

Strategic Plan

People and Talent

March 26



L&Q

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Introduction

L&Q's second corporate strategy, adopted from 2026, refreshes our purpose: *'to provide social homes that everyone can be proud of'*. It also sets out three strategic commitments:

1. We'll provide social homes to meet housing need
2. We'll provide good landlord services
3. We'll be efficient and maximise our impact

To support and deliver these commitments, we have developed nine strategic plans, each aligned to one of our strategic risks. These plans are grouped around themes and set out:

- The activities we plan to deliver over the next five years
- The key milestones by when we will deliver this activity
- The measures we will use to track progress
- The strategic risk definitions and statements that govern delivery

Each strategic plan covers the five-year period (2026-31) outlined in our corporate strategy and will be reviewed and updated annually to ensure alignment with our five-year budget, Long-Term Financial Plan, risk appetite and any legislative or regulatory changes, as well as to the other eight Strategic Plans. Each Strategic Plan links with one or more annual Run the Business (RTB) plans across the teams responsible for delivery, which translate the Strategic Plan into specific initiatives for each financial year. Figures used are correct at document cover date.

These Strategic Plans are the tools we will use to track progress against our new corporate strategy and to provide assurance to the Group Board through our governance framework. They set out consistent board-level planning and assurance across all directorates, giving the Group Board confidence that the delivery of our corporate strategy is aligned, realistic, affordable, compliant, and within agreed risk appetite.

This document is the Strategic Plan for People and Talent.

How to use this document:

The strategic activities set out in this Strategic Plan may involve specific resource requirements (i.e., training) and may be influenced by cross-functional activities, including those associated with our Transformation and Change Portfolio. Therefore, this document should be reviewed in conjunction with People and Talent, Organisational Governance and Control, and Data Control Strategic Plans.

The Executive Portfolio Accountability Owner for this plan is the Executive Group Director – Human Resources. They hold the authority to set the direction, standards and parameters for their teams and associated activity, and agreement will be sought with those responsible for delivery, working collaboratively towards alignment wherever possible.

Accountable owners and delivery leads should use this plan as the single planning baseline for prioritisation, budgeting and delivery through the annual RTB planning and budgeting cycle. They should also report progress quarterly against the agreed RTB plans and Key Performance Indicators (KPIs), Performance Indicators (PIs) and Key Risk Indicators (KRIs), and escalate significant variances and risks through the established performance reporting and governance cycle.

Link to the new corporate strategy

Commitment 3: We'll be efficient and maximise our impact.

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

Things that we'll do:

- 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.

Transformation & Change Portfolio

Some of the activity in the People and Talent contributes to L&Q's Transformation and Change Portfolio. This is a collection of programmes and projects designed to support our strategic commitments by transforming how we repair and maintain homes, deliver services for residents and customers, and manage our supply chain.

The illustration below provides an overview of the agreed scope for Transformation and Change at L&Q, and the five programmes it is delivering. The People and Talent Plan will deliver activity which forms part of the Organisational Culture and Leadership programme within Transformation and Change.

Activity contributing to the wider portfolio can also be found in the strategic plans for Data Control and Organisational Governance and Control.

Our scope is to transform end-to-end how we: Repair and maintain our homes • Deliver services to residents and customers • Manage our supply chain			
We have five programmes	With objectives delivered by multiple projects	That will transform end-to-end journeys	Which will deliver business benefits
Service Design	We will implement new service designs that include processes and procedures, and workforce structures and capabilities. These will align with our group target operating model to deliver improved end-to-end journeys, ensuring clear roles and expectations. Our service designs will inform wider technology, data and information requirements	<ol style="list-style-type: none"> 1. Find a home 2. Move to my new home 3. Manage my rent and payments 4. Get something fixed or sorted 5. My situation has changed 6. Want to move home 7. Want / need to move out 8. Raise an issue or complaint 9. Planned repairs / improvement work 10. Ready empty homes 11. Compliance in all properties 12. Supply chain 	Measures <ul style="list-style-type: none"> • Reduction in number of <u>role types</u> involved in delivering a process • Reduction in <u>process steps</u> • Improvement in delivery of <u>Service Level Agreements (SLAs)</u> Outcomes <ul style="list-style-type: none"> • We're <u>agile</u>, and can invest/divest quickly • We're <u>efficient</u> and effective • We're <u>performing well</u> and <u>adaptable</u>
Organisational Culture and Leadership	We will evolve the culture, leadership and behaviours required to deliver our new target operating model, so these enable us to realise reliable, repeatable and consistent services		
Technology	We will deliver technology that is cheaper and simpler to maintain and sustain, enabling greater online transaction capability for residents and supporting the delivery of reliable, repeatable and consistent services		
Data and Information	We will transform our data quality, operations, and governance to improve the accuracy and control of our information, enabling us to be a data and insights driven organisation that proactively serves residents		
Process and Continuous improvement	We will implement and embed new processes and procedures to drive service improvement and support Transformation and Change deliverables		

