

COMMITTEE	Audit, Risk and Scrutiny
DATE	22 February 2018
REPORT TITLE	Bond Governance Protocol
REPORT NUMBER	CG/18/004
DIRECTOR	Fraser Bell
REPORT AUTHOR	Deirdre Nicolson

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**1. PURPOSE OF REPORT:-**

To advise Members of a Protocol that has been developed to provide guidance on how Aberdeen City Council complies with the legislative and regulatory requirements resulting from the Council having issued Bonds on the London Stock Exchange.

**2. RECOMMENDATION(S)**

2.1 Note the Bond Governance Insider Protocol appended to this report.

**3. BACKGROUND/MAIN ISSUES**

3.1 Aberdeen City Council issued Bonds on the London Stock Exchange in 2016. There are a number of legislative and regulatory requirements which flow from having issued the Bonds.

3.2 A Protocol has been written in order to ensure that Members and staff are aware of these requirements and their responsibilities as well as the processes in place to support compliance.

3.3 The Protocol will be made available on the Council's Zone.

**4. FINANCIAL IMPLICATIONS**

4.1 There are no direct financial implications arising from the recommendations of this report.

**5. LEGAL IMPLICATIONS**

5.1 While there are no direct legal implications arising from the report, the Protocol highlights the regulatory and legislative requirements with which Aberdeen City Council has to comply as a result of issuing the Bonds. It also narrates the consequences for non-compliance and identifies the processes and people responsible for ensuring compliance.

## **6. MANAGEMENT OF RISK**

6.1 There are financial, legal and reputational risks if the Council does not comply with the regulatory and legislative requirements stemming from the issue of the Bonds which would consequently impact employees and customers. Having a Protocol which articulates the risks, requirements and identifies responsibilities goes some way to reduce those risks.

6.1.1 There are no technological or environmental risks.

## **7. IMPACT SECTION**

7.1 The Protocol has no direct impact on the economy or the citizens of Aberdeen. There is no direct or indirect impact on the environment or technology.

## **8. BACKGROUND PAPERS**

None

## **9. APPENDICES (if applicable)**

Appendix 1                      Bond Governance Insider Protocol

## **10. REPORT AUTHOR DETAILS**

Name:                              Deirdre Nicolson  
Job title:                            Solicitor  
Email address                      DeNicolson@aberdeencity.gov.uk  
Phone number:                      01224 523248

### **HEAD OF SERVICE DETAILS**

Name:                                Fraser Bell  
Job title:                            Head of Legal and Democratic Services  
Email address:                      FrBell@aberdeencity.gov.uk  
Phone number:                      01224 522084