



LocatED Property Limited

Annual report and accounts

for the year ended 31 March 2024

Company Number 10385637

HC 420

LocatED Property Limited
A non-departmental public body
Annual report and accounts 2023-2024
For the period 1 April 2023 to 31 March 2024

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1. STRATEGIC REPORT

Chair's Statement

Mark Prisk, Board Chair



I joined the Board on 2 January 2024. So I want to begin by expressing thanks to my predecessor, Michael Strong, for his hard work and leadership, particularly when LocatED was initially established.

The last year has been one of challenge and change for LocatED. The property market has proven sluggish, construction costs have increased substantially and new projects have required the organisation to adapt, often very quickly. Lara and her team have responded well and are continuing to deliver for the Department for

Education (DfE), for schools and colleges and for the public. This has all been achieved despite needing to switch resources quickly to support the DfE from last summer, in mitigating the risk of Reinforced Autoclaved Aerated Concrete (RAAC) in schools.

So, I want to thank the Executive Team and all the staff for their hard work and commitment over the last year. They can take pride in what they have achieved. I would like to thank the Non-executive Directors for their contribution, in providing both effective scrutiny but also guidance and support. I am also grateful too for the support of clients and partners especially the DfE and our Sponsorship team.

Over the last year, the LocatED team has also undertaken new projects which contribute to wider governmental and social goals. These include delivering new homes from under-utilised public land, decarbonising England's schools and responding to falling school rolls.

Decarbonising England's schools is an immense challenge. I have been impressed, on joining the Board, at the thoughtful and effective way in which the team are tackling this challenge. The Net Zero Accelerator Programme is helping to identify best practice to deliver real carbon reductions in schools as part of a pathfinder pilot. This agenda is only going to become more important going forward.

To match these changes in LocatED's work in 2024-25 the Board committee arrangements have been changed to ensure that our scrutiny and oversight better reflects the organisation's work going forward. Specifically an Investment and Development Committee and a Programme Committee will form part of the governance arrangements

Lastly I want to strongly commend the working culture which Lara and her colleagues have created at LocatED. There is a can-do attitude and a real sense of purpose. This is matched by a commitment to creating an open and truly inclusive workplace. This is important, both socially but also for the organisation going forward and is something the Board strongly supports.

Chief Executive's perspective on performance

Lara Newman, Chief Executive



Once again, this year the LocatED team demonstrated our can-do attitude, ability to work at pace and adapt effectively to changing circumstances.

We have again seen excellent results from the team. There was a strong trend in disposing of surplus sites over their Red Book Value (RBV) and acquiring sites for under RBV, while making significant savings on site management. We acquired 14 school sites, received 120 advice commissions, and made taxpayer savings of £3.22 million on managed assets. I am pleased to say

that our mixed-use development work has now completed on three projects with a further three in progress, delivering new school places as well as much-needed housing.

These are all results which saved the UK taxpayer money and that demonstrated core skills which do not just apply to the education estate but can be effectively utilised across the broader public sector estate to make better places and serve wider communities. More and more, the work that we do expands beyond just schools.

This year has seen LocatED make substantial steps in supporting the nation's journey to net zero. In summer 2023 the DfE commissioned us to set up and run the Net Zero Accelerator – a programme that aims to decarbonise England's 22,500 schools through a variety of interventions. Having successfully completed the feasibility study, the programme has already begun working with some schools to reduce their carbon footprints as part of a pathfinder pilot.

Also in the summer of 2023, the DfE asked LocatED to mobilise very quickly to support the department in mitigating the risk of (RAAC) in schools. The response by a large cohort of LocatED colleagues was a demonstration of remarkable collaboration at every level: within LocatED, with the DfE, with schools and with suppliers. Assisting 106 schools, the LocatED team helped deliver 168 modular classrooms to allow face-to-face teaching, caseworker support and provision of multiple off-site temporary solutions.

With the housing supply continuing to be a significant challenge for government, I am proud of the work done by the team on the Surplus Land for Housing Pilot, demonstrating how unutilised land in the public estate can be developed for new housing, contributing to the public good.

Thanks in part to the learnings from this project and others like it, this year we published guidance for schools, entitled The Development of School Land. This is a document that aims to help schools and other state-funded education bodies navigate the complex issue of development. It provides practical advice to individuals and organisations with responsibilities for education buildings or land when considering development opportunities. It is intended to help guide the progress of development projects and deliver successful outcomes.

Looking to the horizon

In many areas of the country, we have continued to observe a trend of falling school rolls. This presents a significant challenge to the education estate with its aim of providing space for educating children while ensuring that land is utilised in the most efficient way for the public good. LocatED has continued to support the DfE in exploring ways that the education estate can best respond to this challenge. In some contexts this might mean disposing of surplus land, while in other contexts this might mean retaining vacant or surplus sites for meanwhile uses that the communities genuinely need, or sustainable school re-development whilst the opportunity presents itself.

Recently, with the DfE our Estates Efficiency Team began to explore the potential to lease surplus space in the school system to accommodate the growing demand for early years childcare places across the country.

Meanwhile, we have continued to develop the 'Building Up' initiative which identifies schools with condition need in areas where residential values are sufficiently high to enable a full school re-build by using the money from the building of residential houses in surplus space. Importantly, the initiative is designed to be a self-funding project, facilitating much-needed condition improvement in the context of spending restraint. This can be achieved by building homes above and adjacent to a newly constructed school. This has the potential to deliver significant numbers of new homes (including affordable) where they are needed, replacing schools with brand new, climate resilient buildings on more efficient building footprints, thus protecting and improving outdoor play space.

While our primary focus remains delivering an efficient education estate, we are continuing to explore how our experience can be used in collaboration with other government departments. Our work on the Cabinet Office Place Pilots, has capitalised on a shared desire for public sector bodies to collaborate and bring forward an exemplar development, focussed on education, housing and other social outcomes.

Career pathways and Diversity & Inclusion (D&I)

We have continued our steadfast commitment to making LocatED a truly inclusive workplace as well as improving diversity within the government property profession and the wider sector.

Leading by example, LocatED hosted three networking events for property professionals in their early careers during 2023-24. These events have facilitated meaningful connections between a diverse range of emerging professionals and senior industry leaders, fostering an environment where all voices are heard and valued.

My own monthly column for the Government Property Portal has served as a platform for discussing crucial issues, from gendered ageism to the importance of networking and sponsorship. I have also used my position as sponsor of the Government Property D&I Shadow Board to deliver real opportunities for increased visibility and career development to its members.

Other colleagues have made significant efforts to raise awareness around inclusivity. Ravinder Cheema became a member of the policy development forum for Real Estate Balance, while Nadia

Persaud and Alex Ward were selected for the latest cohort of the Government Property D&I Shadow Board.

LocatED's property apprenticeship programme provides opportunities for individuals from non-traditional backgrounds to enter property and thrive. This is in addition to the extensive work experience programme that in 2023-24 provided 24 young people from diverse backgrounds with a taste of the sector.

In a proud moment for our apprenticeship programme, Tom Muldowney picked up the Rising Star award at the 2023 Government Property Awards in September. Indeed, thanks partly to our apprentice and graduate surveyor programmes, we were this year again awarded Platinum Accredited membership of the 5% Club, recognising our significant contribution to the continued developments of all our team through inclusive workplace training.

Community

Charity and volunteering bring even more meaning to the everyday work that we do at LocatED. For the second year running, our charity of the year was Young Minds, a mental health charity for young people. During these twelve months, LocatED staff delivered exceptional results, raising £4,558, which is 35 percent more than was raised in the previous year. These donations came from a whole range of activities – from sponsored runs to a charity skills auction where LocatED colleagues donated a vast range of skills raising a massive £2,749 for the charity.

I am also proud that the LocatED team completed 90.5 volunteering days in 2023-2024. Among some of the activities our staff have contributed their time to were conservation, sports coaching, craft efforts, food banks and school governorship.

With climate change and achieving net zero important priorities for so many colleagues at LocatED, we have also begun Carbon Literacy training to help us understand how we can do our part as individuals and as a company to protect the environment. As part of this, each LocatED colleague will be making their own commitments to take action against climate change and make a difference.

Wholehearted thanks to the LocatED team, our Board, and all of our colleagues across the DfE. for all they have contributed. Together we have built an excellent record in delivering innovation and value-for-money for the UK taxpayer and I look forward to seeing what more we can achieve in the future.

Statement of purpose and activities

LocatED has a Framework Document that has been agreed with the Department and sets out the broad framework within which LocatED operates. Each year the Department sets out the priorities for LocatED, including:

- Scope of work that the Department requires LocatED to carry out under each of these priorities; and
- The Department's commissioning expectations

All of this is detailed in the extant Annual Letter from the Minister, who is responsible for LocatED, to the Chair of LocatED's Board, setting out the objectives, funding and performance required each year

including specific Key Performance Indicators. In 2023-24 LocatED was specifically responsible for achieving the following overall aims, which are set out in its Framework Document:

- Acquire and dispose of commercial property and sites on behalf of the department to ensure its education and capital objectives are delivered; Manage capital assets held by the Secretary of State or free school trusts (usually where no school is in occupation) and maintain compliance with the appropriate legislation;
- Provide an expert commercial property consultancy service to the department's policy areas to support the work to deliver its objectives. This consultancy service can also be provided to educational establishments and from time-to-time other government departments. This could also include being consulted with to provide advice and insights about the future commercial property market to inform the future work of the Government's estate, to deliver better property policy; and support the future property strategy.

LocatED's strategic aims are to:

- Acquire sufficient sites to achieve the government's commitment to its free schools' programme that delivers choice, innovation and higher standards for parents;
- Provide high quality property advice and services as required by the department to support the delivery of its objectives.