Strategic Plan – People and Talent

The table below outlines the activity that will take place over the next five years relating to the following themes:

Theme 1 – An engaged and values-led workforce

We will embed our purpose and values as the foundation for positive outcomes in L&Q's culture. This will flow through recruitment practices, performance management and colleague engagement.

1. By the end of 2026/27, we will have developed our approach to external benchmarking and Employer of Choice accreditations (for example; Investors in People, GPTW, Disability Confident Leader L3, House Proud Pioneer) ensuring value for money through measurable organisational performance.
 - By the end of Q1 2026/27, we will have developed our organisation journey plan and set up the steering group with clear terms of reference to ensure continuous improvement of our working practices against the Investors in People and Great Places to Work frameworks over the next 5 years. This journey plan will be reviewed and updated on an annual basis.
 - By the end of 2026/27, we will have been accredited as a Disability Confident Leader (level 3), a House-Proud Pioneer and a Menopause Friendly employer.

Theme 2 – Inclusive and diverse organisation

We will foster an inclusive environment which enables equal service for residents, and where colleagues feel valued, supported, and motivated to reach their full potential.

1. From 2026/27, we will continue to work in partnership with Customer Services, Property and Investment, Data and Analytics, and Governance and Transformation on the delivery of the Service Equity plan.
 - During 2026/27 and 2027/28, we will improve the level of resident diversity/vulnerability data we hold for each household, to enable us to make informed decisions about the diverse needs of residents when undertaking repairs and remediation works.

- From 2026/27 onwards, we will evidence how data has driven improvements for equitable outcomes for diverse resident needs in respect of repairs and remediation (including damp and mould), and lettings.
2. From 2026/27, we will develop ways of working to ensure inclusivity for our workforce:
- During 2026/27, we will launch and roll out the *3Es Programme* to support the development and progression of under-represented colleagues into more senior roles, through providing opportunities to gain **E**xperience (such as secondment/acting-up), **E**xposure (mentoring/sponsorship/shadowing) and **E**ducation (formal qualifications).
 - From 2026/27, we will research, recommend and implement new ways of recruiting to ensure inclusivity including developing tailored and targeted campaigns to address under-representation within core areas of the organisation where diversity is not in line with our expected representation.
 - From 2026/27, we will continue to promote and expand the *Recruitment Advocate Scheme* across L&Q so that by the end of 2027/8 it covers the recruitment of all roles at middle management level (Grade 10) and above.
3. From 2026/27, we will develop our Leadership and Management Pathway programmes to support skills, capability and diversity of leadership
- By Q2 2026/27, we will have conducted an options appraisal of the effectiveness of our current Leadership and Management pathway programmes including Quality of provision, Value for Money and Return on Investment.
 - By Q4 2027/28, we will have developed our Leadership and Management pathway programmes based on the Leadership & Management Blueprint and utilising our learnings from the options appraisal.

Theme 3 – Employer of Choice

We will transform our colleague offer, with values and behaviours at its core. This offer will be communicated consistently from recruitment to retirement.

1. From 2026/27, we will focus on continuous improvement of our core Learning and development offer to all colleagues ensuring accessible, inclusive and digital solutions utilising the 70:20:10 methodology and ensuring that any external provision offers Value for Money and good quality. This includes the re-procurement of our External L&D Managed service and digital toolkit offerings.
- By Q3 2026/27, we will have reviewed our core L&D offer to colleagues including a review of our compulsory training to ensure accessibility and inclusivity as well ensuring the quality of learning is high and meets legal/regulatory requirements.

- By Q1 2027/28, we will have carried out the re-procurement of our third party managed service provision and all colleague digital toolkit.
2. Seek to obtain the CIPD People Partner accreditation contributing to L&Q being an Employer of Choice by showcasing a commitment to excellence in people practices and contributing to improving L&Q's visibility and credibility within the HR profession demonstrating the professional skills and capability of HR Directorate.
 - By Q4 2026/27, we will have sought Accreditation as a CIPD people partner and will showcase through both internal and external communications and events the professional capability of the team and our excellence across our people practices.
 3. By the end of 2027/28, we will review and relaunch L&Q's Employee Value Proposition (EVP).
 4. From 2026/27, we will review the L&Q pay policy including a review of performance related pay, with a view to relaunch by 2028/29.

