
REPORT FOR RESOLUTION

DATE: 9 July 2008
SUBJECT: Draft Code of Corporate Governance
REPORT OF: City Solicitor and City Treasurer

PURPOSE OF REPORT:

To advise the City Council of the provisions of the draft Code of Corporate Governance, to seek their comments and request that Members adopt it as the City Council's Code of Corporate Governance.

RECOMMENDATIONS:

That the City Council note the provisions of this report and adopt the draft Code of Corporate Governance set out at Appendix A to this report.

FINANCIAL CONSEQUENCES FOR REVENUE BUDGET: None

FINANCIAL CONSEQUENCES FOR CAPITAL BUDGET: None

WARDS AFFECTED: All

IMPLICATIONS FOR:

Antipoverty	Equal Opportunities	Environment	Employment
No	No	No	No

CONTACT OFFICERS:

Geoff Little 234 3317 g.little@manchester.gov.uk

Carol Culley 234 1646 c.culley@manchester.gov.uk

Michelle Chard 234 4098 M.Chard@manchester.gov.uk

BACKGROUND DOCUMENTS:

Reports to the Resources and Governance Overview and Scrutiny Committee on 6 March 2008; the Audit Committee on 29 May 2008; and the Standards Committee on 23 June 2008.

CIPFA/SOLACE governance framework 'Delivering Good Governance in Local Government'

Background

The City Council was previously required to publish an annual statement on the effectiveness of its internal control framework for approval alongside the City Council's financial statements. This requirement has now been replaced by the requirement to adopt a Code of Corporate Governance and to prepare an Annual Governance Statement to review the City Council's arrangements against the Code of Corporate Governance. The new CIPFA/SOLACE governance framework 'Delivering Good Governance in Local Government' provides a recommended framework for the Code of Corporate Governance.

The Code of Corporate Governance

The Code of Corporate Governance is a public statement setting out how the City Council will meet its commitment to have in place culture, values, systems and processes to ensure it operates effectively and achieves its objectives. The Code of Corporate Governance incorporates the following six principles:

1. focusing on the City Council's purpose and community needs;
2. having clear responsibilities and arrangements for accountability;
3. good conduct and behaviour;
4. taking informed and transparent decisions which are subject to effective scrutiny and risk management;
5. developing the capacity and capability of members and officers to be effective; and
6. engaging with local people and other stakeholders to ensure robust public accountability.

The CIPFA/SOLACE recommended framework for the Code of Corporate Governance has been tailored to reflect the City Council's values and the arrangements that the City Council has in place to meet the six principles outlined above.

The draft Code of Corporate Governance was considered by the Resources and Governance Overview and Scrutiny Committee on 6 March 2008; by the Audit Committee on 29 May 2008 and by the Standards Committee on 23 June 2008. The Committees have provided comments which have been incorporated into the draft Code of Corporate Governance set out in the Appendix to this report.

The City Council is asked to endorse and adopt the draft Code of Corporate Governance as the City Council's Code of Corporate Governance.