Founding legislation and status of LocatED, its duties and powers

LocatED is established by incorporation under the Companies Act 2006 and is registered in England and Wales. It is a private company limited by shares and is wholly owned by the Secretary of State for Education (the Secretary of State), for whom it is remitted to undertake work. LocatED is funded from the public purse by grant-in-aid from the Department and is a non-departmental public body (NDPB).

LocatED's Chair and Non-executive Directors are appointed by the Secretary of State. LocatED's duties and powers are specified in its Articles of Association (the Articles) and other governance documents, in particular the Framework Document entered into by the Department and LocatED.

The Department is responsible for decisions relating to LocatED's funding and control in relation to the provision of its services. LocatED's priorities and performance measures are set in light of the Secretary of State's powers to acquire land and invest in education.

LocatED must maintain proper accounts and prepare a set of annual accounts. The Directors are required to comply with duties concerning annual accounts under the Companies Act 2006.

Classification

LocatED has been classified to the central government sector. In practice this means that the annual accounts of LocatED are consolidated into the Department's accounts.

For policy/administrative purposes LocatED is classified as an NDPB.

Performance analysis

This section sets out LocatED's Key Performance Indicators (KPIs) for 2023-24. It shows how LocatED performed during the year. The 2023-24 KPIs changed from previous years so some may not have a comparison to the previous year:

- KPI1 - Quality of advice: An assessment of the quality of advice provided. This indicator measures the extent to which departmental colleagues and educational establishments agree that LocatED provides accurate and timely advice. The result in 2023-24 was rated exceptional (2022-23: N/A as this was not a KPI).
- KPI2 (previously KPI5) – Savings on site management: Savings made, and income gained through site management initiatives as a percentage of the initial site management budget. This indicator measures the sum saved by the department through LocatED's work to improve the efficiency of site management. The result in 2023-24 was rated exceptional (2022-23: exceptional).
- KPI3 – Site requirements: An assessment of how well the final site for acquisition meets the requirements of the commission. This indicator measures the extent to which departmental colleagues and educational establishments agree that LocatED acquisitions met the requirements. The result in 2023-24 was rated exceptional (2022-23: N/A as this was not a KPI).
- KPI4 (previously KPI 2) – Good value acquisitions: The total cost of acquiring sites as a percentage of the summed red book valuation (RBV)¹ of sites acquired. This indicator measures the total acquisition cost of all commercial purchases as a percentage of the total of all the red book valuations for the sites acquired. The result achieved in 2023-24 was rated good (2022-23: good).
- KPI5 (previously KPI6) – Good value disposals: The disposal price as a percentage of the total red book valuations taken at the point of placing on open market. This indicator measures the total sales receipt from the disposal of sites as a percentage of the summed Red Book Value of the sites disposed of. At the request of the Department, all disposals in 2023-24 were put on hold due to the resource pressures associated with undertaking urgent RAAC related work. The Department approved that this KPI would not be included as a KPI for 2023-24. (2022-23: exceptional).

Forward look

In 2024-25 LocatED will continue to expand its work and expects to achieve the following on behalf of the Department:

- Continue to secure sites for free schools and other educational establishments;
- Manage a large portfolio of sites and buildings held for free schools; the overwhelming majority are sites purchased for free schools and held prior to handover to free school trusts or contractors;

¹ A Red Book valuation is a formal opinion of the valuation of an asset carried out by a Registered Valuer

- Produce income, manage and reduce holding costs and minimise risk from these sites;
- Provide advice to the Department, other government departments and bodies involved in schools, further education, and other social infrastructure;
- Lead the Surplus Land for Housing Pilot to raise funds to support additional capital investment in school buildings and, in turn, release land for new homes;
- Research new initiatives to adapt the delivery model from the Surplus Land for Housing Pilot to benefit more schools across the country;
- Take on additional complex, mixed-use developments in support of the efficient delivery of new schools;
- Dispose of sites that are no longer required for educational use by the Department;
- Lead the delivery of net zero across the education estate infrastructure through the Net Zero Accelerator Service to offer schools funding, support and delivery of decarbonisation, energy efficiency and generation interventions on their estate in a low burden approach.

Programme assurance

In 2023-24, LocatED's Chief Executive, as Accounting Officer, had responsibility for maintaining a sound system of governance, internal controls and risk management to support the achievement of LocatED's policies, aims and objectives, while safeguarding public funds and departmental assets. This is in accordance with the responsibilities in HM Treasury's (HMT) 'Corporate governance in central government departments: code of good practice.'

Principal risks

These are described in the Governance Statement.

Complaints to the Parliamentary Ombudsman

The Parliamentary and Health Service Ombudsman (the Ombudsman) can investigate complaints against the administrative actions of a wide range of government departments and other public bodies; or the actions of organisations acting on their behalf.

In 2023-24 no complaints relating to LocatED were received or accepted by the Ombudsman for investigation (2022-23; nil).

Corporate Social Responsibility (CSR) including the environment

The LocatED team is proud to play its part in the delivery of new, world-class schools and in creating thousands of good school places for future generations of children. It is also committed to supporting improvements and efficiencies in the wider school estate.

To deliver this responsibly, LocatED has embedded ethical and sustainable business practices and takes account of the social, economic, and environmental impact of its activity. It leads its employees to adopt a community-focused approach and encourages their development and active participation in CSR initiatives and voluntary opportunities.

The progress made in each area in 2023-24 is detailed as follows:

Community

LocatED does not, and cannot, work in a commercial or social vacuum. Part of LocatED's ethos is that it has responsibilities to its clients, suppliers, neighbours and to the wider communities it serves. LocatED has delivered the following initiatives:

■ **Volunteering**

During the year 90.5 days were taken as part of LocatED's volunteering scheme that offers each employee two paid days a year to undertake voluntary work of their choice.

Employees volunteered by presenting at careers fairs, mentoring students, coaching sports, knitting to raise money for those in need, litter picking, delivering meals to the vulnerable and elderly and in various roles supporting multi academy trusts (MATs), among many more worthwhile causes.

■ **Apprenticeship Surveyor Programme**

LocatED has partnered with The University College of Estate Management (UCEM) to develop an Apprenticeship Surveyor Programme that will provide a mix of hands-on practical experience, structured learning, and development to support apprentices in completing the Assessment of Professional Competence.

LocatED supported four apprentices through this year's programme.

LocatED also supports one apprentice studying for their level 4 finance qualification.

■ **UK Boardroom Apprentice Programme 2024**

LocatED applied for and were successfully matched with a Boardroom Apprentice as part of the Ministry of Housing, Communities and Local Government (previously Department for Levelling Up, Housing and Communities) Boardroom Apprentice Programme. The programme seeks to enable a wider diversity of individuals by giving them exposure to unique board learning and development designed to enable those who would like to serve on a public or third sector board to learn and gain experience in a safe way before they take that step.

■ **LocatED is also a member of:**

- Real Estate Balance - a campaigning organisation working to improve diversity and inclusion in the real estate industry
- The 5% Club - an organisation focused on creating momentum behind the recruitment of apprentices and graduates into the workforce – platinum membership
- Care Leavers Covenant - an organisation providing additional support for those leaving care

In addition, LocatED is also a Disability Confident employer and an Investors in People and Carers accredited company.

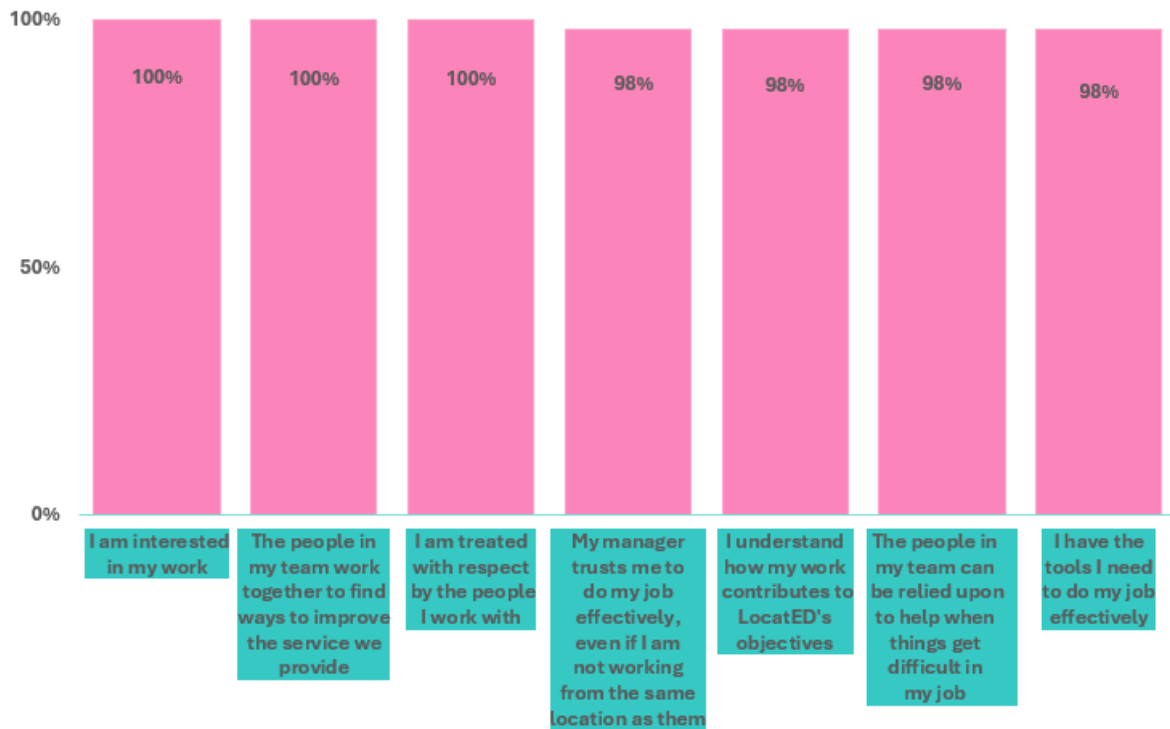
In 2023-24 LocatED was and remains committed to developing and growing all of the above initiatives to support the community. It aims to increase adoption of its voluntary programme and to offer a broader range of work experience opportunities for young people at LocatED to promote accessible routes into the property profession and business support services.

