



Inaugural Business Plan

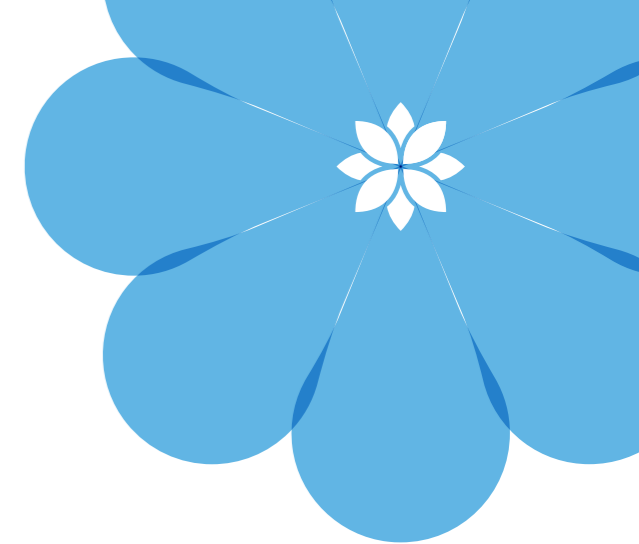
2022-2025



Section one: Setting the scene

IN THIS SECTION

- 1 Introduction
- 2 Our purpose
- 3 Our strategic priorities
- 4 Our values



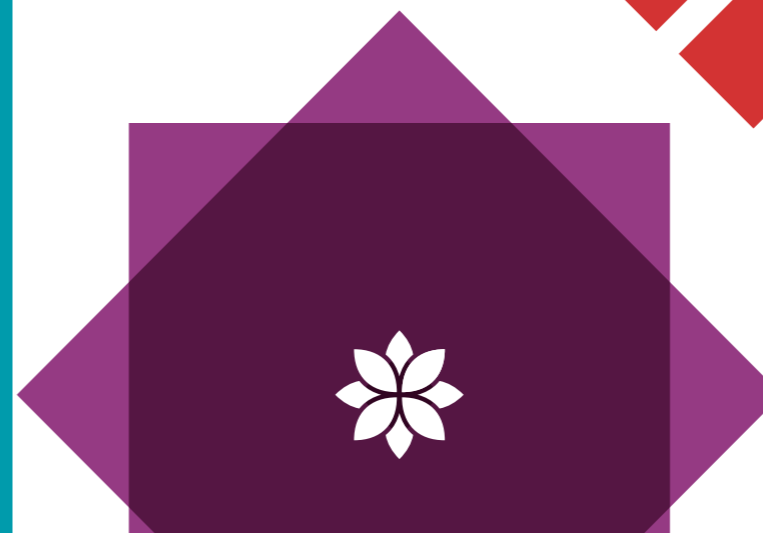
INTRODUCTION

We will create a contemporary organisation reflecting the rich heritage and cultures of Peabody and Catalyst, which is ready and able to respond to current and projected challenges and opportunities. We are looking to combine local affinity, familiarity and insight with the advantages of scale, resources and influence - the best of all worlds.

This three-year business plan sets out an ambitious and transformational agenda for the new organisation. It recognises the complex and sophisticated world in which modern housing organisations operate and reflects the priorities raised by our customers.

Like all sectors, housing is being disrupted as for-profit providers are establishing a growing presence in the sector. We are also aware of the challenges from the wider operating environment, in particular the new consumer powers of the Regulator, the increasing scrutiny of the Housing Ombudsman, and media and political scrutiny on the quality and safety of homes. These external factors reinforce the need to have customers at the centre of our planning.

Bringing Catalyst and Peabody together gives the new organisation greater resilience, creating additional financial, people and information capacity.



OUR PURPOSE

George Peabody's letter to his original trustees emphasised a clear social purpose: "to ameliorate the condition of the poor and needy of this great metropolis and to promote their comfort and happiness". 160 years later, this social purpose still stands true. As well as helping people escape poverty, our modern organisation provides a broad range of services and support programmes to make a positive impact and help people flourish.

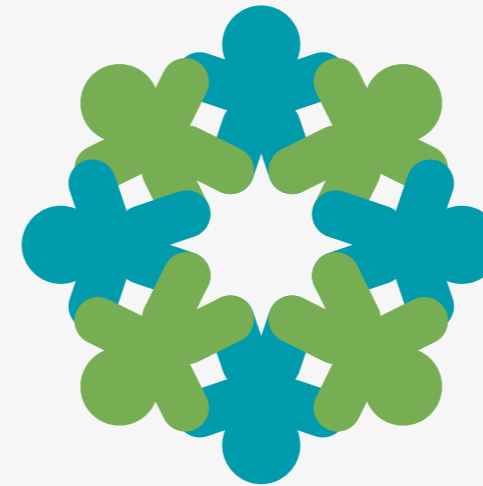
We have developed a new purpose statement for the combined organisation, which captures the key elements of what we are seeking to achieve:



HELPING PEOPLE FLOURISH

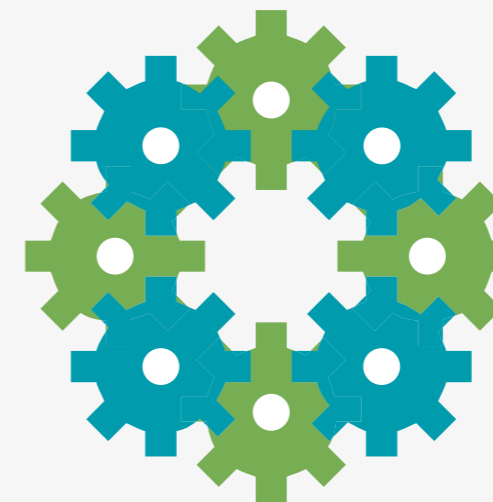
We do this by providing great homes and services, by making a positive difference to the communities we serve, and by providing an inclusive and inspiring place to work.

