

**Report of the Director of Development and Regeneration**

**Property Services: District Auditor Report**

**1.0 Purpose of Report**

- 1.1 The Committee will recall that at its meeting on 31 July 2008 it considered a report from the District Auditor in respect of the proposed sale of the Councils freehold reversionary interest in Ford and Hylton Club, Poole Road, Pennywell.
- 1.2 At the meeting the District Auditor indicated that a review was to be carried out with regard to lease management arrangements in Property Services. It was resolved that the outcome of that work be referred back to the Committee, and to the Policy and Co-ordination Review Committee, for consideration.
- 1.3 The District Auditor has now completed the review and a summary of findings to be presented to the Committee by the Audit Manager is attached to this report.

**2.0 Commentary**

- 2.1 It is considered that the findings of the review confirm that there has been significant improvement in the governance arrangements appertaining to rent reviews. Outstanding items for improvement are as follows:
  - The adoption of a rent concession policy; a draft policy has been prepared and will be recommended to Cabinet in the near future.
  - The use of private sector rent comparators; procedures are in the process of being amended to ensure that where possible, comparators from the private sector are also used.
  - Improved timescales for completing rent reviews, and monitoring compliance with lease terms; discussions are underway regarding how best to resource this area and improve performance.

**3.0 Recommendation**

- 3.1 The Committee is asked to note the content of the letter and make any comment it feels appropriate.