People

LocatED has and will continue to prioritise the wellbeing of LocatED employees by:

- Providing a supportive, safe, and vibrant environment to work in;
- Promoting equality of opportunity and real diversity;
- Offering a fair and competitive total value proposition;
- Enabling clear paths of personal and professional growth;
- Providing opportunities to make an impact and to see that impact;
- Encouraging a happy work/life balance and a true meritocracy.

In 2023-24 LocatED demonstrated progress towards these goals, with the following percentage of employees reporting in the annual employee survey their agreement with the statements.



In the same survey, 98% of respondents said they had not experienced discrimination at work.

LocatED's People and Development Team also successfully promoted a company-wide, comprehensive learning and development programme throughout 2023-24. Activities included:

- Weekly lunchtime seminars, with speakers from across the public and commercial sectors as well as several wellbeing sessions;
- 1009 individual training and development activities completed.

Greening Government Commitments

LocatED has previously been exempt from HMT Sustainability Reporting due to operating as an arms-length body occupying less than 500m² of floor area. Due to this previous exemption, it is not possible to make disclosures on metrics and targets as we do not have the information to report against all areas set out in the latest guidance.

LocatED continues to demonstrate a strong and determined commitment to sustainability and efficiency. The team is committed to continue implementing and enhancing initiatives to drive efficiencies and lessen LocatED's own environmental impact. LocatED reduces its impact on the environment by cutting waste through office-based initiatives such as:

- Energy-efficient premises;
- The promotion of home working alongside the use of sustainable travel planning and intelligent IT to minimise travel;

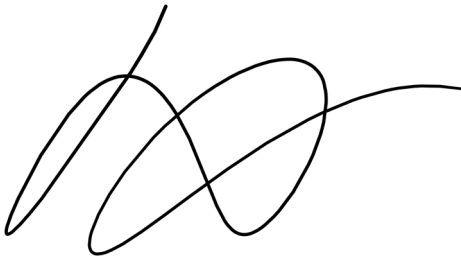
- Utility saving practices;
- Educating employees and promoting environmental initiatives in the workplace.

Going forward, LocatED is committed to delivering climate literacy training to 100% of staff by the end of 2024-25. Through the delivery of this training and additional support provided to staff, LocatED will be better placed to influence behaviours, driving change in relation to its consumption and to provide well informed advice when interacting with stakeholders.

Health and safety

LocatED recognises its obligations under the Health and Safety at Work Act of 1974, which imposes a statutory duty on employers to ensure, in so far as is reasonably practical, the health and safety of their employees whilst at work. LocatED is committed to providing a healthy and safe working environment for all its employees and third parties who work in, or visit, its premises; it has a Health and Safety Policy in place to support this.

The report was approved by the Board and signed for and on behalf of the Board by:



Lara Newman
Chief Executive and Accounting Officer
8 November 2024

LocatED Property Limited,
20 Cranbourn Street,
London, WC2H 7AA

2. DIRECTORS' REPORT

Principal activities of the company over the course of the year

LocatED was incorporated on 20 September 2016. It is registered in England and Wales, and it is a property company launched to improve the capacity and capability available to the Department. The company does not enter into any research or development activities.

The Directors of LocatED

The current Directors and Board members of LocatED are:

Lara Newman MBE  Chief Executive	Mark Prisk  Board Chair	Caroline Tolhurst  Non-executive Board Member	Julian Rudd-Jones  Non-executive Board Member
Phil Ellis  Non-executive Board Member	Alyson Gerner  Finance Director		

Directors of the Board	Appointment to the Board	Resignation from the Board
Michael Strong	3 February 2017	31 December 2023
Mark Prisk	2 January 2024	n/a
Caroline Tolhurst	3 February 2017	n/a
Phil Ellis	3 February 2017	n/a
Julian Rudd-Jones	3 February 2017	n/a
Alyson Gerner	22 February 2017	n/a
Lara Newman	16 March 2017	n/a

The Non-executive Board members have fixed term contracts. Michael Strong resigned from

the Board on the 31 December 2023. Mark Prisk has a contract that expires on 1 January 2027, Julian Rudd-Jones and Phil Ellis have a contract that expires on 31 March 2025 and Caroline Tolhurst has a contract that expires on 31 March 2027. All Non-executive Director contracts contain provision for three months' notice of termination from either side. Alyson Gerner was appointed as Company Secretary on 29 April 2022.

Business review

A review of LocatED's performance is included in the Strategic Report along with details of the KPIs that applied from 1 April 2023 to 31 March 2024.

Future developments of the business

This information is included in the Chief Executive's perspective on performance section of the Strategic Report.

Directors' conflicts

The Companies Act 2006 provides that Directors must avoid a situation where they have, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with a company's interests. Any interests must be brought to the attention of the Board and then dealt with in accordance with the Board's conflict of interest policy. A register of Directors' interests is maintained and made available for inspection at all Board meetings where Board decisions are made. LocatED publishes the register on our website.

Directors' indemnity

The Department, rather than LocatED, provides the Non-executive Directors and Executive Directors with third-party liability cover (subject to terms and conditions) through the Non-executive Directors' letters of appointment and Risk Protection Arrangements for LocatED.

Directors' remuneration

The Directors' remuneration is shown in the Remuneration and Staff Report.

Political and charitable donations

No political or charitable donations were made during the year ended 31 March 2024 (2022-23: £nil).

Financial risk, market risk, liquidity risk and cash flow risk

The only credit risk faced by LocatED during 2023-24 was in relation to the disbursements paid on behalf of landowners for the Surplus Land for Housing Pilot, it is intended that these disbursements will be recovered from the landowner if the individual project is successful. All properties are acquired on behalf of the DfE. LocatED does not own any property, so there is no market risk. Regarding liquidity and cash flow, cash was provided to meet LocatED's cash need, and the Department provided LocatED with a Keep Well agreement, the details of which are in the 'Going Concern' paragraph within this report.

Principal risks facing LocatED

These are described in the Governance Statement.

Dividends

The company has not paid any dividends during the period and no dividends are proposed by the Directors.

Share capital

The company issued one £1 Ordinary share for a consideration of £1 on 20 September 2016. The sole shareholder is the Secretary of State for Education. Following the issue of the share, the issued share capital of the company is £1.

Governance, internal controls and risk management

The Board accepts and acknowledges that it is both accountable and responsible for ensuring that the company has in place appropriate and effective systems, procedures, policies and processes for internal controls.

The Board believes that there have been appropriate internal controls and risk management in place throughout the year to 31 March 2024.

A full report on governance and risk management can be found in the Governance Statement.

Equality and diversity

LocatED is committed to the principle of equal opportunities in employment and is opposed to any form of less favourable treatment or financial reward through direct or indirect discrimination, harassment, victimisation to employees or job applicants on the grounds of race, religious beliefs, political opinions, colour, ethnic origin, nationality, marital or parental status, gender, age, sexual orientation or disability.

LocatED is committed to the promotion and implementation of a culture of diversity, both internally and externally, and expects its employees to accept the duty it imposes upon itself not to discriminate, either in employment practices or in the provision of facilities and services, by reference to race, colour, ethnic or national origin, religion, creed, gender, sexual orientation, disability, appearance, age or marital status.

Social and community issues

These are described in the Strategic Report, Corporate and Social Responsibility section.

Pension

All employees have access to a pension scheme, which is described in the Remuneration and Staff Report.

Financial commentary

All LocatED's expenditure was funded from grant-in-aid from the Department. The Department does not provide cash to LocatED to cover outstanding liabilities. However, the Department will provide cash to cover these when they are paid. This amount is currently shown as the balance in the Statement of Changes in Taxpayers' Equity.

In the year to 31 March 2024 LocatED was given a budget £9.443million of which LocatED spent £8.105 million to cover its operating costs. This included £2.275 million for project related pre-acquisition costs for sites, mixed-use developments, disposals costs of £20k, £5.045 million for employee staff costs and £227k on premises costs. This was a grant-in-aid, provided by DfE and is not classified as income.

LocatED completed 14 site acquisition commissions in the year and managed over 110 properties held for free schools but not yet in use. It did this on behalf of the Department and so all costs were paid directly by the Department and any income and expenditure was therefore recognised in the DfE's Annual Report and Accounts.

In 2023-24 LocatED continued to get all its funding from grant-in-aid provided by the Department.

Relationships essential to the business of the company

LocatED's operating model uses a range of shared services provided by the Department: Financial Accounting, Financial Management, Payments and Treasury Management, Information Technology and Property Management Services (in relation to LocatED's office premises). These arrangements have been in place since November 2016.

Auditor and remuneration paid to auditor

LocatED has appointed the Comptroller and Auditor General as its external auditor. The National Audit Office (NAO) carries out the audit for and on behalf of the Comptroller and Auditor General. The remuneration paid to its external auditor for work during this financial year was £63,600 including VAT (2022-23: £61,200 including VAT). No non-audit work was undertaken by the auditors.

Events after the reporting period

These are described in the Notes to the accounts – Note 10.

Company registration

LocatED is a company registered in England and Wales. Its registered address is 20 Cranbourn Street, London, WC2H 7AA.

Going concern

These accounts have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future.