Theme 4 – Agile and efficient organisation

We will enable business improvement through a streamlined Organisational Development and Change offer, alongside Organisational Design, and facilitate agile working practices to support our financial position and employee well-being.

1. From 2026/27, we will enable the delivery and implementation of the Transformation and Change portfolio by successful business readiness, capability building, and embedding, measuring and demonstrating organisational impact.
 - By the end of Q1 2026/27, we will have clearly outlined and articulated to the business the roles and responsibilities of Organisational Development and Change and the outputs Transformation & Change can expect from the team in terms of business readiness, capability building, embedding and measuring impact.
 - By the end of Q4 2026/27, Our Business Change readiness framework will be embedded into T&C delivery and reporting mechanisms.
2. From 2026/27, we will further streamline L&Q people policies, procedures and utilise online automation as much as possible. Introduce and embed ServiceNow to enable People manager self-service to create efficiency in people practices. Review data retention and further utilise iTrent for establishment management.

Theme 5 – Organisational Culture and Leadership Programme *(Delivered as part of the Transformation and Change Portfolio)*

We will evolve the culture, leadership and behaviours required to deliver our new target operating model, so these enable us to realise reliable, repeatable and consistent services

1. We will seek to have approved the business cases for the development of an Organisational Development approach to;
 - Support leaders to operate consistently within the system of L&Q, including its working practices, policies and procedures, so they can support colleagues to deliver good levels of individual and organisational performance, by the end of Q1 2026/27
 - Support all roles contributing to end-to-end resident journeys and ensure governance is in place to sustain our approach. This will include cyclical training to strengthen our ability to advocate for residents and will align to the outputs of service design and technology-related dependencies, by the end of Q4 2026/27
 - Design and develop a phased approach to ensure our core resident-facing roles are able to deliver services in a reliable, repeatable and consistent way, from 2027/28.
2. From 2026/27, we will design and develop Leadership & Management and Technical skills and capability blueprints, which will be used to assess colleague skills sets and identify skills and capability gaps to inform the prioritisation of future development initiatives.
 - By Q4 2026/27 We will develop the leadership Blueprint and assess Tier 1 and 2 Leadership against this to inform future development, talent and succession.
 - By Q4 2027/28, we will assess all Tier 3 and 4 Leaders and Managers and develop the Skills Blueprint for People Managers
 - From 2028/29, we will seek to develop the skills blueprints and progression pathways for a number of key technical roles within L&Q.
3. From 2027/28, we will scope a new sustainable and value for money Leadership Development programme or series of interventions which enable leaders to operate successfully within the system of L&Q now and in the next 5 years.
4. By the end of Q4 2026/27, we will have implemented the requirements of the Competence and Conduct Standard across all affected roles within L&Q to ensure regulatory compliance.
 - By the end of Q2 2026/27, we will have understood the roles in scope for our organisation.
 - By the end of Q3 2026/27, we will have conducted a Training Needs Analysis and ensure we have a training plan for all colleagues in scope.

- By the end of Q3 2026/27, we will have reviewed our Learning and Development Policy and Code of Conduct to ensure they meet requirements.
 - By the end of Q4 2026/27, we will have enrolled all colleagues on the appropriate learning paths and have a plan in place for the recruitment of new starters into these roles in the future.
5. From 2026/27, we will develop an approach to professionalisation across L&Q, using the 70:20:10 methodology, to ensure we are developing a future-fit inclusive team with the skills, knowledge and capability to deliver our plans. We will maximise the Growth and Skills Levy, design and develop skills blueprints for priority roles, and develop lateral skills pathways.
6. From 2026/27, we will continue to embed our Purpose, Values and Behaviours across all working practices and demonstrate impact on organisational performance.
- From Q1 2026/27, we will launch values and behaviours through senior leadership and embed into working practices and communications plans.
 - From Q2 2026/27, we will measure impact of Values through employee surveys, focus groups, lessons learnt activity and performance management and Business KPI's.
 - From Q3, 2026/27, we will look for opportunities to increase understanding and demonstration of our values.

