



# BOARD MEETING SUMMARY

13 January 2021

# LOCATED PROPERTY LIMITED (THE “COMPANY”)

## SUMMARY OF BOARD MEETING

<b>Date of meeting</b>	13 January 2021
<b>Time</b>	13:00 – 15:25
<b>Venue</b>	Video conference

### 1. Introduction from the Chair

- 1.1 The Chair confirmed that the meeting was quorate.
- 1.2 No direct or indirect interests in the proposed transactions or arrangements to be considered at the meeting were disclosed by the directors as required by s177 of the Companies Act 2006.
- 1.3 No new conflicts of interests were declared at the start or during the meeting.

### 2. Actions from previous board meetings

- 2.1 The minutes of the previous meeting were approved.
- 2.2 The Chief Executive confirmed that the Corporate Plan is still being finalised and will be re-issued to the Board on completion.
- 2.3 Legal Counsel stated that the Board will be kept informed annually in relation to project construction cost variances and any follow up will be fed back to the Investment Committee.

### 3. Board committee updates

#### 3.1 Remuneration Committee (RemCom)

It was noted there had been no RemCom meeting since the December Board meeting.

#### 3.2 Audit Committee (AC)

It was noted there had been no AC meeting since the December Board meeting.

#### 3.3 Investment Committee (IC) and Mixed-use Investment Committee (MUIC)

The Chair stated that since the last Board meeting, the IC and MUIC had met (17 December) and IC had approved two deals.

The MUIC had received updates on the six mixed-use projects.

### 4. Shareholder's update

- 4.1 An update regarding future waves of Free Schools was provided.

## 5. Chief Executive's end of year summary

- 5.1 The Chief Executive highlighted the main points from her presentation.
- 5.2 The Board congratulated the Chief Executive on her initiatives and maintaining morale during lockdown in tandem with ensuring (with the Executive Management Team) that staff have the flexibility they need to fit in home commitments around work.
- 5.3 A discussion took place around the Chief Executive's involvement in a tailored review and the potential follow up time commitment.

## 6. Third-party advice update

- 6.1 Legal Counsel explained the HMT approval requirements of LocatED in relation to charging for third-party advice.
- 6.2 It was agreed that a report showing how much time had been spent on each third-party project will be included as part of the future Board report.
- 6.3 The Government Internal Audit Agency will begin the audit of the third-party process this month and it is hoped conclude by March.
- 6.4 It was confirmed that the terms of reference for this audit are still in the process of being finalised.
- 6.5 A discussion took place around the liability for advice to third parties and the need for professional indemnity cover. The company will not be providing formal valuation advice itself.
- 6.6 The Finance Director agreed to prepare a report for the Board setting out how much resource/time has been spent on each third-party project by grade, from the start of the project to date. It was agreed this should be shared with the Board quarterly, starting from February.

## 7. Acquisitions update

- 7.1 The Property Director presented the acquisitions update to the Board.
- 7.2 In the next three months, the team should be able to achieve the overall target.

## 8. Mixed-use and development update

- 8.1 A mixed-use and development update was presented and acknowledged by the Board.

## 9. Finance update

- 9.1 The Board noted the contents of the finance update.
- 9.2 A company has been appointed to provide management accountant support and will be responsible for producing the Board report going forward.

## 10. Key performance indicators update

- 10.1 The Finance Director presented the KPI paper to the Board and focussed on KPI2 (good value acquisitions).
- 10.2 It has been agreed that from next month, the Finance Director will provide the details so that the Board can more accurately monitor this KPI by setting out the number of deals included in the calculation and showing the forecast outturn.

## 11. Legal Counsel's update

- 11.1 It was noted that there were no material changes to the Keep Well Agreement attached to the report and it was duly approved by the Board.
- 11.2 The main changes to the Framework Agreement, as set out in the paper, were noted and approved by the Board. Legal Counsel was thanked for the schedule of delegations attached to the report which was very clear and helpful.
- 11.3 It was confirmed that the legal implications of Brexit on the business have been considered, as set out in the report. In particular, State Aid (which is an EU principle) is relevant to LocatED in respect of third-party advice and development deals. State Aid no longer exists but will be replaced by a range of different rules. Government consultation is taking place to determine exactly how it will work and Legal Counsel working with the Government legal team to understand what new rules will apply to LocatED.
- 11.4 Similarly, there is a new procurement process to replace the OJEU process (Find a Tender) which we hope will be much more streamlined. However, current LocatED projects started under OJEU rules will continue under the OJEU process.

## 12. AOB

- 12.1 Board administration: the Board confirmed that it receives all papers in advance, with all of the relevant information relating to the matters to be discussed.
- 12.2 There were no other items under AOB.