ensure we continuously improve.
- We'll expand the range of digital services available and will enable and encourage those that can to engage with us online. However, we'll also have the people, resources, and arrangements in place to serve residents that need more intensive help or support through our teams.
- We'll deliver all of our services with respect and empathy.

What does success feel like?



We'll provide good landlord services

We'll know we've delivered on this commitment if residents say:



“When you repair something in my home, I know what to expect and you deliver on my expectations.”



“Your team understand my issues and treat me with respect.”



“I know who my local L&Q contact is, and I can rely on them to help me resolve issues I have with my home.”



“You listen to residents' views, and I know how I can get involved if I'd like to.”

What does success feel like?



We'll provide good landlord services

We'll know we've delivered on this commitment if colleagues say:



“My job’s made easier because I am clear on what I have to do and how to do it.”



“L&Q supports me to make sure that partners are taking responsibility for residents’ issues where they have a duty to do so.”

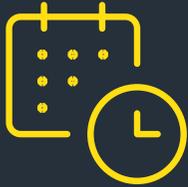


“I’m able to spend more time with residents because my job is simpler to do.”



“I understand residents’ needs and put them first when making decisions.”

Commitment three



We'll be efficient and maximise our impact

We'll run our organisation in a responsible way which allows us to reinvest as much as possible in existing and new social homes and services.

What we'll do

We'll be **resilient** so we can deliver our core operations through any challenge.

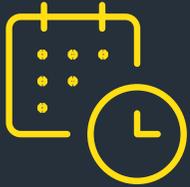
We'll maintain a **viable** business model which provides enough surplus for us to reinvest in existing social homes and for growth.

How we'll do it

- We'll understand our current and potential organisational risks and how these could affect us at all times, and will always work towards a stated risk appetite. This will mean we can make informed decisions about risks, and ensure effective controls are in place to mitigate and manage them.
- We'll prioritise continuous improvement, sustainable organisational performance, and effective risk mitigation in order to achieve external financial and consumer ratings.

- We'll follow this corporate strategy and oversee what we do with strong, practical governance to ensure we are relentlessly focusing on delivering our three commitments.
- We'll sell or transfer homes that are costly for residents to run, or for us to manage, or are not suitable to house those with the greatest need.
- We'll consider accepting transfers of social homes from other housing providers, but only where this meets clearly defined criteria in terms of property types and quality, and only within the core places in which we operate.
- We'll consider the total costs of homes across their usable lifetimes and use this to help us make decisions about what we keep, build, maintain, refurbish or regenerate.
- We'll integrate any housing providers or homes acquired into the L&Q operating model to make sure our governance arrangements, people structures, systems, policies and processes do not diverge from those needed to deliver this corporate strategy.

Commitment three



We'll be efficient and maximise our impact

We'll run our organisation in a responsible way which allows us to reinvest as much as possible in existing and new social homes and services.

What we'll do

We'll maintain a **viable** business model which provides enough surplus for us to reinvest in existing social homes and for growth.

We'll focus our resources on areas of **highest impact** connected to our **social purpose**.

How we'll do it

- We won't act as early adopters of new technologies or ways of working, but we'll learn from others, and may innovate where risk and cost is minimised, and where benefits and value for money can be maximised.
 - We'll aim to create the operating model blueprint for a large housing provider, playing our role in thought leadership to support the wider sector in delivering social rented homes and good landlord services.
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- We'll build, retain, and develop the right, diverse talent in our teams to lead and deliver our services, and enable high performance.
 - We'll ensure our colleagues focus on being efficient and delivering value for money, doing so in a way that puts residents first and aligns with our purpose and values.
 - We'll invest in leadership and management skills that support continuous and sustainable organisational improvement and performance.
 - We'll ensure our ways of working and governance support decision-making and action is always resident-focused and supports the relentless pursuit of our core social purpose.
 - We'll prioritise the delivery of social homes when we build or acquire new properties.
 - Where we are able to, or it is appropriate for us to do so, we'll tailor our products and services to help the residents that need it most.
 - We'll respond to the impact of climate change in a way that ensures our plans, standards, and investment decisions are fair and proportionate to both us as an organisation and for residents.

What does success feel like?



We'll be efficient
and maximise
our impact

We'll know we've delivered on this commitment if residents say:



“Your team are knowledgeable and have the right skills to support me.”



“I trust you to manage my home responsibly.”



“I believe you offer me good value for money.”



“I believe you're a good social landlord.”

What does success feel like?



We'll be efficient
and maximise
our impact

We'll know we've delivered on this commitment if colleagues say:



**“I believe L&Q
is a responsible
organisation.”**



**“Leadership at L&Q
have a clear vision and
I know what my role is
in delivering this.”**



**“L&Q supports me to
improve my skills so
I can offer a better
service to residents.”**



**“I'm proud to be part
of a high performing,
diverse team.”**

Measuring performance



How we'll measure performance

Our Group Board and Resident Services Board will hold us to account based on our performance against the following measures. In addition to this, to make sure we remain focused on delivering our social purpose through providing all of the things that residents tell us matter the most to them, we'll share regular performance reports at www.lqgroup.org.uk



We'll provide social rented homes to meet housing need

Key performance indicators

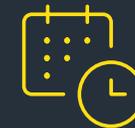
-  Resident satisfaction that their home is well maintained (TSM TP04)
-  % Homes meeting Decent Homes Standard
-  Primary Health and Safety compliance
-  % of Homes with EPC rating C or above
-  Affordable rented home handovers



We'll provide good landlord services

Key performance indicators

-  Overall satisfaction (TSM TP01)
-  Resident experience on the moments that matter
-  Routine repairs completed within SLA
-  % of complaints decision sent by due date (Stage 1 and 2)
-  Average empty home turnaround time



We'll be efficient and maximise our impact

Key performance indicators

-  Operating margin (%)
-  Gross Debt / EBITDA
-  Interest cover %
-  % Staff sickness and turnover
-  Employee engagement metric (Great Places To Work: TrustIndex)
-  Leadership Equality and Diversity (Group and Grade 12+)

For more information visit

www.lqgroup.org.uk

The logo consists of the letters 'L&Q' in a bold, black, sans-serif font, centered within a solid yellow rectangular background.