OUR STRATEGIC PRIORITIES



WE ARE ALL ABOUT PEOPLE

We are an organisation with people at the heart and equality, diversity and inclusion at the core of our culture. We ensure our customers feel heard through meaningful engagement, and our new Peabody Academy will enable colleagues and customers to develop and grow together.



WE ARE FOCUSED ON GETTING THE BASICS RIGHT

We are focused on getting the basics right, including providing an effective repairs service, investing more in our existing homes and providing simple and easy access to our services through a new locality model and new digital offer.



WE ARE PASSIONATE ABOUT CREATING A SUSTAINABLE PEABODY

We are passionate about creating a sustainable Peabody, working with customers to co-design solutions to tackle climate change. We are committed to developing new social homes, investing in communities and our care and support services and becoming a sector leader in placemaking.

OUR VALUES

Our culture is about the shared values, beliefs and behaviours that determine how we do things, then the ways and systems of working that help to get those things done.

Our new values, principles and behaviours will put customers at the heart and provide the foundation for the culture of the new organisation. Only by delivering a cohesive and customer-focused culture will we be able to achieve our purpose and priorities.

We have taken an inclusive and collaborative approach to developing the following values, working together with colleagues, customers and the Board:



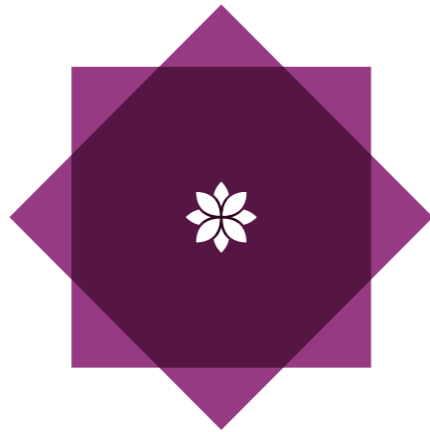
DO THE RIGHT THING



PULL TOGETHER



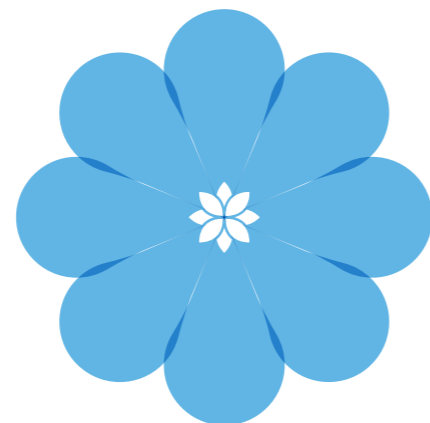
CELEBRATE DIVERSITY



LOVE NEW IDEAS



BE KIND



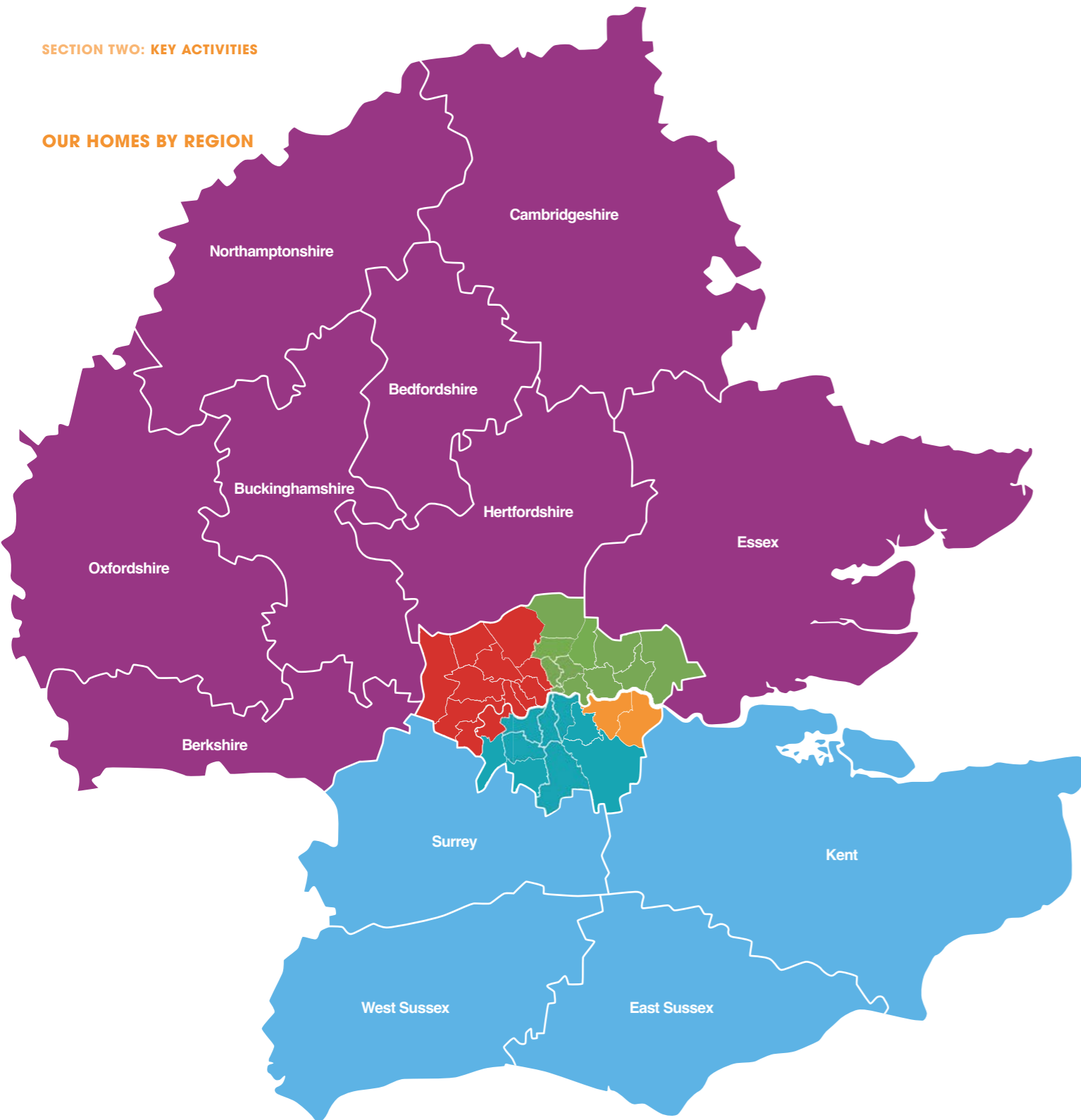
KEEP OUR PROMISES

Section two: Key activities

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- 6 Our homes by region
- 7 Improving services to customers
- 8 Community investment
- 9 Care and support
- 10 Investment in existing homes
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- 11 Creating the Peabody Academy
- 12 Equality, diversity and inclusion
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OUR HOMES BY REGION



North Counties properties	Thamesmead properties*	South London properties
20,283	8,023	20,283
North West London properties	North East London properties	South Counties properties
26,571	16,249	12,949

Total properties
104,358**

* Includes Bexley and Greenwich

IMPROVING SERVICES TO CUSTOMERS

Our established approach to engaging with our customers was broadened and adapted throughout the pandemic to more effectively reach our diverse customer base. We have moved to a local approach at Catalyst and developed a digital offer to customers in Peabody. We will build on these foundations to develop a locality model where services are delivered by local teams in defined areas, with customers and colleagues supported by a strong digital offer. Our first year will see us test and refine how these services look in each local area. Each locality will be divided into smaller areas which will be managed through a local management structure into a Managing Director. In the South and Thamesmead, Bexley and Greenwich regions there will be a Director as part of the existing local teams in place. Each locality will be supported by a matrix of corporate functions, all dedicated to enabling a great service to customers. We will initially move to a model with six regions, including Thamesmead.

We are designing a service delivery model that focuses on putting our customers at the centre of our business. We know customers must truly be part of shaping services so that we can offer a great experience. This means showing them how we listen to their feedback, tailoring our approach locally where it is important, and providing opportunities for customers and communities to have influence.

