



BOARD MEETING SUMMARY

14 July 2021

LOCATED PROPERTY LIMITED (THE “COMPANY”)

SUMMARY OF BOARD MEETING

Date of meeting	14 July 2021
Time	13:02 – 16:01
Venue	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 Minutes from the previous Board meeting and outstanding actions

- 2.1 The minutes of the previous meeting were approved.
- 2.2 It was noted that there were no outstanding actions.

3 Board strategy meeting update

- 3.1 There was a discussion about the timescales to approve a new business case.
- 3.2 A draft programme with milestones relating to the development and approval of a new business case was being prepared by the Department for Education (DfE) and would be shared with LocatED.
- 3.3 The Board strongly believes that LocatED has a considerable role to play in the continued delivery of value, not just around its core activities, but also through newer workstreams supporting the DfE and wider government.

4. Board committee updates

4.1 Remuneration Committee (RemCom)

There had been no RemCom meeting since the May Board meeting. It was however noted that the revised pay remit and framework had been approved.

4.2 Investment Committee (IC) and Mixed-use Investment Committee (MUIC)

The Chair informed the Board that the IC and MUIC had met on 27 May and 24 June where six acquisitions and three disposals were considered.

The Chair highlighted to the Board that the role of the MUIC was evolving.

Legal Counsel made the point that Surplus Land for Housing (SLfHP) is a pilot and MUIC seems to be the best fit to oversee the projects. However, if it develops into a broader programme, the governance will need to be reviewed as it could potentially be more resource intensive.

4.3 Audit Committee (AC)

The Chair updated the Board on the items discussed at the AC meeting held earlier today.

The Counter Fraud Strategy was endorsed; the AC will continue to monitor.

Government Internal Audit Agency (GIAA) had concluded an audit of the third-party process and land acquisitions. There were no material concerns raised.

The Board was asked to:

- approve the Annual Report and Accounts (ARA), subject to minor formatting changes (it was noted that there would be no changes to the audited section of the accounts).

Board approval was given for this.

The Chair thanked the chair of the LocatED Audit Committee and LocatED Finance Director for their hard work.

5. Shareholder's update

- 5.1 There has been a civil service wide agreement that office-based civil servants will return to work in a blended/hybrid working pattern of two to three days in the office.
- 5.2 The LocatED Future Remit Board is due to meet on Thursday 15 July and there will be a presentation from the ESFA's Intervention Team.

6. Chief Executive's update

- 6.1 The Chief Executive gave an overview of the office move and the layout of the new office. The floor will be shared with an Arm's Length Body of the of the Ministry of Defence (Single Source Regulations Office).
- 6.2 The Chief Executive presented her diversity and inclusion (D&I) update highlighting LocatED's two key objectives that will help evolve the D&I strategy.
- 6.3 It was confirmed that there had been a change to the diversity training from the DfE and new training has recently been added to the Civil Service training platform which the LocatED D&I Team is trialling.
- 6.4 The Board acknowledged the information contained in the third-party advice update.

6 Surplus land for housing pilot update

- 7.1 Several SLfHP decision papers have been approved by the MUIC and subsequently tabled to the DfE.
- 7.2 The Board was provided with an update on the Building Up initiative and accompanying research.
- 7.3 A discussion took place on what the potential size of the SLfH programme would need to be in order to achieve a continuum.

8 Acquisitions update

- 8.1 The Acquisitions Director reported that three deals have exchanged to date, as opposed to two, as forecast. The acquisitions cycle is currently being dominated by

the need for temporary/urgent sites where permanent sites have been delayed due to Covid-19.

8.2 It was confirmed that the first three deals for the year were temporary sites, with one peppercorn deal to come in July, and then four deals for temporary sites in the pipeline. This trend for urgently identifying and securing temporary sites for schools may continue until September.

8.3 The Board was provided with an update on disposals.

9 H&S and portfolio property management update

9.1 The Property Director highlighted that the number of sites being managed has reduced due to sites being handed over to schools for the start of term in September.

9.2 Vinci has continued to confirm 100% statutory compliance. In the last 12 months there were 585 compliance tasks across the portfolio, of which 20% (120) were cross-checked internally by the LocatED Asset Management Team.

9.3 The Board discussed the forecast future forward report.

10 Mixed-use and development update

10.1 The Board acknowledged the information contained in the mixed-use and development update.

10.2 There were no other questions or queries from the Board.

11 Finance update, including quarterly accounts

11.1 The Finance Director presented the update paper and quarterly accounts.

11.2 An update on core transaction costs was also provided.

12 Key performance indicators update

12.1 The Finance Director presented the KPI paper to the Board.

12.2 It was confirmed that the outturn position on KPI5, savings on site management, is expected to be exceptional.

13 Heat map and risk register

13.1 It was noted that there were no issues to draw to the attention of the Board on the strategic risk register.

13.2 Following a substantial amount of work in relation to counter-fraud, there were a number of risks added to the operational risk register.

13.3 It was suggested the Finance Director should cross check against the DfE's risk register to ensure the same terminology and mitigations are being used.

14 Legal Counsel's update

14.1 It was confirmed that the LocatED financial remit letter and the Annual Objectives Funding and Performance letter were both issued.

- 14.2 The GPA is managing the office move on behalf of LocatED.
- 14.3 Legal Counsel confirmed that a new underlease is not yet in an agreed form.
- 14.4 It was confirmed that the Board should be able to meet in person from September.
- 14.5 Regarding the fit out works it is hoped that the agreement can be signed this week to enable the contractor to begin work from Monday 26 July.
- 14.6 A meeting is scheduled with the DfE for this week to agree the budget and the cost of dilapidations.

15 AOB

- 15.1 There were no other items under AOB.

The meeting ended at 16.01.