The Directors have reviewed the forward plans of the Department. Funding from the Department, taking into account the amount required to meet LocatED's liabilities falling due in the year, has already been included in the Department's Estimate for the year. Parliament has approved the Estimate and there is no reason to believe that the Department's sponsorship and future Parliamentary approval will not be forthcoming.

In November 2022 HMT approved the business case for LocatED to continue up to 31 March 2025 however this could be extended until 31 March 2026 if the Department considered that LocatED was still required. The Department have confirmed that HMT have received a request to extend our Business Case approval for a further 12 months to the 31 March 2026.

In addition, the Department provided LocatED with an updated Keep Well Agreement signed on behalf of the Secretary of State on the 29 October 2024 that runs until the 31 December 2026. This guarantees that if LocatED at any time determines that it will not have available to it sufficient cash or other liquid assets to meet its payment obligations in connection with its business activity, then it will promptly notify the Secretary of State (via the Department's Accounting Officer) of the shortfall and the Secretary of State will make available to LocatED, as soon as is reasonably practicable, funds sufficient to enable it to meet such payment obligations in full.

LocatED will use the funds made available to it by the Secretary of State solely for the discharge when due of such payment obligations. The funds will be provided to LocatED in the form of a Grant-in-Aid.

The Directors therefore consider that it is appropriate for the accounts to be prepared on a going concern basis.

The report was approved by the Board and signed for and on behalf of the Board by:

A handwritten signature in black ink, appearing to read 'Lara Newman', is written over the text of the signature line.

Lara Newman

Chief Executive and Accounting Officer

8 November 2024

3. STATEMENT OF THE DIRECTORS' AND THE ACCOUNTING OFFICER'S RESPONSIBILITIES

The Directors and the Accounting Officer are responsible for preparing the Annual Report and Accounts in accordance with the applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with the UK adopted International Accounting Standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss for the period.

In preparing the accounts, LocatED is required to comply with the requirements of the Companies Act 2006 and the Financial Reporting Manual (FReM), as long as it does not contradict the Companies Act, and in particular to:

- Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable, and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- Make an assessment of the company's ability to continue as a going concern.

The Directors and Accounting Officer are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the Company.

The Permanent Secretary and Principal Accounting Officer for the Department designated Lara Newman as Accounting Officer of LocatED in April 2017. The responsibilities of an Accounting Officer include responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding LocatED's assets as set out in 'Managing Public Money' published by HMT.

Each of the current Directors and the Accounting Officer confirms that;

- They take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable; and
- The financial statements give a true and fair view of the assets, liabilities, and financial position of the Company; and
- The Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the Company, together with a description of its risks and uncertainties.

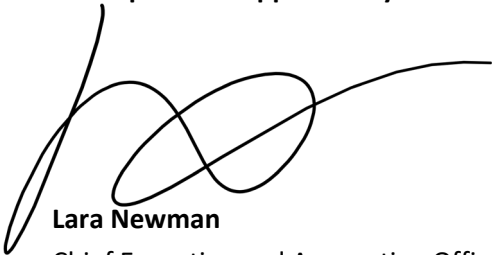
In addition, having taken all the matters considered by the Board and brought to the attention of the Board during the year into account, the Directors and Accounting Officer are satisfied that the annual report and accounts, taken as a whole, are fair, balanced and understandable.

Directors' Declaration

The Directors who held office at the date of approval of this Directors' Report confirm that, as far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors were aware of that information.

The confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

The report was approved by the Board and signed for and on behalf of the Board by:

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Lara Newman

Chief Executive and Accounting Officer

8 November 2024

4. GOVERNANCE STATEMENT

The purpose of the Governance Statement

The statement explains how the Chief Executive and Directors of LocatED have put in place arrangements for good corporate governance and reviews of the effectiveness of these arrangements to ensure compliance with HMT's 'Corporate governance in central government departments: code of good practice,' where relevant to LocatED.

Scope of responsibility

LocatED is an NDPB established to assist the Department in implementing its policies and achieving its aims and objectives in relation to free schools. This is further explained in the Strategic Report.

Regarding recruitment, LocatED was given delegated authority to offer appointments at the numbers and salary ranges set out in the staff and pay framework that was agreed with HMT, except where the potential remuneration was in excess of £100,000, in which case the approval of the Department was also required. The Secretary of State approved all pay awards including performance related payments.

A system of internal control has been in place to govern spending in LocatED for the financial period up to the date of approval of the Annual Report and Accounts.

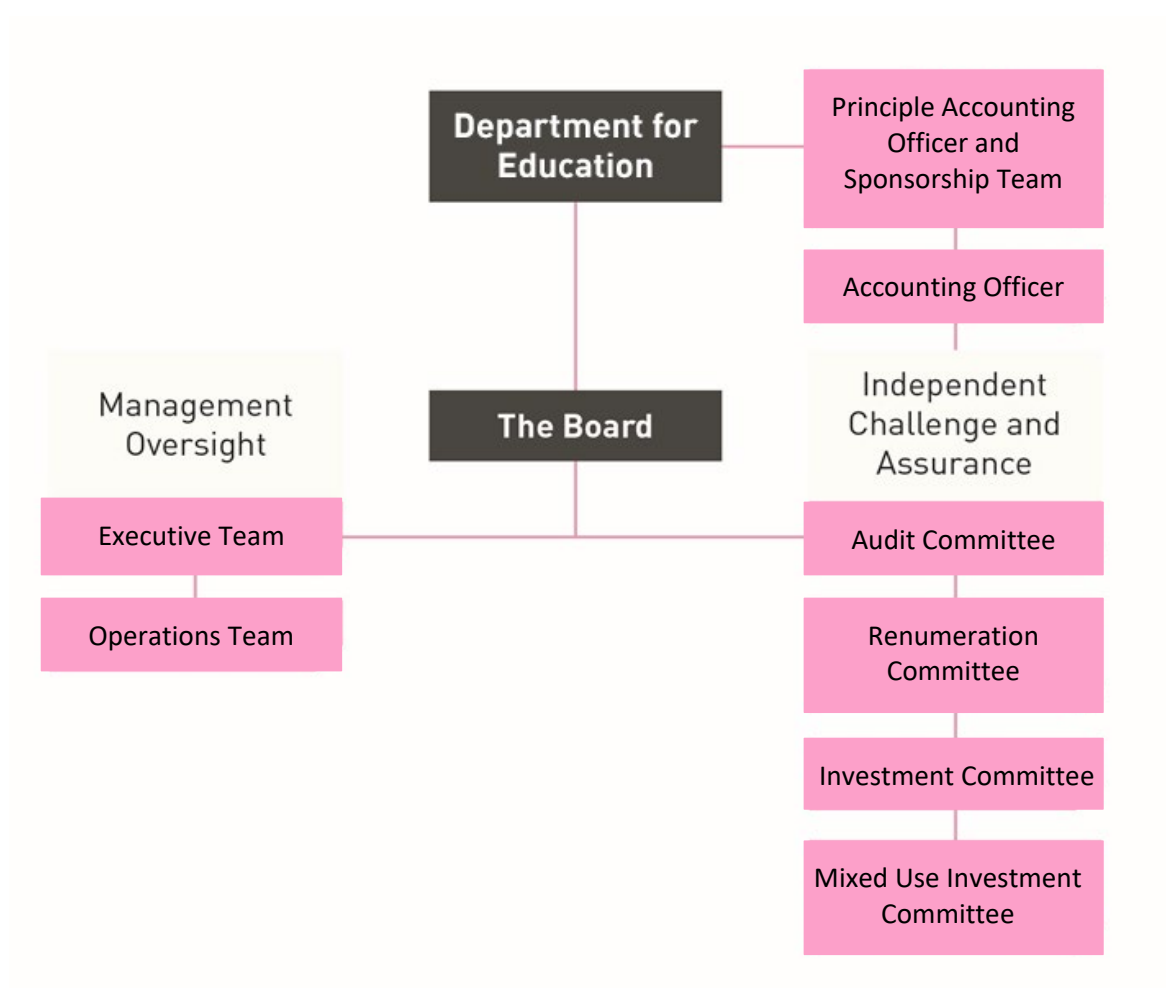
The organisation's governance framework

As sole shareholder, the Secretary of State resolved to adopt the Articles on 4 January 2017; these were subsequently approved by the LocatED Board on 22 February 2017 subject to amendment. The Secretary of State subsequently adopted the amended Articles on 7 March 2017.

LocatED's other governance documents of relevance for 2023-24 consist of:

- The Framework Document dated 26 April 2017, updated on 4 May 2021 and then again on 11 April 2024, specifies the broad corporate framework within which LocatED must operate. It sets out the roles and responsibilities of the Board, Chair and the Accounting Officer as well as LocatED's objectives. This document is underpinned by HMT's Managing Public Money and other government-wide corporate governance requirements and recommendations;
- The letter dated 8 May 2017 from the Department's Accounting Officer appointing the Chief Executive as Accounting Officer;
- The letter dated 13 June 2023 from the Permanent Secretary of the Department confirming LocatED's budget allocation for the financial year 2023-2024;
- The Keep Well Agreement between the Secretary of State and LocatED, pursuant to which the Secretary of State guarantees certain liabilities and obligations required to support LocatED as a going concern.

The Board and Committees



The Board and Committees 2023-24

Post year-end an Investment and Development Committee and a Programme Committee have replaced the Investment Committee and the Mixed-use Investment Committee to reflect the changing remit of the business.

The Board

As at 1 April 2023 the Board consisted of the Chair (Michael Strong until December 2023, Mark Prisk as of January 2024), three other Non-executive Directors, the Chief Executive and one Executive Director. The Shareholder's Observer is invited to attend the Board, Audit and Remuneration Committee meetings and receives all the relevant papers. The Board met for eight out of 12 months and each member, as well as the Shareholder's Observer, was provided in advance with all the relevant information relating to the matters to be discussed.

