

REPORT TO COMMUNITIES COMMITTEE – 3 JUNE 2021

DRAFT ANNUAL GOVERNANCE STATEMENT 2020/21

1 Reason for Report / Summary

- 1.1 Communities Committee is requested to note and provide comment on the draft Annual Governance Statement 2020/21

2 Recommendations

The Committee is recommended to:

- 2.1 Consider and comment on the draft Annual Governance Statement (“the draft Statement”) (attached as Appendix 1 to this report);**
- 2.2 Note that the draft Statement is a work in progress and further amendments will be made as detailed in the report;**
- 2.3 Note that the draft Statement will be presented to all Policy Committees and will be subject to change prior to presentation and sign off at Audit Committee when it meets on 1 July 2021;**
- 2.4 Note that the Annual Scrutiny Report which is being considered by Committee at this meeting forms an integral part of the review of annual effectiveness activities and will be included within the Statement; and**
- 2.5 Provide details of its contribution to providing assurance that it has complied with the Code of Corporate Governance and ensured that the Code is operating effectively in practice.**

3 Purpose and Decision-Making Route

- 3.1 The Local Authority Accounts (Scotland) Regulations 2014 require the Council to conduct a review of the effectiveness of its system of internal control. Following considerations of the findings of that review the Council must prepare an Annual Governance Statement (AGS) to be signed by the Chief Executive and Leader of the Council.
- 3.2 Historically the AGS has been prepared and presented in conjunction with the Annual Accounts.
- 3.3 At its meeting on [17 September 2020](#), Audit Committee agreed that, although still forming part of the Annual Accounts, the AGS would be taken forward as a separate report. Following feedback from Senior Councillors and External Audit during the preparation of the AGS in 2019 and 2020, it was agreed that the draft AGS would be presented to Policy Committees prior to presentation and sign off by Audit Committee with the Annual Accounts.

- 3.4 At its meeting on [25 March 2021](#) the Audit Committee agreed the process and timetable for the preparation of the Annual Governance Statement 2020/21.
- 3.5 The Annual Governance Statement will be presented to Audit Committee on 1 July 2021 with the Annual Accounts.

4 Background

- 4.1 The Council's Code of Corporate Governance was agreed by Audit Committee at its meeting on [6 February 2020](#) and adopts the seven principles in the CIPFA/SOLACE 2016 Delivering Good Governance in Local Government Framework. The seven principles form the basis of the Council's annual How Good is Our Council self-assessment framework.
- 4.2 The concept underpinning the Framework is that it is helping local government in taking responsibility for developing and shaping and informed approach to governance aimed at achieving the highest standards in a measured and proportionate way.
- 4.3 The seven core principles are as follows:
1. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
 2. Ensuring openness and comprehensive stakeholder engagement
 3. Defining outcomes in terms of sustainable economic, social, and environmental benefits
 4. Determining the interventions necessary to optimise the achievement of the intended outcomes
 5. Developing the entity's capacity, including the capability of its leadership and the individuals within it
 6. Managing risks and performance through robust internal control and strong public financial management
 7. Implementing good practices in transparency, reporting, and audit to deliver effective accountability.
- 4.4 The draft Statement has been prepared in cognisance of [CIPFA's Guidance Bulletin 06](#) – Application of the Good Governance Framework 2020/21 which concerns the impact of the Covid-19 pandemic on governance in local authorities. The draft Statement covers the summary of key areas of the Annual Governance Statement for use in 2020/21 as set out in the guidance bulletin as follows:
1. Executive summary
 2. Identification of key governance arrangements
 3. Evaluation of the effectiveness of governance
 4. Accountability and action plans

- 4.5 It is recognised that further work is required to refine the draft Statement in respect of each of the areas identified, in particular the evaluation of the effectiveness of arrangements during the year 2020/21 and accountability and action plans, before the report is submitted for audit.
- 4.6 Feedback from Policy Committees, SLT, Internal and External Audit and Finance will be taken into account in the preparation and development of the report for Audit Committee in July
- 4.7 A key element of the annual review is the assurance statements that are sought from SLT and Policy Chairs. Committee is requested to note that the draft Statement may need to be updated on completion of that review.