The Managing Directors will lead and coordinate all local services; fully engage with customers, local politicians and stakeholders; and be able to operate across the organisation with authority to ensure quality customer-focused service and insight into the quality of homes and the profile of customers. Using local knowledge and intelligence, the Managing Directors will shape Group strategy ensuring the voice of the locality is heard. They will be accountable and have autonomy to translate corporate objectives into local plans that make a difference to customers on a local level. They will be accountable for the costs and income associated with managing their locality. The focus will remain on delivering services cost effectively for customers, rather than internal cost allocation.

Whether the Covid-19 pandemic changes things forever, or only for the immediate future, our customers and communities will inevitably be facing increased pressures for some time to come. Our focus on customer wellbeing has been elevated, and we have a role to play in working to alleviate these pressures and utilise our areas of expertise to help. The local model will see a dedicated Wellbeing team offering a support package for our customers to play our part in improving wellbeing.



COMMUNITY INVESTMENT

The vision for the community programmes is healthy, wealthy, happy communities, providing support to those who need it, being agile and responsive. We plan to achieve this through an annual investment of £11 million in communities programmes. The Director of Community Strategy, Partnerships and Funding will be responsible for setting the strategy and working with Managing

Directors to develop the local community offer. They will be responsible for impact and evaluation and have oversight of strategic partnership development, co-funding and ensuring that co-design principles are followed when developing all programmes. Broadly, programmes are likely to include elements of:

- Economic inclusion, help and support
- Access to grants
- Community facilities
- Volunteering opportunities
- Wellbeing
- Digital offer

We are clear that there will be a need to capture social value as well as develop an outcomes framework to ensure value for money and impact.

CARE AND SUPPORT

Our care and support services make sure people, whatever their circumstances or past experiences, can live happier and more stable lives. We are seeing increasing levels of need and complexity as people are impacted by their social circumstances, poverty and poor mental and/or physical health. Our commitment to providing vital housing, support, care and advocacy has never been more important. In the first three years the Group will deliver care and support contracts with a value of £90 million.

Our combined care and support service includes three streams:



Our department will have more than 1,500 colleagues and manage more than 7,000 specialist housing units which are pepper-potted throughout our localities. We provide housing and services to the following customer groups:

- Older people
- People who are at risk from homelessness or in transitional services
- People with disabilities
- People with mental health needs
- Community Support Services

INVESTMENT IN EXISTING HOMES

A priority for us is getting the basics right: providing effective and timely investment in our existing homes, ensuring building and resident safety, and becoming a net zero carbon organisation by 2050. Of equal importance is a commitment to provide high-quality services to our customers that take account of local needs.

1 Investing in our homes

We need to understand our homes and buildings to invest wisely and balance the competing needs of safety, net zero carbon and the Decent Homes Standard. We must assess in detail the quantity, quality, relevance and accessibility of stock data as a priority. This evidence-led approach to asset management will inform our future disposal strategy.