Function

To establish and take forward the strategic aims and objectives of LocatED consistent with its overall strategic direction and within the policy and resources framework determined by

the Secretary of State. It provides leadership, strategic direction and specialist expertise as well as independent scrutiny to ensure that effective arrangements are in place for assurance on risk management, governance and internal controls. It provides independent perspective and assurance on capability, and independent support, guidance and challenge on the progress and implementation of the business plan. It scrutinises the performance of the organisation in meeting agreed goals and objectives and monitors the reporting of performance, including financial targets.

Member	Role	Meetings attended
Michael Strong (Resigned 31 December 2023)	Chair and Non-executive Director	6 out of 6
Mark Prisk (Joined 2 January 2024)	Chair and Non-executive Director	2 out of 2
Caroline Tolhurst	Non-executive Director	8 out of 8
Phil Ellis	Non-executive Director	8 out of 8
Julian Rudd-Jones	Non-executive Director	7 out of 8
Alyson Gerner	Finance Director and Company Secretary, Executive Director	7 out of 8
Lara Newman	Chief Executive	8 out of 8
Jonathan Dewsbury, Shareholder's Observer or deputy	Director of Capital, DfE	8 out of 8

The Board's annual review of its own processes and practices

Presentations on a wide range of subjects relevant to the business continue to be provided before Board meetings and are regularly attended by Board members. The Board undertook a self-assessment exercise in February 2024, the results of which were reviewed by the Board in March 2024. As a result, a comprehensive induction process for the Non- Executive Directors was agreed by the Board members.

On 13 March 2024 the Board confirmed that in 2023-24 the Board and committees had received papers in advance and in a format that provides them with the information that they require. The terms of reference for the Board were updated and adopted in August 2024.

The Shareholder's Observer attends the Board and gives a summary of any new developments within the Department.

Highlights of the Board and Committee reports

During 2023-24, the Board took forward the strategic aims and objectives of LocatED whilst ensuring effective arrangements remain in place to provide assurance on risk management and governance. The Board provided challenge and scrutiny in respect of LocatED's expanded remit, in particular in respect of third-party advice and the Net Zero Accelerator Programme. It also provided comments and advice in respect of LocatED's Corporate Plan.

The work of the Board is supported by four Board committees:

Audit Committee (AC)

During 2023-24 the Audit Committee approved the Government Internal Audit Agency (GIAA) internal audit plan, the GIAA charter and reviewed the NAO's external audit plan.

Function

To advise the Board and provide assurance on processes for risk, controls, anti-fraud policies, whistleblowing arrangements, special investigations and governance, including the Governance Statement and the rest of the Annual Report and Accounts of LocatED. It also reviews planned activity and results from both internal and external audits and management reports. The Audit Committee Terms of Reference were adopted by the Board on 22 February 2017, are reviewed annually and were last updated on 17 July 2024.

During 2023-24 the Audit Committee met three times. The membership and their attendance are listed below:

Members	Meetings attended
Caroline Tolhurst (Chair)	3 out of 3
Phil Ellis	3 out of 3

Other attendees by invitation are: LocatED Finance Director, LocatED Legal Counsel, representatives from the NAO, representatives from GIAA and the Shareholder's Observer.

Investment Committee (IC)

During 2023-24 the Investment Committee assessed and approved 20 acquisitions and three disposals.

Function

To approve all acquisitions, disposals and any other transactional decisions escalated to it by LocatED's Accounting Officer. The IC Terms of Reference were adopted by the Board on 8 August 2017, are reviewed annually and were last updated on 19 April 2023.

During 2023-24 the Investment Committee met 12 times. The membership and their attendance are listed below:

Members	Meetings attended
Julian Rudd-Jones (Chair)	10 out of 12
Phil Ellis	11 out of 12
Lara Newman	12 out of 12

Other attendees are: LocatED Finance Director, LocatED Legal Counsel, Property Director, and Director – Technical, Planning and Construction.

Mixed-use Investment Committee (MUIC)

Function

To approve mixed-use transactions and support the Board in discharging its responsibilities for ensuring that any proposed mixed-use activities, meet the terms of the commissioning instructions from the Department, the terms of the delegated authorities and mixed-use project acquisition criteria agreed with the Department (collectively the 'Mixed-use Requirements'). The MUIC Terms of Reference were adopted by the Board on 19 July 2018, are reviewed annually and were last updated on 19 April 2023.

During 2023-24 the Mixed-use Investment Committee met 13 times.

The membership and their attendance are listed below:

Members	Meetings attended
Julian Rudd-Jones (Chair)	9 out of 13
Phil Ellis	13 out of 13
Lara Newman	13 out of 13
Bruce Crowther, Shareholder's Observer or nominated deputy	11 out of 13

Other attendees are: LocatED Finance Director, Legal Counsel, Procurement Executive, Property Director, and Director – Technical, Planning and Construction.

Remuneration Committee (RC)

Function

Operation of the Pay Framework outlined in the Framework Document, ensuring that the remuneration arrangements support strategic aims and enable the recruitment, motivation and retention of employees. The Remuneration Committee Terms of Reference were adopted by the Board on 22 February 2017, are reviewed annually and were last updated on 19 April 2023.

During 2022-23 the Remuneration Committee met three times. The membership and their attendance are listed below:

Members	Meetings attended
Michael Strong (Chair) (Resigned 31 December 2023)	3 out of 3
Caroline Tolhurst	3 out of 3

Other attendees are: LocatED Chief Executive, Shareholder's Observer, LocatED Chief People Officer.

Risk management

Key issues and risks facing the entity

LocatED's principal risk categories are shown below.

Risk category	Definition
Strategic	Risks that impinge on the effective and timely delivery of LocatED's strategic objectives. Specifically in 2022-23 there has been an increased risk of failure in supply chains and price inflation.
Operational, performance & programme delivery	The risk that annual KPI and operating results may not meet departmental, management and stakeholder expectations, as a result of inadequate or failed internal processes, people and systems.
Financial	Risks that impinge the effective management of finances in accordance with financial regulation, legislation and standards and financial constraints including the prevention of financial fraud.
Reputational & conduct risk	Risk arising from an adverse perception of LocatED and its activities by partners, stakeholders and the general public.
Regulatory, compliance & legal	The risk of a breach of laws, regulations, and/or codes of practice, or changes in regulation and/or law which might adversely impact LocatED's business.
Commercial	The risk of weakness in the management of commercial transactions, partnerships, supply chains and contractual requirements, resulting failure to meet business requirements and achieve value for money.
Political & economic	The risk that changes in the political and/or macro-economic environment might impact the achievement of business objectives or the approval of a business case for LocatED's continued existence

Within these risk categories there are a number of unique risks to LocatED that it monitors and manages effective mitigation for. These risks result from the nature of its strategic objectives, corporate KPIs given by the Department and exposure to the commercial property market:

Site acquisition risk

- LocatED does not complete the required site acquisition commissions from the Department to meet demand for the free schools' programme;

- The sites that LocatED acquires are not appropriate for the commission;
- LocatED fails to achieve its Key Performance Indicators for value for money and timely delivery.

Site acquisition risk mitigation

The way in which LocatED manages its site acquisition risks are detailed below.

LocatED has recruited people that have the required commercial capability and expertise to find the right sites. These people are well engaged with the commercial property market and are experts in planning, construction, development, and site acquisition.

In addition, LocatED has an established and effective Programme Management Function and an Investment Committee that provides oversight and independent challenge for all acquisitions, assessing the suitability of the sites, the risks associated with them and value for money.

LocatED reports its achievement against its KPIs at each Board meeting, identifies any risk to their achievement and proposes corrective action, it also reports this to the Department every quarter.

Asset management risk

- LocatED manages sites on behalf of the Department; there is a risk that these sites do not comply with statutory legislation and health and safety.

Asset management risk mitigation

A Facilities Management contract was mobilised in 2020-21 as well as a new Managing Agents contract also being awarded and mobilised. Together these two contracts align procurement activities to their pertinent sector frameworks through Crown Commercial Service, effectively mitigating procurement risk and health and safety risks.

Risk monitoring and escalation

In 2016-17 LocatED developed a Risk Management Strategy that was agreed by LocatED's Audit Committee in March 2017. The document was updated in March 2024 and reviewed in February 2022; and it has been fully implemented. The risks detailed in the Strategic and Operational Risk Register are regularly reviewed by the relevant committees such as the Investment Committee and the Remuneration Committee and by the Board every quarter. LocatED's Operational Management Team review the Operational Risk Register on a quarterly basis.

The Board and Audit Committee have risk management as a focus and scrutinise strategic risks, countermeasures, contingencies and advice to ensure LocatED is effectively managing the risks.

Risks relating to individual property transactions are detailed in the reports prepared for the Investment Committee and are used to inform decision-making.

LocatED has designed a robust system of governance, internal control and risk management to manage risk to an appropriate level rather than eliminate all risk of failure to achieve policies, aims and objectives. Therefore, it can only provide reasonable and not absolute assurances of effectiveness. The system of internal control is based on an ongoing process designed to:

- Identify and prioritise the risks to the achievement of LocatED's delivery aims and objectives;
- Evaluate the likelihood of those risks being realised and the impact should they be realised; and
- Take reasonable steps to manage them efficiently, effectively and economically.

Sources of assurance

GIAA was appointed to provide LocatED with internal audit services from 1 April 2017. GIAA focuses on risk and prepares a risk-based audit plan

GIAA carried out four audits in 2023-24. These were 1. Acquisitions and disposals, 2. Estates Efficiency, 3. Core finance and 4. Procurement

For audits 1-3, the opinion given by GIAA was 'Substantial' which demonstrated that the framework of governance, risk management and control is adequate and effective. For the procurement audit, the opinion given by GIAA was 'Moderate' which indicated that some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.