5 Council Priorities, Implications and Risk

- 5.1 This report helps deliver all six of the Council's Strategic Priorities

Pillar	Priority
<i>Our People</i>	<i>Education Health & Wellbeing</i>
<i>Our Environment</i>	<i>Infrastructure Resilient Communities</i>
<i>Our Economy</i>	<i>Economy & Enterprise Estate Modernisation</i>

- 5.2 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed.

Subject	Yes	No	N/A
Financial			X
Staffing			X
Equalities			X
Fairer Scotland Duty			X
Town Centre First			X
Sustainability			X
Children and Young People's Rights and Wellbeing			X

- 5.3 An equality impact assessment is not required because the report is to Communities Committee on the draft Annual Governance Statement and there will be no differential impact, as a result of the report, on people with protected characteristics.
- 5.4 The following [Corporate Risks](#) have been identified as relevant to this matter on a Corporate Level:

- ACORP004 – business and organisation change (including ensuring governance structures support change; managing the pace of change)
- ACORP006 – reputation management including social media

6 Scheme of Governance

- 6.1 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and had no comments to make and are satisfied that the report complies with the Scheme of Governance and relevant legislation.
- 6.2 The Committee is able to consider and take a decision on this item in terms of Section D.7.1. of the List of Committee Powers in Part 2A of the Scheme of Governance as it relates to the scrutiny and review of the effectiveness of Council policy implementation and Council service delivery.

Ritchie Johnson, Director of Business Services

Report prepared by Fiona McCallum, Business Strategy Manager
Date 17 May 2021

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Appendix 1: Draft Annual Governance Statement 2020-21

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Executive Summary

Aberdeenshire Councillors agreed a revised [Council Plan 2020-2022](#) on 7 October 2021. At a meeting held on [23 July 2020](#) Full Council formally closed down the Council Plan 2017-2022 and associated priorities. In recognition of the circumstances faced by the Council new priorities were adopted and officers commissioned to draft a new Council plan on that basis. The Annual Performance Report was presented to Full Council on 24 September providing progress against the previous priorities.

The plan is centred around three pillars, Our People, Our Environment and Our Economy. Under those sit [strategic priorities](#) and these are supported by directorate and area plans. This means everyone understands their part in the delivery of the new priorities and what we can do to help make a difference. Directorate plans provide detail around how outcomes will be delivered and will focus on performance and improvement and will include performance measures, benchmarking and accountability for delivery. Area plans ensure alignment between community planning and Council priorities as well as providing additional local level scrutiny, accountability and transparency in terms of area reporting. A robust performance management framework is being developed for implementation from end April 2021.

The Council's revised Medium Term Financial Strategy, was agreed by Councillors on [19 November 2020](#), and is the financial embodiment of the Council Plan. The Council's [performance](#) management and reporting framework in conjunction with the [Risk Management and Business Continuity Strategy](#) are the tools which Councillors will use to scrutinise delivery of the Council Plan. In addition to this and in response to the Covid-19 pandemic, Aberdeenshire Council Recovery Strategy was approved by Councillors on [23 July 2020](#).

Scope of Responsibility

Aberdeenshire Council has a responsibility for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used appropriately. The Council also has a duty under the Local Government in Scotland Act 2003 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

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In 2016 the Council approved the current [Scheme of Governance](#) to ensure that there were appropriate arrangements for the governance of the Council's resources. The Scheme of Governance has been subject to an ongoing review process, starting in 2018 and carrying on throughout 2019, as the Scheme was adapted to ensure greater transparency, continuous improvement, changes in legislation and Council operations. During 2019/20 Full Council discussed and scrutinised Reports concerning changes to the Scheme of Governance on [27 June 2019](#), [26 September 2019](#), [21 November 2019](#) and [16 January 2020](#). Further amendments to the Scheme of Governance were agreed by Full Council on [18 March 2020](#) in response to the COVID-19 pandemic. An Annual Review of the Scheme of Governance was presented to Full Council on [14 January 2021](#) and was approved on [11 February 2021](#).

Aberdeenshire Council reviewed its Code of Corporate Governance (the Governance Code) on [6 February 2020](#). The revised Code ensures the accountability and probity of officers of the Council. The Governance Code is consistent with the principles and reflects the requirements of the CIPFA Statement on the Role of the Chief Financial Officer (CFO) in Local Government (2016) as set out in *Delivering Good Governance in Local Government: Framework (2016)*, and the Council's financial management arrangements conform to the governance requirements set out therein. The diagram below sets out the Principles and some of the ways in which the Council complies with them.