We recognise that ongoing asset investment is essential to maintain quality of homes and avoid inflated reactive revenue spend and instances of disrepair, particularly for damp and mould. We will prioritise a period of catch-up activity to address historical underinvestment in some areas.

2 Building safety and high-rise fire safety projects

Assurance of asset compliance starts with a dedicated Building Safety team supported by operational delivery teams within the maintenance function.

Fire safety remediation projects on buildings over 11m in height and affected by cladding or insulation challenges will be separated from day-to-day fire safety works and given an end-to-end project focus. We will ensure work undertaken is combined efficiently with routine planned and responsive works. Our focus will be to maximise available grant funding to minimise the impact on our financial capacity and to avoid where possible the recovery of costs from our leaseholders.

3 Maintenance service offer

We will improve our repairs and maintenance offer to customers supported by technology. Evidence suggests customer satisfaction is driven by offering convenient appointments, excellent communication, attending when scheduled and completing the work first time to a high quality. The attitude of the person undertaking the repair is also important.

4 Supporting the local model

The voice of the customer and front-line colleagues is important in shaping delivery of asset-related services, and we will engage our resident panels and locality teams when designing service delivery options.

Our focus will be on achieving value and delivering good quality at reasonable cost. The scale of operations brings us procurement strength and supports a suite of different repair delivery methods. This reduces single dependency risks and allows meaningful assessment of which method (direct labour organisation ('DLO'), contractors, Plentific etc.) offers best value in a location or work type. In-house repairs services (DLO) are generally more flexible, have the potential to offer better value and are more favoured by customers and are therefore an ideal support to the local model.



INVESTMENT IN NEW HOMES

The merger brings together two ambitious, purpose-driven organisations with complementary geographies and a shared commitment to delivering quality new homes of all tenures.

We passionately believe that mixed-tenure and sustainable neighbourhoods are essential to delivering great places to live. As long-term stewards of our new developments, the places and homes we create should be well designed, well built and fit for the future. Sustainability is at the heart of new Peabody's Development Strategy.

We have a significant existing pipeline of homes to be delivered across a geography that encompasses London and the Northern and Southern Home Counties, and aim to develop around 3,000 homes a year.

With a significant pipeline already secured and approved over the next five years, our growth aspirations will be focused on medium to long-term opportunities that deliver new homes post 2025. Our focus on the future programme will be around the acquisition and control of large sites, complementing these with shorter-term, lower-risk opportunities.

CREATING THE PEABODY ACADEMY

Our initial focus will be to create an in-house learning capability which equips colleagues to deliver key organisational goals now and in the future.

We are committed to growing our own talent and to providing a compelling learning and development offer to colleagues to support talent management and career planning, and to develop service programmes to build a customer-centric business and embed the highest standards of service delivery.

We will establish an environment where colleagues and customers can learn side by side. There will be opportunities to work with the Communities team to improve life chances for customers looking to get on to the jobs ladder, gain a promotion or undertake a career change. We plan to create additional social value through contracts with partners and suppliers.

2022 will be a year of transition, with a focus on providing core training including starting to embed our new values and behaviours. As our experience and capability grow, we will expand our range of programmes and use an increasing proportion of levy funding to offset the current cost of learning budgets. Subject to experience, and prioritising our in-house training needs, we aspire to start providing training to other organisations to provide an additional income stream.

EQUALITY, DIVERSITY AND INCLUSION

In joining together, we want to create a place where people understand, respect and celebrate each other's differences. Our foundations for building an inclusive organisation are well established, and we will start our collective journey with a refreshed vision on what we aim to achieve. To help ensure we achieve real progress we have appointed an Executive Director for Care, Supported Housing and Inclusion who will be supported by our dedicated Equality, Diversity and Inclusion ('EDI') team.

Removing barriers to opportunity and closing equality gaps is vital for us to progress as a business. Establishing this means listening to our people, learning from individuals' experiences and offering a genuine opportunity for our people to influence positive change.

As we establish new services and ways of working, we will use equality impact assessments to make sure we are designing the fairest service provision. The voices of our diverse communities and customers will be key to shaping decisions, improving services and the quality of our homes, and they will be provided with meaningful involvement in decision making. This will help our customers to live better-quality lives, fulfil their potential and benefit the wider community.

We will take the opportunity as we come together to deliver inclusive accessible services which will be informed by the lived experiences of our customers, assessing the equality of access and outcomes for our customers and ensuring that our services are equality impact assessed throughout their development.

A key priority will be to take more active steps to improve the gaps and the quality of our workforce and customer diversity data, so that we understand the areas where we most need to progress and achieve an appropriately diverse organisation across all protected characteristics.

SUSTAINABILITY

We place sustainability at the heart of what we do to mitigate the impact of climate change and play our part in preventing the climate emergency. Financial constraints are ever present: we have competing demands for new homes, for building safety and the maintenance of existing homes. Embedding sustainability not only helps improve performance in the short term, but secures a sustainable future for our society. Our new business model will provide good services and value to our customers and create positive change to improve the natural environment and society.

Sustainability and carbon reduction are a priority for the sector; however, we are mindful of the risks of being early technology adopters or of embarking on large-scale retrofit projects. While there is, quite rightly, pressure to get traction on dealing with emissions from gas boilers, the current alternatives do not offer a direct replacement or work from a service or financial point of view for our customers or ourselves. Sustainability will be at the heart of our asset management approach and we will outline our long-term objectives with accompanying three-year, five-year and ten-year action plans.

