

BOARD MEETING SUMMARY

LOCATED PROPERTY LIMITED (THE “COMPANY”)

SUMMARY OF BOARD MEETING

Date of meeting	18 May 2022
Time	14:32 – 16:25
Venue	3rd Floor, Finlaison House, 15-17 Furnival Street, London EC4A 1AB

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.
- 1.4 The Chair welcomed the Chief People Officer to the meeting and reminded the Board that it was agreed that she would be invited to attend as an observer to ascertain whether it would be helpful to her role as Chief People Officer with responsibility for programme management and as an Executive Team member.

2 Minutes from the Board meeting: 13 April

- 2.1 The minutes of the previous meeting were approved.

3. Board committee updates

- 3.1 Remuneration Committee (RemCom)
 - 3.1.1 The Chair updated the Board on the items discussed at the RemCom meeting held the previous day.
 - 3.1.2 The main items on the agenda were Performance Related Pay (PRP) for the year ending 31 March 2022 and the annual pay review proposals.
 - 3.1.3 It was noted that there has been a sudden spike in attrition, and it was agreed that the market is very competitive given the skills shortage and significant increase in salaries.
 - 3.1.4 RemCom’s recommendations would now be sent to the DfE’s HR team for clearance and then to the Secretary of State (SoS) for approval.
 - 3.1.5 The Board expressed its thanks and appreciation to The Chief People Officer for the level of detail involved in the process.
- 3.2 Investment Committee (IC) and Mixed-use Investment Committee (MUIC)
 - 3.2.1 The IC and MUIC met on 21 April. One acquisition and one disposal were approved.

3.2.2 Monthly updates had been presented at the MUIC meeting, including the Surplus Land for Housing Pilot projects and Estate Efficiency projects.

3.3 Audit Committee (AC)

3.3.1 There have been no AC meetings since the April Board meeting.

3.3.2 Government Internal Audit Agency will be providing LocatED with a new Head of Internal Audit following the departure of the previous one.

4. Shareholder's update

4.1 It was confirmed that the business case for commercial property support is at the Full Business Case (FBC) stage and is due to go to the DfE Investment Committee (InvestCo) on 26 July.

4.2 Once DfE InvestCo approve the FBC, it will be sent to HM Treasury and Cabinet Office for approval.

5. Chief Executive's update

5.1 The Chief Executive presented her update and there was further discussion on the following issues:

- The new Head of Communications will be starting on 11 July and, the Communications Manager, is covering the function on her own with support until then.
- LocatED submitted seven nominations and has been shortlisted in six categories for the Government Property Awards.
- The Diversity & Inclusion Committee has developed a good action plan. The Committee will be requesting new members as it has been meeting for one year.
- The Chief Executive has been asked to be a senior sponsor of D&I for the Property Leaders Shadow Board.

5.2 A discussion took place around the new pipeline of opportunities for LocatED.

6. Acquisitions & disposals update

6.1 The Property Director confirmed the acquisitions forecast for this year, all of which are challenging as the nature of the deals are changing, with some being difficult turnkey deals and some complicated acquisitions.

6.2 It was confirmed that LocatED receive a steady stream of new commissions every week, in other areas outside of acquisitions.

6.3 An update was provided on the site disposal. An addendum to this deal will be tabled at the next IC on 26 May; the aim is to simultaneously exchange and complete by end June.

7. H&S and portfolio property management update

7.1 The portfolio is currently at 100% statutory compliance for all properties that have been managed by LocatED for more than 90 days.

8. Estate efficiency update

- 8.1 The Associate Director, Development presented his paper.
- 8.2 Estate Efficiency is made up of four key workstreams i.e. the Surplus Land for Housing Pilot (SLfHP), the School Rebuilding Programme (SRP), development and estate strategy advice and Underutilised Land and an update on each workstream was provided to The Board.
- 8.3 The Board congratulated the Associate Director on all the hard work that has taken place by him and the various teams across the business.
- 8.4 The Chief Executive referenced the Cabinet Efficiency Committee and an update note is to be drafted up.

9. Mixed-use and development update

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

10. Further Education (FE) & other advice update

- 10.1 The Board acknowledged the information contained in the FE and other advice update and noted that it was an excellent report.

11. Key performance indicators update

- 11.1 The Board acknowledged the information in the KPI update.

12. Heat map & strategic risk register update

- 12.1 It was noted that there has not been a recent in-depth review of the risk register by the Audit Committee. The risk register is, however, being considered by the Operations Team on a regular basis.
- 12.2 It was suggested that the impact of suppliers going out of business and the increased costs of materials should be noted in the risk register.
- 12.3 It was also noted that the RemCom risk (SR44) needed expanding to include the risk of wage inflation and flexible working in the marketplace.

13. Company Secretary update

- 13.1 It was noted that the Pay Framework document will be required by September 2022 and the Company Secretary will raise this with the Sponsorship Team.

14. AOB

- 14.1 The large volume of work presently being undertaken was acknowledged.
- 14.2 The Board agreed to the Chief People Officer continuing to attend Board meetings for the foreseeable future.

The meeting ended at 16:25.