The GIAAs Head of Internal Audit has provided LocatED with his annual report, which incorporates his opinion on LocatED's system of governance, risk management and internal control. His opinion has been informed by the internal audit work completed during the year, in line with the internal audit plan agreed by management and the Audit Committee. Of the four possible opinion ratings, the overall opinion rating given was Moderate. This indicates a relatively stable assurance position and is in line with the position in previous years.

LocatED has accepted this assessment and has either implemented or is working to implement the suggested improvements.

With the agreement of Audit Committee, the planned audit on Surplus Land Project and Advice to Third Parties was repurposed to focus on the Estate Efficiency workstream (the audit renamed as 'Estates Efficiency'); The audit of 'Commercial Activity' was originally intended to review contract management, but the scope was amended to focus on procurement in the business-as-usual setting (the audit renamed as 'Procurement').

Countering fraud, error and debt

In the year to 31 March 2024 no fraud was detected in relation to LocatED's transactions (2022-23: nil).

Whistleblowing arrangements

The Audit Committee is responsible for reviewing the whistleblowing arrangements, these are set out clearly in the colleague handbook that all colleagues are required to read. LocatED has effective whistleblowing processes and procedures in place. In 2023-24 there were no whistleblowing cases (2022-23: nil).

Knowledge, information assurance and protective security

LocatED has established and implemented an information asset process consistent with Department requirements and has established its own data protection policy with Board approval. It has also taken significant steps to ensure compliance with the General Data Protection Regulations (GDPR), strengthening its data protection policy, delivering training to employees, appointing a Data Protection Officer and ensuring that any contracts it enters into, are GDPR compliant.

LocatED still operates on the same technology platform as the Department and LocatED's Accounting Officer remains the Senior Information Responsible Owner (SIRO).

Report on personal information breaches

All NDPBs are required to report personal data-related incidents that have occurred during the financial year in accordance with the standard disclosure format issued by the Cabinet Office.

The Cabinet Office defines a 'personal data-related incident' as a loss, unauthorised disclosure or insecure disposal of protected personal data. 'Protected personal data' is data that a department, or its delivery partner, agrees the release or loss of which could cause harm or distress to individuals:

- Information that links one or more identifiable living person with information about them, the release of which would put the person or persons at significant risk of harm or distress;
- Any source of information about 1,000 or more identifiable individuals, other than information sourced from the public domain.

LocatED had no protected personal data-related incidents that it judged significant enough to report formally to the Information Commissioner's Office in 2023-24 and it had no protected personal data-related incidents reported in 2023-24 that were significant enough for the Department to record centrally. This was the same in 2022-23.

Conclusion

In the year to 31 March 2024 LocatED had developed a sound system of governance, risk management and internal control.

The report was approved by the Board and signed for and on behalf of the Board by:



Lara Newman

Chief Executive and Accounting Officer
8 November 2024

5. REMUNERATION AND STAFF REPORT

Chief Executive and Board members' remuneration policy

The Chief Executive and all employees are paid in accordance with the Pay Framework provided by the Department and agreed with HMT that sets out the pay ranges and benefits for all employees. LocatED manages performance and non-consolidated performance awards for employees in accordance with the Framework Document and Pay Framework.

The Chief Executive has a permanent contract, subject to six months' notice by either party. The Finance Director is on secondment from the Department and their appointment is fixed. Alyson Gerner was appointed as Company Secretary on 29 April 2022. The Chair and Non-executive Directors that remain in post and are covered by this report hold appointments as follows: Michael Strong resigned from the Board on the 31 December 2023. Mark Prisk has a contract that expires on 1 January 2027, Julian Rudd-Jones and Phil Ellis have a contract that expires on 31 March 2025 and Caroline Tolhurst has a contract that expires on 31 March 2027. All Non-executive Director contracts contain provision for three months' notice of termination from either side.

Early termination for Executive Directors (who are not secondees), other than for misconduct, would result in the individual receiving statutory compensation payments.

Remuneration (salary, fees, performance related pay (PRP) and pensions) of Directors of LocatED (subject to audit)

Director	Salary *	PRP	Employer Pension Contributions	Total	Salary	PRP	Employer Pension Contributions	Total
	2023-24 £'000	2023-24 £'000	2023-24 £'000	2023-24 £'000	2022-23 £'000	2022-23 £'000	2022-23 £'000	2022-23 £'000
Lara Newman Chief Executive	210-215	40-45	12.8	265-270	200-205	35-40	12	250-255
Alyson Gerner Finance Director	115-120	5-10	29	150-155	115-120	5-10	29	155-160
Michael Strong Chair and Non-executive Director (<i>Full year equivalent</i>)	20-25	-	-	20-25	20-25	-	-	20-25
Mark Prisk Chair and Non-executive Director (<i>Full year equivalent</i>)	20-25	-	-	20-25				

Director	Salary *	PRP	Employer Pension Contributions 2023-24 £'000	Total	Salary	PRP	Employer Pension Contributions 2022-23 £'000	Total
Caroline Tolhurst Non-executive Director	15-20	-	-	15-20	15-20	-	-	15-20
Phil Ellis Non-executive Director	15-20	-	-	15-20	15-20	-	-	15-20
Julian Rudd-Jones Non-executive Director	15-20	-	-	15-20	15-20	-	-	15-20

*'Salary' includes gross salary; recruitment and retention allowances, and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by LocatED and thus recorded in the accounts. The Non-executive Directors receive fees.

There were no nil cash or taxable benefits paid for in 2023-24 or 2022-23.

Notes

- Alyson Gerner is on secondment that ends on the 31 March 2025. During the year £191.6k was paid to the Department in respect of the Director's services of Alyson Gerner (2022-23: £193k). These figures include salary, pension, employer social security costs and VAT.

The Non-executive Directors are not entitled to be part of LocatED's pension scheme or receive payments under the Performance Related Pay scheme.

Fair pay disclosure (subject to audit)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

The Hutton fair pay disclosure for LocatED is as follows:

Remuneration – Salary and PRP	2023-24	2022-23
Band of highest paid director's remuneration	£255,000-£260,000	£240,000-£245,000
25 th percentile	£50,380	£47,249
Median	£74,512	£72,394

Remuneration – Salary and PRP	2023-24	2022-23
75 th percentile	£100,998	£98,171
Range of employee's remuneration (£)	£25K to £30K – £255k-£260k	£20k to £25k - £240k to £245k
Remuneration ratio from the mid-point of the band of the highest paid director to the 25 th percentile	5.1:1	5.1:1
Remuneration ratio from the mid-point of the band of the highest paid director to the median	3.5:1	3.3:1
Remuneration ratio from the mid-point of the band of the highest paid director to the 75 th percentile	2.6:1	2.5:1

The banded remuneration of the highest-paid director in LocatED in the financial year 2023-24 was £255,000-£260,000 (2022-23: £240,000-£245,000). This was 3.5 times (2022-23: 3.3) the median remuneration of the workforce, which was £74,512 (2022-23: £72,394). It was also 5.1 times (2022-23: 5.1) the 25th percentile remuneration of the workforce, due to two employees in this percentile not being eligible for PRP.

LocatED believes the median pay ratio for the relevant financial year is consistent with the pay, reward and progression policies for LocatED's employees taken as a whole.

In 2023-24, no employees received remuneration in excess of the highest-paid director (2022-23: nil).

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Total Remuneration	2023-24	2022-23
Band of highest paid director's remuneration	£255,000-£260,000	£240,000-£245,000
25 th percentile	£44,602	£43,348
Median	£64,225	£62,560

Total Remuneration	2023-24	2022-23
75 th percentile	£87,822	£83,236

Percentage change in total salary and performance related pay for the highest paid director and the staff average (subject to audit)

	2022-23		2021-22	
	Total salary and allowances	PRP	Total salary and allowances	PRP
Staff average	3.3%	7.7%	0.43%	3.26%
Highest paid director	4.5%	14.5%	2%	-4.98%

Changes to employee average salary and allowances in the financial year 2023-24 was 3.3% (2022-23: 0.43%) and changes to the highest paid director salary and allowance in the financial year 2023-24 was 4.5% (2022-23: 2%).

Changes to employee average for PRP payments in financial year 2023-24 was 7.7% (2022-23: 3.26%) and changes to the highest paid director PRP payments in financial year 2023-24 was 14.5% (2022-23: -4.98%).

Employee turnover

	2023-24	2022-23
Employee turnover	10.8%	18.3%

Employee turnover in the financial year 2023-24 was 10.8% (2022-23: 18.3%)

Employee redeployment

Title	Redeployment	Duration
Finance Director	Inward Long-term loan from DfE	January 2017 – March 2025

Pension benefits (subject to audit)

	Accrued pension and related lump sum at pension age as at 31 March 2024	Real increase in pension and related lump sum at pension age	CETV at 31 March 2024	CETV at 31 March 2023	Real increase in CETV	Employer contribution to pension account
	£000	£000	£000	£000	£000	£000
Alyson Gerner	55-60 plus lump sum of 120-125	0-2.5	1290	1182	*-4	6

*Taking account of inflation, the CETV funded by the employer has decreased in real terms.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A cash equivalent transfer value is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued because of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that HM Treasury published on 27 April 2023; this guidance was used in the calculation of 2023-24 CETV figures.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the principal pension scheme and also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. Cash equivalent transfer values are worked out in accordance with the Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from lifetime allowance tax which may be due when pension benefits are taken.