We will measure our sustainability performance and report it to the sector and stakeholders. We are already at the forefront, with Peabody and Catalyst establishing the Sustainability Reporting Standard for Social Housing in 2020 alongside other leading organisations. This framework makes it easier for lenders and investors to assess the environmental, social and governance ('ESG') performance of housing providers and affords more opportunity for us all to make a positive social and environmental impact and improve over time.

At Thamesmead we have been working with the community to transform the area. We remain committed to our mission to improve, grow and look after Thamesmead for the long term. Our 30-year vision is to realise Thamesmead's potential to be London's new town. The area has the potential for 20,000 new homes, plus new leisure, cultural and community spaces, and creating thousands of new jobs.

We will use our knowledge and experience to establish ourselves as the leading placemaking agency in London and the surrounding regions. To do this, we recognise that all localities and places are unique and the starting point for successful placemaking and management is a clear understanding of the strengths, challenges and priorities of the area, together with the opportunities available. Co-creating solutions with local communities will enable us to develop local plans to prioritise and organise investment.

Local knowledge and understanding combined with sensible and affordable business planning are key. Adopting the 'whole place' approach will enable us to establish a business plan to define how operationally and financially the changes will be paid for by customers, stakeholders and ourselves.

Section three: Foundations

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- 16 Research and development
- 17 Finance
- 18 Integration
- 19 Leadership and governance

APPROACH TO PEOPLE

We will create an organisation which attracts and retains the best, diverse talent, where everyone can bring their authentic self to work, and which reflects the communities we serve.

We will make more effective use of our people resources, removing duplication and creating new structures that support and enable the local model and add value through improved services and connecting with our customers.

We will develop a compelling colleague offer which: draws on our social purpose and values; includes an attractive and competitive set of terms and conditions; provides the opportunity to learn new skills and to grow through career pathways or into alternative opportunities across the business; and provides a flexible approach to ways of working with the right tools and information to do the job. Future opportunities to provide the right environment for creativity, innovation, research and development will help establish the organisation as a leader.

CULTURE

A cohesive set of values and behaviours that underpin our culture are the foundations for the success of the new organisation. Engagement with our colleagues will be fundamental to establishing and embedding a new culture for a larger organisation with a local feel. The locality model will require a change in the way we operate and behaviours that focus more on empowerment, autonomy and influence, feeling comfortable and at ease with the necessary release of control. To achieve this, we will develop a set of clearly defined behaviours which support the priorities and values set out in this plan. This will be a collective exercise, involving colleagues at every level, so that our people feel connected with our purpose and priorities and understand how they can help to deliver improved services for customers through the way they make decisions and behave every day.

Working together with leaders and teams across the business, we will ensure our values are embedded across all areas of the new organisation including behaviour, leadership development, learning and development, organisational design and development, recruitment, performance, reward and recognition, talent management, systems of working, service delivery, communication, engagement and ways of working.

NEW WAYS OF WORKING

The pandemic has accelerated the trend to more flexible and hybrid ways of working, particularly for colleagues who were previously office-based. Colleagues are increasingly looking for flexible or hybrid working options and the prospect of less frequent commutes into an office. Flexible working provides a wider and more diverse talent pool including, for example, those with caring responsibilities.

We will establish the most effective and productive ways of working which will reflect the needs of our customers in each business area, the strategy for how services will be delivered more efficiently, and the leadership and management approach. The IT strategy will support the new working patterns through the provision of high-powered laptops and other mobile devices with reliable access to systems and data, regardless of location, supporting a more robust digital culture.

We anticipate a reduced requirement for office space over the life of the strategy. Both organisations have already taken action to reduce the footprint of their main offices: Peabody has sold two of its three central London offices and Catalyst is seeking to sublet space in its Ealing office. Plans for the remainder of the office portfolio will be driven by business requirements following the review of working practices.

PEOPLE INTEGRATION

A priority for the first year of the plan will be the integration of the business area teams across the two organisations. Our objective is to keep redundancies to a minimum. We will support displaced colleagues to look for suitable alternative employment internally to retain talent, and consider the development of new skills to offer colleagues the opportunities to move sideways into different areas of the business and embrace the talent we have.

New terms and conditions will apply to all new joiners. Existing Catalyst colleagues will move onto the new terms and conditions only when they apply for and accept a new role. Transfer of Undertakings (Protection of Employment) ('TUPE') will apply to Catalyst colleagues when the Transfer of Engagements takes place, expected to be April 2023. Those Catalyst colleagues not changing role will remain protected on their existing terms.

PEOPLE ENGAGEMENT AND WELLBEING

Engagement with colleagues throughout the life of the plan will be key. Regular updates will be provided and leaders will be supported and encouraged to maintain an effective two-way flow of information and feedback. Continued investment in colleague wellbeing will remain a priority, together with the valuable support that is available for managing mental health.

We shall align and, from April 2023, integrate the two employee engagement forums, Our Voice (Catalyst) and Employee Council (Peabody), to provide a strong and effective employee voice to complement our voluntary recognition agreements with Unite and Unison.





RESEARCH AND DEVELOPMENT

The new Research and Development ('R&D') team will focus on identifying practical improvements to our service offer and our way of doing business. The team will ensure that the new organisation is at the cutting edge of new thinking in critical areas such as net zero carbon and smart homes, as well as generating efficiencies or improved services for customers. Through understanding our performance and adapting our service offer, we can influence how we compare with our peer group.

A sector leading business intelligence function will identify patterns in performance, maintenance and customer demand to inform the interventions we might make to provide better services, support those customers that need them most, improve income generation and reduce costs. The R&D function will use this insight to search the horizon for out of sector exemplars, digital innovation and technological solutions, influencing how we build new properties, maintain existing homes and enhance the customer experience.