The impact of Covid-19 has necessitated a number of changes to the governance arrangements of Aberdeenshire Council to ensure compliance with the Code of Corporate Governance. It is recognised that whilst Aberdeenshire has adopted a Code of Corporate Governance, the Code as it stands requires further detail around local arrangements to reflect how governance operates in the organisation.

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Identification of Key Governance Arrangements

The governance framework comprises the systems, processes, cultures and values by which the Council is directed and controlled, and the activities used to engage with the community. It enables the Council to monitor the achievement of its strategic objectives and

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to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically. The governance framework has been in place at the Council for the year ended 31 March 2021 and up to the approval of the annual accounts.

The Governance Framework

The Governance Code covers four key areas: Community Focus, Service Delivery, Structures and Processes, and Risk Management and Internal Control. The Director of Business Services has responsibility for overseeing the implementation of the Governance Code and reviewing it in practice. Audit Committee has the remit for scrutinising the review of the Governance Code. The review took account of CIPFA's *Delivering Good Governance in Local Government: Framework (2016)* and was reported to Audit Committee on [6 February 2020](#). CIPFA's *Application of Good Governance Framework 2020/21* guidance has been referred to in the preparation of the Annual Governance Statement.

The revised Code of Corporate Governance is based on the seven principles from *Delivering Good Governance in Local Government: Framework (CIPFA/Solace 2016)*, which are set out above. The system of corporate governance and internal financial control is based on a framework with appropriate delegation and accountability. It is recognised that although Aberdeenshire has an agreed Code of Governance details of how local arrangements put the principles of good governance in the Framework into practice will provide further assurance that the Code is being complied with. Covid-19 has demonstrated that the Code needs to have the flexibility to be able to adapt to swiftly changing circumstances and the impact of the pandemic on the Council's governance arrangements is covered in the next section.

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The corporate governance and internal control procedures are informed by feedback from Councillors and Committees, Internal Audit and External Audit, work undertaken by external review bodies including Education Scotland, the Care Inspectorate and Audit Scotland, input and comment from managers within the Council and customer and stakeholder feedback.

At its meeting on [17 September 2020](#), Audit Committee agreed to approve the Annual Governance Statement action plan 2020/21. It was agreed at that meeting that all improvement actions would be amalgamated into a Corporate Improvement Plan and that Plan would be reported to Audit and Policy Committees. Quarterly reporting of the Corporate Improvement Plan commenced in February 2021 and provide Members with an opportunity to raise any concerns at an early stage in the process and provide an additional layer of scrutiny. The Corporate Improvement Plan is an integral part of the Council's Governance Framework. It enhances accountability of Officers and the scrutiny role of all committees in that process and demonstrates robust monitoring of improvement actions in accordance with our Code of Governance.

The Impact of Covid-19 on the Governance Framework

Since the onset of the Covid-19 pandemic, the Council has adapted its governance arrangements to reflect the new environment the Council is operating in and to preserve the democratic decision-making process. The changes introduced in response to the pandemic include:

- On [18 March 2020](#) Full Council agreed to adopt a new Part 5 of the Scheme of Governance (Supplementary Addendum in response to Covid-19 Pandemic), with the aim of further facilitating remote participation at meetings and provide for a single source of consolidated decision making in the event of significant disruption preventing the Council from carrying out business in the usual way.
- On [10 June 2020](#) Full Council agreed to establish the Covid-19 Recovery Reference Group to oversee the transition from the response phase of the Covid-19 pandemic. It was agreed that the Covid-19 Recovery Reference Group would fulfil the remit of the Procedures Committee.
- On [24 September 2020](#) Full Council agreed to the continuation of Committee on a virtual basis with a further review at Full Council on 14 January 2021. It was also agreed that the provision of electronic agendas would continue with options for

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providing hard copies to Chairs if required or to Members for the purposes of addressing an equalities issue.