The Chief Executive, Lara Newman pays into a personal pension plan. LocatED contributed £12.8k to that plan.

Average staff numbers and staff costs (subject to audit)

The details of employee's costs are included in the Financial Statements, Note 2.

Category of employees	Average headcount in the period to 31 March 2024	Headcount as of 31 March 2024	Average headcount in the period to 31 March 2023
Permanent	53	54	51.5
Temporary	0.5	0	0.5
Contractors/Agency	0	0	0
Seconded	1	1	1
Total	54.5	55	53

Performance Related Pay

LocatED awards performance related pay as part of the performance management process. LocatED sees effective performance management as key to driving up individual and organisational performance and providing greater value for money to deliver high-quality public services. LocatED has a performance management process that is agreed with the Remuneration Committee and is in line with the Pay Framework and Framework Document. The performance-related pay amounts reported relate to performance in 2023-24.

Sickness absence

During the period, LocatED lost 0.2 days per person to sickness absence (2.2 days per person in the period to 31 March 2023).

Compensation payments to past Directors and payments for loss of office (subject to audit)

No compensation payments or payments for loss of office have been made to past Directors of LocatED. (Nil compensation payments or payments for loss of office in the period to 31 March 2023).

People management

LocatED employees are classified as being public sector and are employed on terms and conditions agreed by HMT. Recruitment of employees is within the parameters provided in the Pay Framework and Framework Document.

At the end of March 2024 LocatED's employee headcount figures, for permanent and temporary (UK) employees with an employment contract (including one person who is seconded to LocatED but is on a permanent contract with the Department), were as follows:

Title	Male	Female	Total
Chief Executive	-	1	1
Director	3	2	5
Associate Director	5	-	5
Senior Manager	7	3	10
Manager	15	1	16
Corporate Support	1	8	9
EA, PA & Assistant	-	4	4
Graduate	-	1	1
Apprentices	3	1	4
Total	34	21	55

Off-payroll engagements

As part of the Review of Tax Arrangements of Public Sector Employees published by the Chief Secretary to the Treasury on 23 March 2012, Departments were directed to publish information pertaining to the number of off-payroll engagements, at a cost of over £58,200, that were in place on, or after, 31 January 2012 and any off-payroll engagements of Board members, and/or senior officials with significant financial responsibility, between 1 April 2023 and 31 March 2024.

There were no off-payroll engagements of Board members, and/or senior officials with significant financial responsibility as of 31 March 2024.

There were no arrangements that existed as of 31 March 2024 for more than £245 per day.

There were no off-payroll appointments engaged at any point during the year ended 31 March 2024 and earning at least £245 per day.

Employee Exit Packages (subject to audit)

There were no employee exit packages in 2023-24 (2022-23: nil).

Pension schemes

LocatED offers a defined contribution workplace pensions scheme in the United Kingdom for its employees. Employee contributions are salary-related and range between 4% and 6% of earnings. The employer matches that contribution up to a total of 6% of basic pay.

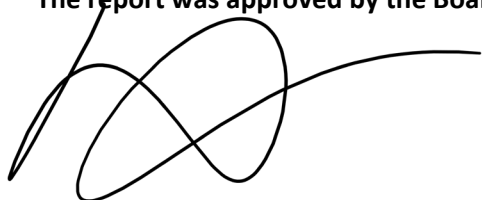
For 2023-24, LocatED made employer's contributions of £198.8k (2022-23: £190k).

Employee relations and communications

LocatED's people plan outlines the workforce vision and the people priorities that will support it in delivering its objectives until 2024. LocatED's Executive Management Team agreed the plan and oversees progress. LocatED's priorities include developing employees to improve both core and specialist skills, promoting a positive culture and supporting line managers.

LocatED has regular performance reviews to identify training needs and create individual training programmes that support professional qualifications. It monitors its progress in reducing skills gaps by regular reviews and analysing the effectiveness of completed training. LocatED also uses questionnaires to monitor satisfaction and wellbeing levels of its employees.

The report was approved by the Board and signed for and on behalf of the Board by:

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Lara Newman

Chief Executive and Accounting Officer

8 November 2024

6. PARLIAMENTARY ACCOUNTABILITY REPORT

Losses (subject to audit) – there were no losses in 2023-24 (2022-23: nil).

Special payments, including special severance payments (subject to audit) – there were no special payments in 2023-24 (2022-23: nil).

Gifts (subject to audit) – there were no gifts made in 2023-24 (2022-23: nil).

Fees or charges that required notification to Parliament (subject to audit) – there were no fees or charges in 2023-24 that required notification to Parliament in 2023-24 (2022-23: nil).

The report was approved by the Board and signed for and on behalf of the Board by:

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Lara Newman

Chief Executive and Accounting Officer

8 November 2024

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LOCATED PROPERTY LTD AND THE HOUSES OF PARLIAMENT

Opinion on financial statements

I have audited the financial statements of LocatED Property Ltd for the year ended 31 March 2024.

The financial statements comprise the LocatED Property Ltd's:

- Statements of Financial Position as at 31 March 2024;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and the UK adopted International Accounting Standards.

In my opinion the financial statements:

- give a true and fair view of the state of the LocatED Property Ltd's affairs as at 31 March 2024 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with the UK adopted International Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of LocatED Property Ltd in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the LocatED Property Ltd's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the LocatED Property Ltd's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the Annual Report, but does not include the financial statements and my auditor's report thereon. The directors are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with the HM Treasury's Financial Reporting Manual.

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of LocatED Property Ltd and its environment obtained in the course of the audit, I have not identified material misstatements in the Strategic Report or the Directors' Report.

I have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Remuneration and Staff Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- I have not received all of the information and explanations I require for my audit.

Responsibilities of the directors for the financial statements

As explained in the Statement of the Directors' and the Accounting Officers' Responsibilities, the directors are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within LocatED Property Ltd from whom the auditor determines it necessary to obtain audit evidence.
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- preparing financial statements, which give a true and fair view, in accordance with the Companies Act 2006 and the Government's Financial Reporting Manual as long as it does not contradict the Companies Act;
- preparing the Annual Report, which includes the Remuneration and Staff Report, in accordance with the Companies Act 2006 and the Government's Financial Reporting Manual as long as it does not contradict the Companies Act; and
- assessing the LocatED Property Ltd's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and report on the financial statements in accordance with the applicable law and International Standards on Auditing (UK) (ISAs (UK)).

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the LocatED Property Ltd's accounting policies, key performance indicators and performance incentives.
- inquired of management, the LocatED Property Ltd's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the LocatED Property Ltd's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the LocatED Property Ltd's controls relating to the LocatED Property Ltd's compliance with the Companies Act 2006 and Managing Public Money;
- inquired of management, the LocatED Property Ltd's head of internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations; and

- they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the LocatED Property Ltd for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the LocatED Property Ltd's framework of authority and other legal and regulatory frameworks in which LocatED Property Ltd operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of LocatED Property Ltd. The key laws and regulations I considered in this context included Companies Act 2006, Managing Public Money, employment law and tax Legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management and the Audit Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments and assessing whether the judgements on estimates are indicative of a potential bias.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my report.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes

intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

A handwritten signature in grey ink that reads "Jack Dunkley". The signature is written in a cursive, flowing style.

Jack Dunkley (Senior Statutory Auditor)

08 November 2024

For and on behalf of the
Comptroller and Auditor General (Statutory Auditor)
National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

7. FINANCIAL STATEMENTS

Statement of Comprehensive Net Expenditure for the year ended 31 March 2024 (SoCNE)

		2023-24	2022-23
	Note	£000	£000
Surplus Land for Housing Pilot (SLfHP)		-	(55)
Total operating Income		-	(55)
Employee costs	2	5,045	4,848
Expenditure	3	3,060	2,956
Total operating expenditure		8,105	7,804
Net expenditure for the year		8,105	7,749
Other comprehensive expenditure		-	-
Total other comprehensive expenditure		-	-
Comprehensive net expenditure for the year		8,105	7,749

All income and expenditure reported in the Statement of Comprehensive Net Expenditure are derived from continuing operations.

The notes on pages 47 to 52 form part of these Accounts.

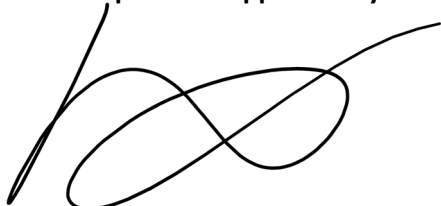
Statement of Financial Position as at 31 March 2024 (SOFP)

		31 March 2024	31 March 2023
	Note	£000	£000
Current assets			
Prepayments and Receivables	4	461	180
Cash and equivalents	5	224	912
Total current assets		685	1,092
Total assets		685	1,092
Current liabilities			
Payables	6	(1,578)	(1,253)
Total current liabilities		(1,578)	(1,253)
Total assets less current liabilities		(893)	(161)
Assets less liabilities		(893)	(161)
Taxpayers' equity:			
General fund		(893)	(161)
Total taxpayers' equity		(893)	(161)

The notes on pages 47 to 52 form part of these Accounts.

The financial statements were approved for issue by the Board of Directors on 7 November 2024.