We will develop an environment for experimental 'test and learn quickly' approaches to innovation. The localities will act as incubator hubs where new solutions can be soft launched and rolled out if successful, engaging colleagues and customers in our thinking. The result, will be an organisation with pace and agility, despite its scale, delivering the outcomes of merger, adapting to a fast-pace external operating environment and meeting changing customer expectations.

Peabody has a strong voice, and a responsibility, to take forward important conversations on behalf of our customers, and to take a leading role in influencing for positive change. We will do this on a national and local level, purposely building relationships and engaging with stakeholders. Our R&D team will continue to expand on the great work of the Peabody Index, championing the disadvantaged and driving a culture of equality, diversity and inclusion.

FINANCE

Bringing Peabody and Catalyst together will create a new Group with an annual turnover of £1 billion and over £10bn of tangible fixed assets.

We will establish a modern finance function with decision making informed by live financial data and evidence-based forecasting. Continuing to automate transactions will ensure a function that limits the use of manual processes and ensures efficiency. Two first-year priorities have been identified: reliable financial data, and the production of financial reporting which informs decision making and keeps new Peabody safe. Externally, our customers face financial hardship from increasing cost of living challenges, and we will ensure that we deliver value for money and a focus on those customers experiencing adversity.

BUSINESS PLANNING AND DETERMINING FINANCIAL CAPACITY

Financial capacity for the first three years of the plan is fully utilised and, from an investment perspective, will support: (i) the completion of the fire safety programme on the legacy-Catalyst homes; and (ii) substantial completion of the remaining building safety programme on the legacy-Peabody homes (based on current estimates).

INVESTMENT

Operational expenditure will be focused on the delivery of the Group's local model, with a level of efficiencies from operating at scale reinvested in infrastructure to support the model and improve customers' experience. In respect of capital investment, the prioritisation is first on building safety and subsequently on capital investment to meet net zero targets by 2050. We will incorporate sustainability and net zero into our value for money metrics which will be reviewed annually, and this will inform the levels of investment required to meet our targets.

FUNDING

The Group will have a sizeable borrowing relationship with the main UK banks and most of the non-UK banks operating in the social housing sector. The Group will also continue to explore alternative sources of capital and will use the strength of the legacy organisations' brands, reputations and balance sheets to introduce third-party equity into large-scale development opportunities; utilising this equity to fund the delivery of new affordable homes that would be operated by the Group but owned by the third party.

An A category of credit rating is important to keep the cost of borrowing as low as possible, particularly in the public debt capital markets. To uphold the commitment to the A category of credit rating, the Group will have a set of Board-approved parameters that will apply from the first year after Transfer of Engagements.

COSTS

There is significant upward pressure on labour, materials and fuel costs and it is inevitable that our financial position and the decisions we need to make on budgets will become more challenging. This is not unique to us. We need to ensure that we take every opportunity to leverage the buying power that the scale of the new organisation brings. We will create a plan that utilises benchmarking and considers specialist advice, to identify opportunities across the business that drive better value.

We will establish an asset investment plan that reflects current evidence arising from stock data and market rates. Ongoing stock surveys will allow us to continually improve our confidence in the investment plans we devise.



INTEGRATION

Bringing together two complex and multi-faceted organisations successfully requires significant planning, risk management and adequate resourcing. This process is effectively split into three phases:

- **Merger** – the point at which Catalyst becomes a subsidiary of Peabody.
- **Integration** – bringing the two organisations together to operate as one, including a single set of integrated systems aligned to the people running them and the services and activities being delivered.
- **Transformation** – when improvements in efficiency, performance and services can be delivered.

The focus will be to integrate at pace whilst balancing the delivery of the existing modernisation programme which is an enabler for efficiency savings and the locality model. It is important to us that our customers are not impacted by our integration, and that customer satisfaction levels are at least maintained through this period, and in time improved.

WORKSTREAMS

A series of workstreams are tasked with bringing the organisational functions together. Each is sponsored by a Designate Executive member and is led by one or more of the leadership team. The workstreams broadly map to the operational activity of the business together with some key cross-functional areas e.g. IT and Data Quality.

INFORMATION TECHNOLOGY

There is a high degree of synergy and alignment between the two organisations’ approaches to technology and there are significant opportunities to leverage the best of both organisations’ investments.

From day one, we will integrate our Office 365 (email) systems to support collaboration and co-location, and we will also make changes in both organisations’ systems to support the new legal structures.

Moving to a single set of integrated systems quickly and safely is a priority and the target is to be substantially complete by spring 2023. Data will underpin systems and wider business integration.

We will adopt Peabody’s Landlord and Finance systems for the merged organisation, transferring Catalyst customers and properties to Peabody’s systems from late 2022. There are four key systems integration phases:

- Providing all colleagues with access to both organisations’ systems and data during summer 2022.
- Implementing smart office technology to Catalyst offices providing a common experience for building access, desk and meeting room booking.
- Moving to a single set of systems for housing management, asset management and digital during late 2022.
- Implementing a single set of finance and HR systems in April 2023.
- Repairs procurement and operating model alignment commencing Spring 2023.

In parallel, we will continue to digitally modernise around customer and employee self-service, repairs, incomes and workflow, building upon Peabody’s investment in digital technologies. Catalyst customers and employees will benefit from these capabilities once we have integrated landlord systems in late 2022.

GOVERNANCE

The Integration team will report into a Change Board, which will have delegated authority and report to the Executive Team.

The Integration team will facilitate prioritisation of activities and cross-over matters between workstreams. It will provide some common reporting templates, including risk, merger benefits realisation, savings, costs, critical path items, and equality, diversity and inclusion.