In addition, arrangements were put in place to enable Members to have broad oversight of the extent to which decisions were being taken through the use of officers' special urgency powers through regular reporting to each meeting of Full Council, where required. An Outstanding Business item was also introduced for agendas of Full Council so it was clear to Members what work had particularly been paused as a result of the pandemic.

During the emergency response phase of the pandemic a range of different Council services had to be changed, adapted and in some cases stopped altogether. To assist with determining what, if any reinstatement or adaptation was needed to ensure appropriate provision of scope and standard of services the Council established the Adaptive Services Board (ASB), comprising senior officers from across the Council. ASB was a clearing house and engine room to allow cross Service consideration of post Covid-19 activity to ensure an integrated and coordinated One Council approach. The aim of ASB was to coordinate and ensure integrated service planning propositions that would be taken forward to SLT, the Recovery Reference Group or where, if required, Full Council or Committee.

A Review of Covid Governance was considered by Full Council [14 January 2021](#) which disestablished the Covid-19 Recovery Reference Group with immediate effect. A further review specifically with regard to virtual meetings was requested to be provided on [29 April 2021](#). At the time of drafting the first draft of the Annual Governance Statement (April 2021) this report is still to be considered by Full Council. The report requests Full Council to agree to continue with virtual meetings as the default until a further review on 23 September 2021 and advises that there is work ongoing to develop an options appraisal for hybrid meetings.

Evaluation of the effectiveness of governance

The review of the effectiveness of the governance framework, including the system of internal control, is ongoing throughout the year, building on and with contributions from the Council and its Committees, including Audit Committee, Strategic Leadership Team (SLT), the Statutory Officers, our Internal and External Auditors, external organisations which carry out audits or inspections of the Council, the development, implementation and regular

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reporting of the Corporate Improvement Plan and regular self-assessment and evaluation. Compliance with the code is then evaluated and revised annually and endorsed as follows:

- Strategic Leadership Team – comprising the Chief Executive and Directors, Section 95 Officer, Monitoring Officer to review and update the self-assessment and agree improvement plan if required
- Policy Committees – for comment
- Audit Committee – for comment
- Leader of the Council and Chief Executive – to sign off

This process not only creates an opportunity for the Council to set out its standard for good governance but also to ensure that its governance arrangements in public services are closely scrutinised.

The work of the Council's Internal Audit team includes consideration of compliance with the code, which informs the Interim Chief Internal Auditor's opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control.

Accountability and action plans

Progress on the actions identified in the 2018/19 and 2019/20 Annual Governance Statement action plans are in Appendix 2. A summary of progress at 21 April is as follows:

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Plan	Number of actions	Complete	In progress	Overdue
Annual Governance Statement Action Plan 2019/20	22	18	0	4
Annual Governance Statement Action Plan 2020/21	20	8	6	6
TOTALS	42	26	6	10

The overdue actions are as follows:

Action	Latest update	Code of Corporate Governance Principle
AGS 2.1.1 Undertake policy implementation review based on impact of any changes to Council Priorities	The review will take place over the summer and will be reported to Full Council as part of the Annual Review of the Scheme of Governance in November this year following consideration by Procedures Committee.	Principle 3: Defining outcomes in terms of sustainable economic, social, and environmental benefits
AGS 3.2.1 HGIOG5.1.3 Scheme of Governance	<p>This work was due to be included with the overall Expenditure Approval Process Project (EAPP) which was put in hold in February 2020. The EAPP Project Board will meet on the 28 April 2021 to discuss the future plans for the project. In the meantime, further interim changes to the Financial Regulations in relation to grants were agreed by Full Council on 11 February 2021, to address particular issues with external funding.</p> <p>The issue of grants and loans will be considered as part of the next Annual Review of the Scheme of Governance which will be reported to Full Council in November 2021, in the event that this work cannot be taken forward as part of the EAPP project.</p>	Principle 6: Managing risks and performance through robust internal control and strong public financial management

