

THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA

AUDIT AND TRANSPARENCY COMMITTEE MEETING 8 MARCH 2021

REPORT BY THE CHIEF EXECUTIVE AND DIRECTOR OF AUDIT, FRAUD, RISK AND INSURANCE

INDEPENDENT REVIEW OF PROPERTY TRANSACTIONS

The purpose of this report is to inform the Audit and Transparency Committee of an independent review commissioned into four historic property transactions in the borough and the Council's response and recommendations arising from that review.

FOR INFORMATION

1. EXECUTIVE SUMMARY

- 1.1 Kroll and Associates were commissioned to undertake an independent forensic examination of four historic property transactions at the Council in light of the report published by Kensington and Chelsea College in October 2018 which Kroll had also undertaken.
- 1.2 Attached to this report, in Appendix 1, is the Council's response to the Kroll independent report into the four property transactions, along with recommendations for action arising from the review. The full independent report produced by Kroll, setting out the findings of their independent review, is provided in Appendix 2.

2. RECOMMENDATION

That the Committee consider and note the independent review report (as set out in Appendix 2) and the Council's response and recommendations for action arising from that review (Appendix 1), as set out in the covering report from the Chief Executive and Director of Audit, Fraud, Risk and Insurance.

3. BACKGROUND

- 3.1 Kroll and Associates were commissioned to undertake an independent forensic examination of four historic property transactions at the Council in light of the report published by Kensington and Chelsea College in October 2018 which Kroll had also undertaken. The review focussed on the following property transactions:
 - the lease of the Isaac Newton Professional Development Centre;
 - the lease of the North Kensington Library;
 - the lease of the Westway Information Centre; and,
 - the purchase from and lease-back of the Wornington Road site to Kensington and Chelsea College.

- 3.2 The Kroll report sets out the scope and nature of the review, an executive summary identifying the key findings from the review against the agreed scope and sections setting out the detailed findings in respect of each of the four property transactions.
- 3.3 The independent review included a forensic examination of Council-held documents, along with published information and interviews with a number of individuals involved in the property transactions.

Barry Quirk
Chief Executive

David Hughes
Shared Services Director for Internal Audit, Fraud, Risk and Insurance

Background papers:

None

Appendices:

Appendix 1 – covering report of the Chief Executive and Director of Audit, Fraud, Risk and Insurance

Appendix 2 – Independent Review report from Kroll and Associates

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