LEADERSHIP AND GOVERNANCE

GOVERNANCE STRUCTURES

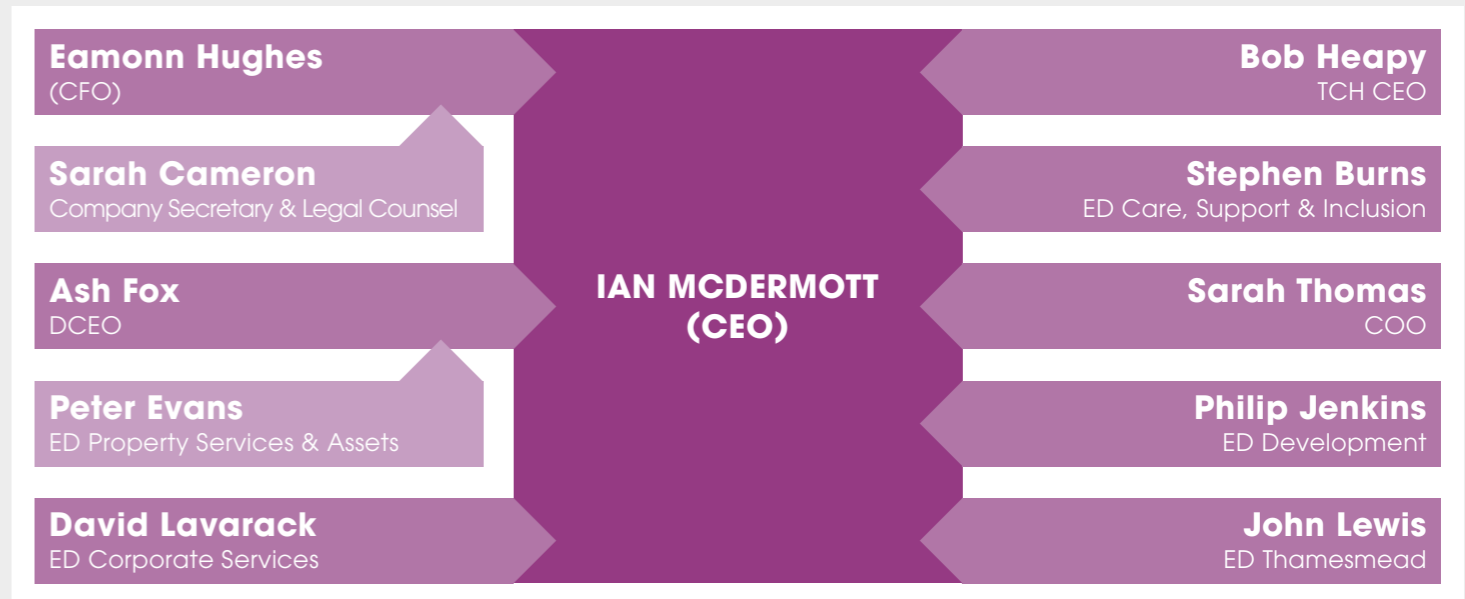
The new Peabody Trust Board will take effect from day one, with membership as follows:

- **Bob Kerslake** (Chair)
- **Ravi Rajagopal** (Vice-Chair)
- **Ian McDermott** (CEO)
- **Phillipa Aitken**
- **Peter Baffoe**
- **Jennifer Daly**
- **Helen Edwards**
- **Zebrina Hanly**
- **David Hardy**
- **Terry Hartwell**
- **Paul Loft**
- **Deirdre Moss**
- **Ian Peters**
- **Cary Wakefield**
- **Graham Woolfman**

The following new Group Committees will take effect from day one:

- Audit and Risk
- Finance and Treasury
- Customer Experience
- Development
- Nominations and Remuneration
- Thamesmead
- Communities
- Care and Support

Beneath these committees is the Executive Team, and a structure of groups each led by an Executive member, to provide leadership on a range of issues such as information management, building safety and safeguarding.



ORGANISATIONAL STRUCTURE

Catalyst Housing Group will become a subsidiary of Peabody Trust from day one. Subject to all necessary consultation and consents, a Transfer of Engagements will take place no later than April 2023 by which all the assets, operations and employees of Catalyst will be transferred to Peabody. We will review the opportunities to simplify further the Group’s corporate structure during the life of this plan.

Section four: Strategic Delivery Plan 22-23

IN THIS SECTION

21 Four areas for focus in first year

22 Activity against our strategic priorities

FOUR AREAS FOR FOCUS IN FIRST YEAR

We have set out the key activity for our first year, with a focus on achieving progress in four areas that are centred on improving our services and experience for customers:

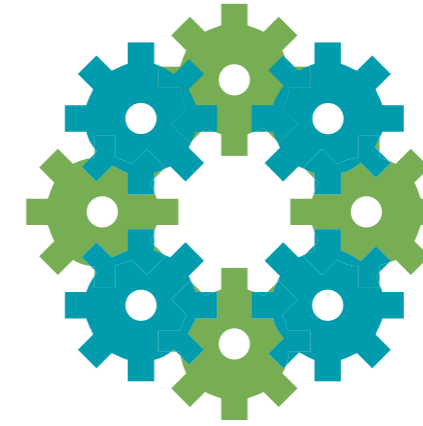
- 1 ONE TEAM WITH A DEFINED CULTURE**
Organisational design complete with structures in place, vision and values understood with behaviours starting to be demonstrated and outcomes measured.
- 2 INTEGRATED SYSTEMS**
Alignment of core business systems substantially complete, with training plans underway and decommission plans defined to enable full embedding of new ways of working.
- 3 FUNCTIONAL LOCALITY MODEL**
Six local areas established, each with local area plans in place, developed in partnership with our customers.
- 4 COMMENCEMENT OF THE STOCK INVESTMENT PROGRAMME**
20% of stock condition surveys undertaken, and planned investment works programmed or completed.