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Action	Latest update	Code of Corporate Governance Principle
AGS 3.2.3 HGIOG8.1.2 Budget Setting Process - Aligning to Outcomes/Priorities	Update required - MTFS 2 approved by Full Council November 2020	<p>Principle 4: Determining the interventions necessary to optimise the achievement of the intended outcomes</p> <p>Principle 7: Implementing good practices in transparency, reporting, and audit to deliver effective accountability"</p>
AGS 3.2.4 HGIOG9.2.2 Budget Setting Process - Transparency & Accountability	Adaptive Services Board. Strategic Leadership Team. RRG	<p>Principle 6 Managing risks and performance through robust internal control and strong public financial management</p> <p>Principle 7 Implementing good practices in transparency, reporting, and audit to deliver effective accountability "</p>
AGS2020 1.1 Scheme of Governance - revise and review appropriate inclusion of Loans and Grants within Scheme of Governance	The Expenditure Approval Process Project remains on hold. Officers are due to meet in April 2021 to discuss the future of the project. Consideration will be given as to whether further changes are required to the Scheme of Governance as part of the Annual Review of the Scheme which will commence in Summer 2021.	Principle 6: Managing risks and performance through robust internal control and strong public financial management
AGS2020 4.1.1 Increase the use of data analytics to link financial and non-financial data to calculate unit costs and inform the setting of fees and charges	The Budget Setting Process for 2020/21 brought together financial and work force data, linking these elements to service delivery and the council priorities	<p>Principle 6 Managing risks and performance through robust internal control and strong public financial management</p> <p>Principle 7 Implementing good practices in transparency, reporting, and audit to deliver effective accountability</p>

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Action	Latest update	Code of Corporate Governance Principle
<p>AGS2020 4.2.2 Review the Risk Registers to ensure these align with the Council Priorities, Council Plan, Priority Plans and core service responsibilities</p>	<p>Review by Audit Committee</p>	<p>Principle 6 Managing risks and performance through robust internal control and strong public financial management</p> <p>Principle 7 Implementing good practices in transparency, reporting, and audit to deliver effective accountability "</p>
<p>AGS2020 4.3.1 Consider how to provide Committees with more current financial performance data under the current Committee cycle</p>	<ul style="list-style-type: none"> • The deadlines for Committee Reports means that financial performance data is at least 2 months old before it comes before Committee. • The use of Power BI to produce financial performance data based on actuals means that the data can be as current as at 5pm the night before Committee. • Councillors have access to Power BI reports for their respective out with the Committee cycle. 	<p>Principle 6 Managing risks and performance through robust internal control and strong public financial management</p> <p>Principle 7 Implementing good practices in transparency, reporting, and audit to deliver effective accountability</p>
<p>AGS2020 4.4.1 Embed discussions on performance at DMTs, CLG and area management teams. Active use of Pentana</p>	<p>The first iteration of Directorate Plans have been approved with associated Performance Measures and use of LGBF included. Area Plans currently being developed, again with associated action plans.</p>	<p>Principle 6 Managing risks and performance through robust internal control and strong public financial management</p> <p>Principle 7 Implementing good practices in transparency, reporting, and audit to deliver effective accountability</p>
<p>AGS2020 4.5 Review budget setting process</p>	<p>Update required - MTFS 2 approved by Full Council November 2020</p>	<p>Principle 6 Managing risks and performance through robust internal control and strong public financial management</p> <p>Principle 7 Implementing good practices in</p>

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Action	Latest update	Code of Corporate Governance Principle
		transparency, reporting, and audit to deliver effective accountability

Risk

The Council’s senior management is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. The Interim Chief Internal Auditor has the responsibility to review these independently, and report to the Audit Committee annually on the adequacy and effectiveness of the Council’s internal control environment. The Interim Chief Internal Auditor has reviewed the Council’s internal control environment, and, in his opinion, reasonable assurance can be placed upon the adequacy and effectiveness of the Council’s framework of governance, risk management and control in the year to 31 March 2021. On balance, most of the audited areas were operating as anticipated. Areas of good practice, improvement, and procedural compliance have been identified. Most recommendations made by Internal Audit during 2020/21 related to general improvements to procedures, and the requirement to consistently evidence adherence to them. However, as in previous years, some significant issues have been identified throughout the year, including breaches of the Council’s financial and procurement regulations, segregation of duties, delegated authority, data protection and compliance with the Council’s Following the Public Pound policy. Fraud risks have also been identified and are being investigated.