The report was approved by the Board and signed for and on behalf of the Board by:



Lara Newman

Chief Executive and Accounting Officer

8 November 2024

Statement of Cash Flows for the year ended 31 March 2024

		2023-24	2022-23
	Note	£000	£000
Cash flows from operating activities			
Net operating cost	SoCNE	(8,105)	(7,749)
Adjustments for non-cash transactions		0	1
Decrease/(Increase) in prepayments and receivables	4	(281)	(25)
Increase/(Decrease) in payables	6	325	(204)
Net cash outflow from operating activities		(8,061)	(7,977)
Cash flows from financing activities			
Grant-in-aid from sponsor department	SoCTE	7,373	7,831
Net cash inflow from financing activities		7,373	7,831
Net increase/(decrease) in cash and cash equivalents		(688)	(146)
Cash and cash equivalents at beginning of the year	5	912	1,058
Cash and cash equivalents at end of the year		224	912

The notes on pages 47 to 52 form part of these Accounts.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2024

	General Fund £000	Total £000
Balance at 31 March 2022	(243)	(243)
Issue of Share Capital	-	-
Grant-in-aid from sponsor Department	7,831	7,831
Comprehensive expenditure for the year	(7,749)	(7,749)
Balance at 31 March 2023	(161)	(161)
Issue of Share Capital	-	-
Grant-in-aid from sponsor Department	7,373	7,373
Comprehensive expenditure for the year	(8,105)	(8,105)
Balance at 31 March 2024	(893)	(893)

The General Fund represents total assets less liabilities.

The notes on pages 47 to 52 form part of these Accounts.

8. NOTES TO THE ACCOUNTS

Note 1 – Accounting policies

1.1 Statement of accounting policies and compliance

LocatED Property Ltd is a limited liability company incorporated in England. LocatED is a company registered in England and Wales. The registered address is 20 Cranbourn Street, London, WC2H 7AA.

LocatED has prepared these accounts for the period to 31 March 2024 in accordance with the Companies Act 2006 and International Financial Reporting Standards (IFRS), and, as appropriate, in relation to the financial statements and selected disclosures within the Annual Report only, the Government Financial Reporting Manual (FReM) and other guidance issued by HMT where the disclosure requirements of these go beyond the Companies Act 2006. The accounting policies contained in the FReM apply IFRS as adapted or interpreted for the public sector.

Where the manual permits a choice of accounting policy, LocatED has selected the accounting policy most appropriate to the particular circumstances of LocatED to give a true and fair view. LocatED has applied these policies consistently in dealing with items considered material in relation to the accounts and has produced the accounts using accruals accounting.

The figures are rounded to the nearest £000, and all figures are presented in £ sterling.

Regarding IFRS 17 Accounting for Insurance Contracts, that became effective on the 1 January 2023, this will have no impact on LocatED's financial reporting as LocatED has no insurance contracts.

1.2 Going concern

These accounts have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future.

The Directors have reviewed the forward plans of the Department. Funding from the Department, taking into account the amount required to meet LocatED's liabilities falling due in the year, has already been included in the Department's Estimate for the year. Parliament has approved the Estimate and there is no reason to believe that the Department's sponsorship and future Parliamentary approval will not be forthcoming.

In November 2022 HMT approved the business case for LocatED to continue up to 31 March 2025 however this could be extended until 31 March 2026 if the Department considered that LocatED was still required. The Department have confirmed that HMT have received a request to extend our Business Case approval for a further 12 months to the 31 March 2026.

In addition, the Department has provided LocatED with a Keep Well agreement signed on behalf of the Secretary of State. The Keep Well agreement was last updated and signed on the 29 October 2024 and runs until 31 December 2026. This guarantees that if LocatED at any time determines that it will not have available to it sufficient cash or other liquid assets to meet its payment obligations in connection with its business activity, then it will promptly notify the Secretary of State (via the Department's Accounting Officer) of the shortfall and the Secretary of State will make available to

LocatED, as soon as is reasonably practicable, funds sufficient to enable it to meet such payment obligations in full. LocatED will use the funds made available to it by the Secretary of State solely for the discharge when due of such payment obligations. The funds will be provided to LocatED in the form of a grant-in-aid. The Keep Well agreement was signed after the 31 March 2024.

1.3 Critical accounting judgements and key sources of estimation uncertainty

LocatED has made judgements in the preparation of these accounts, with regard to accruals where no invoice has been received. LocatED based these judgements on historic and other factors that it believes to be reasonable.

1.4 Grant-in-aid from the sponsoring department

LocatED has recorded all grant-in-aid by the Department as financing, since LocatED regards grant-in-aid as contributions from LocatED's controlling party giving rise to a financial interest. LocatED records grant-in-aid as financing in the statement of cash flows and credits grant-in-aid to the general fund.

1.5 Financial liabilities

LocatED classifies financial liabilities, where appropriate, as financial liabilities measured at amortised cost (face value plus any discounts). Financial liabilities include trade and other payables.

1.6 Trade and other payables

Trade and other payables, including accruals, are generally not interest bearing and LocatED states them at their face value on initial recognition.

1.7 Cash and Cash Equivalents

Cash comprises cash in hand, held in LocatED's bank account.

In accordance with IAS 7 Statement of Cash Flows the Company presents balances as cash in the Statement of Financial Position and Statement of Cash Flows.

1.8 Employee benefits

LocatED offers employees a defined contribution scheme where LocatED matches the employee's contribution up to a maximum of 6% of gross salary, and this contribution is recorded as expenditure in the Statement of Comprehensive Net Expenditure.

1.9 Value Added Tax

LocatED is not registered for VAT as it had no VAT taxable turnover in 2023-24. All expenses are presented inclusive of VAT.

1.10 Segmental reporting

In accordance with IFRS 8: Operating Segments (IFRS 8), LocatED has considered the need to analyse its income and expenditure relating to operating segments. LocatED has assessed that all lines of operation fall within the same geographical location and regulatory environment as envisaged by IFRS 8.

1.11 Corporation Tax

LocatED did not incur any Corporation Tax in 2023-24 as it made no supply of goods or services, so did not generate any taxable surplus; however, it will submit the statutory return to HMRC.

1.12 Structure of LocatED

Ultimate parent and parent – the immediate parent undertaking and ultimate controlling party of LocatED is the Secretary of State for Education. LocatED's accounts are consolidated into the Department's accounts.

1.13 Shared Services

LocatED's operating model uses a range of shared services provided by the Department: Financial Accounting, Financial Management, Payments and Treasury Management, Information Technology and Property Management Services (in relation to LocatED's office premises). LocatED is not charged for these services.

1.14 Income recognition

Income is accounted for in accordance with IFRS 15: Revenue recognition, which states that revenue shall only be recognised once a performance obligation has been met. LocatED recognised income at a point in time when the sale of land has occurred.

Note 2 – Employee Costs

	2023-24			2022-23		
	Permanently employed employees £000	Others* £000	Total £000	Permanently employed employees £000	Others* £000	Total £000
Wages and salaries	4,151	185	4,336	3,936	208	4,144
Social security costs	510	-	510	514	-	514
Pension costs	199	-	199	190	-	190
	4,860	185	5,045	4,640	208	4,848

*Others are secondees which is why LocatED have not paid social security costs direct to HMRC or contributed to their pensions.

Note 3 – Operating Expenditure

	2023-24	2022-23
	£000	£000
Property pre-acquisition costs	2,275	1,883
Property disposal costs	20	382
Employee-related costs	96	68
Consultancy and other professional fees	3	23
Board costs	87	88
Premises costs including rates and service charges	227	195
Catering	3	2
Marketing	66	40
IT and telecommunications costs	30	31
Travel and subsistence	143	133
Audit fees*	107	107
Other expenditure	2	3
Bank charges and interest	1	1
Total	3,060	2,956

*The NAO auditor's remuneration relates to fees payable for the audit of the statutory annual accounts. The NAO fee was £63,600 including VAT for 2023-24 and £61,200 including VAT for 2022-23. The auditors did not provide any non-audit services. The figure for Audit fees includes the cost of internal audit.

Note 4 – Prepayments and Receivables

	2023-24	2022-23
	£000	£000
Prepayments	335	54
Receivables	126	126
Total current prepayments and receivables due within one year	461	180

Note 5 – Cash and equivalents

	2023-24	2022-23
	£000	£000
Balance at 1 April	912	1,058
Net change in cash and cash equivalent balances	(688)	(146)
Balance at 31 March	224	912
The following balances are held at:		
Cash at bank and in hand:		
Government Banking Service	224	912
Balance at 31 March	224	912
Overdrafts:		
Government Banking Service	-	-
Commercial banks	-	-
Balance at 31 March, net of overdrafts	224	912

Note 6 – Payables

	2023-24	2022-23
	£000	£000
Trade payables	273	92
Tax and social security	131	131
Accruals	1,174	1,030
Total payables due within one year	1,578	1,253

Note 7 - Related Party Transactions

LocatED is an Arms-length Body of the Department for Education. The Department is regarded as a related party. During the year LocatED has a number of material transactions with the department:

- All of LocatED's Grant-In-Aid was received from the Department.
- LocatED provides services to, and receives funding from, the Department pursuant to the terms and conditions set out in the Framework Document.
- Alyson Gerner is an employee of the Department and is seconded to LocatED. £191.6k was paid to the Department in respect of the Director's services of Alyson Gerner. This figure includes salary, pension, employer social security costs and VAT.

Note 8 – Shareholder capital and dividends

Share capital

The company issued one £1 Ordinary share for a consideration of £1 on 20 September 2016. The sole shareholder is the Secretary of State for Education. Following the issue of the share, the issued share capital of the company is £1.

Dividends

The company has not paid any dividends during the period and no dividends are proposed by the Directors.

Note 10 – Events after the reporting period

Going concern

In November 2022 HMT approved the business case for LocatED to continue up to 31 March 2025 however this could be extended until 31 March 2026 if the Department considered that LocatED was still required. The Department have confirmed that HMT have received a request to extend our Business Case approval for a further 12 months to the 31 March 2026.

This, along with the Keep Well agreement, that was last updated and signed on the 29 October 2024 and runs until 31 December 2026 means that we consider that LocatED is a going concern. The Keep Well agreement was signed after the 31 March 2024.

This is also referenced in the 'Going concern' sections of this report.



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