WE ARE ALL ABOUT PEOPLE

ACTIVITY

- Engage colleagues in the development of our new values, behaviours and culture.
- Create strategies, policies and service standards so our customers know what they can expect from us.
- Create a new and innovative locally focused model of six areas.
- Design and implement local plans to meet the needs of customers.
- Create local customer scrutiny groups who have direct reporting to our governance structures.
- Engage our customers in designing a new customer engagement model.
- Create Neighbourhood Customer Specialists who are mobile and accessible, working in our localities.
- Design the Peabody Academy for launch in 2023.
- Enrol on the register of apprenticeship training providers during 2022/23 and deliver Apprenticeship Levy funded programmes from April 2023.
- Improve care and support services by developing and reflecting new quality standards.
- Conduct equality impact assessments during the development of our local model.
- Provide more opportunities for all employees to be heard, and support and promote our EDI Networks to have more impact.
- Understand our performance and identify and address areas for improvement with the Board.
- Set out a performance framework to identify areas for praise or improvement.



WE ARE FOCUSED ON GETTING THE BASICS RIGHT

ACTIVITY

- Deliver digital services across repairs and maintenance, enabling customer to self-serve.
- Conduct an appraisal of current repair delivery methods.
- Conduct a review to agree life-cycles and unit rate costs in line with sector markets.
- Assess the quantity, quality, relevance and accessibility of stock data.
- Continue existing stock condition survey practices and increase surveys to meet annual 20% ambition.
- Prioritise a period of catch-up stock investment activity to address historical underinvestment in some areas.
- Create an evidence-led disposals strategy.
- Deliver fire safety remediation projects on buildings over 11m in height.



WE ARE PASSIONATE ABOUT CREATING A SUSTAINABLE PEABODY

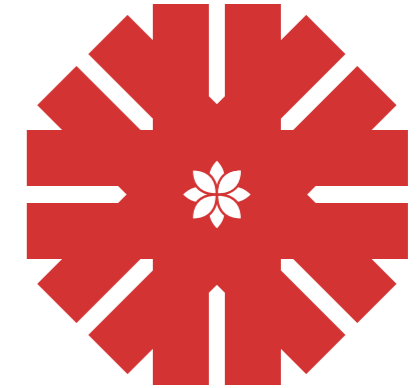
ACTIVITY

- Develop an early intervention offer to general needs customers.
- Conduct a strategic review of sheltered housing and agency managed portfolios.
- Determine where our areas of focus will be for the growth of our care and support services, building on the findings of a recent strategic review of Peabody’s care and support provision.
- Determine an investment strategy that recognises the different needs of our large and diverse specialist property portfolio.
- Combine our energy performance programme with our planned investment programme to deliver improvements more efficiently.
- Create a Development Strategy defining the geography, tenure, and regional acquisition strategies of our future programme.
- Set a development growth plan with assessment criteria that consider the regional differences and price points across all our regions.
- Deliver a programme to update and understand our SAP and EPC data and develop carbon reduction principles.
- Develop a sustainability strategy and a set of carbon reduction principles.
- Establish a Place Advisory team, led by the Executive Director of Thamesmead, to identify long-term strategic priorities for regeneration and placemaking.
- Identify and create plans for three projects outside of Thamesmead that will form pilots to develop local stewardship models.
- Report annually against the ESG framework and review the United Nations Sustainable Development Goals to develop an approach for Peabody.

HELPING PEOPLE FLOURISH



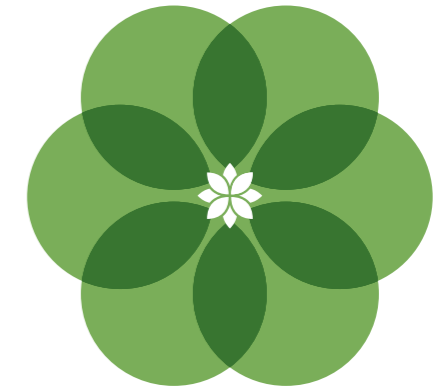
DO THE RIGHT THING



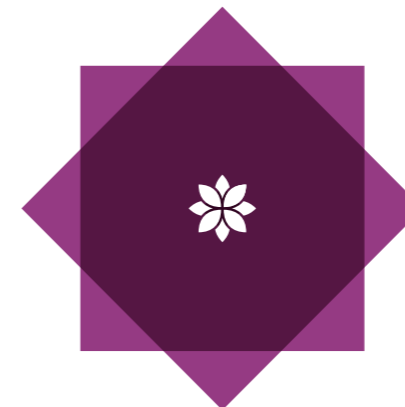
CELEBRATE DIVERSITY



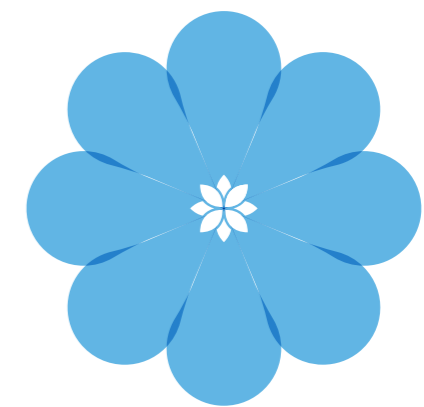
BE KIND



PULL TOGETHER



LOVE NEW IDEAS



KEEP OUR PROMISES