Group Balanced Scorecard KPIs

The table below identifies the KPIs on our Group Balanced Scorecard that will be used to measure the impact of activities over the life of this strategic plan. This is to enable the Group Board to assess the effectiveness of this strategic plan to deliver the associated strategic outcomes within our corporate strategy. This also enables them to assess the effectiveness of the controls we have implemented to mitigate our strategic risks.

KPI	Definition
% Group Staff Sickness	The percentage of working days lost due to sickness as a proportion of the available working days
% Group Voluntary Staff Turnover	The number of staff who have left L&Q voluntarily over a rolling 12 month as a proportion of average headcount for the same 12 month period
% GPTW Trust Index	The Trust Index© is the average of the Great Place to Work® core survey statements
% Grade 12 and Above - Ethnic Origin	The proportion of staff members within salary grade 12 and above who are Ethnic Minority
% Grade 12 and Above - LGBT+	The proportion of staff members within salary grade 12 and above who are LGBT+ (ensuring no double counting within LGBT+)
% Grade 12 and Above - Women	The proportion of staff members within salary grade 12 and above who are Women
% Grade 12 and Above - Disabled	The proportion of staff members within salary grade 12 and above who are Disabled

Strategic Risk: People and Talent

26/27 Strategic risk description

- **Risk that:** we may be unable to attract and retain an engaged, performing, diverse and values led workforce
- **Caused by:** failure in leadership/management, organisational culture and/or inadequate design and/or adherence to our colleague proposition.
- **Resulting in:** impacts on overall performance, unsatisfactory colleague wellbeing and talent retention.

Key Risk Indicators

- % Group Voluntary Staff Turnover
- % Group Staff Sickness
- % Grade 12 and Above - Ethnic Origin
- % Grade 12 and Above - LGBT+
- % Grade 12 and Above - Women
- % Grade 12 and Above - Disabled
- % GPTW Trust Index

Risk Appetite level

The People and Talent Strategic Plan sets out ambition to develop and strengthen the culture, skills and leadership of our workforce. Creating and retaining a workforce with the right skills and capabilities is a central enabler to the delivery of our Strategic Plans. We will therefore not accept much risk relating to the delivery of the People and Talent Strategic plan and have set a **low appetite**.

2026/27 Risk appetite statement

We will accept

- Variation in values and behaviours whilst the new Organisational Purpose, Values and Behaviours are embedded.
- Short term fluctuations in engagement levels particularly during organisational change and there will be improvements that can be made in measuring engagement as we establish our

We won't tolerate

- Behaviours that are in stark contrast with the values and behaviours framework.
- Low colleague engagement as represented in engagement surveys and will ensure maintenance of strong benchmarking and accreditations to support measurement and continuous improvement.

approach to external benchmarking and Employer of Choice accreditations through 2026/27

- Colleague and leadership base is not fully representative and activity in the plan does not expect to deliver significant improvements until the end of 26/27.
- Accept increased levels of colleague attrition/churn through the process of organisational change. We recognise that wider work to develop our colleague offer aimed at being an Employer of Choice will impact later in the strategy period.
- Some level of skills gaps is to be expected in an evolving and changing business. Work to develop skills to support the delivery of the Target Operating Model will continue throughout the strategy period.
- Short term variance in performance standards across and within some parts of the business.
- Short-term variability in leadership capability as new leadership expectations, development programmes, and “The L&Q Way for Leadership” are embedded.
- Differences in leadership confidence and capability during periods of organisational transformation, recognising that leaders will need time, support and development to adapt.
- Our wellbeing offers will not be universally taken up but we expect high levels of awareness and expect leaders to enable participation.

- Diversity levels that fall below agreed tolerances and we will maintain focus on delivering the plan to ensure improved representation, particularly at senior management levels.
- Recruitment and retention challenges associated with ineffective assessment and action in response to market data and trends.
- Voluntary turnover beyond agreed tolerances, and significant levels of regrettable talent attrition.
- Unaddressed skills and talent gaps or failure to take up upskilling in line with recognised needs.
- Unaddressed performance issues, such as overall appraisal scores below a 2 with no Performance Improvement Plan in place.
- Leadership behaviours that contradict or undermine the refreshed Purpose, Values and Behaviours, including failure to act in line with expected standards of role-modelling.
- Sustained poor leadership performance that negatively impacts colleague wellbeing, engagement, psychological safety, inclusion or organisational performance.
- Poor or low take up of wellbeing programmes and initiatives.

Expected risk status and proposed risk appetite level for 2026/27					
	Key				
	Expected Risk Status			Risk Appetite	
	Very low	Low	Medium	High	Very High
People and Talent Strategic Risk					