Whilst the foregoing indicates various risk areas, the majority of recommendations made by Internal Audit have been agreed by Services, which have committed to appropriate action to improve controls and compliance to address the identified risks. “Major” actions from previous years were outstanding at the end of the year, including various actions relating to Services’ application of the Council’s charging policy framework, and procurement compliance. The outcome of these audits, along with others, and concerns regarding the implementation of previously agreed recommendations have been reported to the Audit Committee throughout the year. Management has highlighted in these reports that, where necessary, progress with implementing actions has been delayed where resources have been prioritised to support the Council’s response to the Covid 19 pandemic, which is considered to be an appropriate and proportionate response to the management of the

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relative risks. A substantial number of actions have however been progressed and concluded during the year.

The Interim Chief Internal Auditor has advised that, except to the extent that work has been impacted by COVID-19, there has been no limitation to the scope of Internal Audit's work during 2020/21.

Impact of Covid-19 on Risk

During the Covid-19 pandemic, a Covid-19 Special Strategic Leadership team was established to provide strategic direction to Aberdeenshire Council, ensuring effective liaison and co-ordination between services. The membership of Covid-19 Special Strategic Leadership team was expanded from the Strategic Leadership Team (Chief Executive, Directors, Monitoring Officer, Section 95 Officer and the Chief Social Work Officer) to include Head of HR and OD, Head of Customer and Digital Services, and an Area Manager with civil contingencies and risk advice provided by the Risk and Resilience Manager. The team was responsible for maintaining an overview of the wider consequences of the response to Covid-19, monitoring any and all risks to Aberdeenshire Council, including those in relation to Covid-19 and those which may impact the Council's ability to discharge its critical activities and statutory duties. A regular check-in with all of the Corporate Leadership team weekly also offered the opportunity to share situational awareness and monitor any risks arising with the Council.

Following the stand-down of the COVID-19 Special Strategic Leadership team, the Adaptive Services Board was established to manage Service re-instatement. Any identified risks were reported to Strategic Leadership Team. Adaptive Services Board had rotating membership and offered the opportunity for cross-organisational collaboration and peer review in order to identify any risk and the interdependencies on multi-service delivery.

Throughout the course of the pandemic, Services have continued to manage their risks using the current Risk Management process. Services have continued to update and refresh Operational Risk Registers and Directorate Management Teams have continued to maintain Directorate Risk Registers and have full ownership, oversight and management of risks of operational significance. Any risks which require strategic direction have continued to be reported to Strategic Leadership Team.

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Since the inception of the new Risk and Resilience Team in January 2020 a full review of all areas of the remit, which covers Risk Management, Business Continuity, Emergency Planning, Emergency Response, Resilience, Serious Organised Crime, Counterterrorism, EU Exit and Public Safety, is in progress with proposed improvement plans to be produced throughout the course of 2021. Whilst the Risk and Resilience Team have been at capacity dealing with the response to COVID-19 and several concurrent incidents, significant progress on the full review has been made.

A full Risk Management review has been completed and an improvement plan is currently being consulted with each Directorate Service. The Risk Management review took into account compliance with ISO Standards, best practice guidance and is looking at strategy, framework, policies, procedures, processes, assurance, accountability, risk appetite and risk registers.

Aberdeenshire Council Budget 2020/21

The financial context within which the Council was operating in 20/21 was a particularly challenging one. A report to Council on 25 June 2020 set out the predicted negative impact on the Council's financial position due to the current pandemic and resulting operating conditions, and it was agreed that a revised Medium Term Financial Strategy (MTFS) be developed to enable financial resources to be prioritised, allocated and managed to support the future delivery of services as well as the effective planning, restructuring and delivery of a balanced budget. The revised MTFS provided savings and efficiencies, together with a reprofiling of the Council's capital plan and use of reserves to ensure a balanced position by March 22 was approved by Council on 19th November 2020.

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Conclusion

Our annual governance statement summarises the Council's governance arrangements and affirms our commitment that they are reviewed regularly and remain appropriate for the activities and delivery of services by the Council and its Group. Subject to the above assurances, the development and implementation of the Action Plan and, on the basis of the evidence contained in this statement, we are satisfied that the arrangements continue to provide assurance, are adequate and are operating effectively.

Jim Savege

Chief Executive

Councillor Andy Kille

Leader of the Council

On behalf of the Officers and Councillors of Aberdeenshire Council

July 2021