



MANCHESTER  
CITY COUNCIL

# Code of Corporate Governance

## **Introduction**

Our Code of Corporate Governance ('the Code') sets out the Council's governance standards. These standards ensure the Council is doing the right things, in the right way, in a timely, inclusive, open, effective, honest and accountable manner.

## **The Council's Corporate Governance Standards**

The Code is based on the seven governance principles set out in the CIPFA/SOLACE guidance 'Delivering Good Governance in Local Government' (2016).<sup>1</sup>

These principles ('A' to 'G') and their sub principles ('A1' to 'G3') are set out below, along with a series of 'we will' commitments which articulate the Council's approach to delivering against the principles.

## **Meeting the commitments set out in the Code**

Each year, the Council publishes an [Annual Governance Statement \(AGS\)](#) to accompany the Annual Accounts.

The AGS provides an overview of how the Council's governance arrangements operate, including how they are reviewed annually to ensure they remain effective.

In the 'Governance Framework' section of the AGS (Section 4), key examples are given of how the Council has met the governance commitments set out in the Code. This includes hyperlinks to sources of further information, which include more detail about how the Council has implemented its commitments.

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<sup>1</sup> CIPFA is the Chartered Institute of Public Finance and Accountancy, and SOLACE is the Society of Local Authority Chief Executives.

## **A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law**

### **A1 - Behaving with Integrity**

We will:

1. Develop a culture of behaviour based on shared values, ethical principles and good conduct that is put into practice by members and officers alike.
2. Take an 'Our Manchester' approach, ensuring that that we put people and communities at the heart of everything we do, and that we follow the five Our Manchester behaviours:
  - We are proud and passionate about Manchester
  - We take time to listen and understand
  - We own it and are not afraid to try new things
  - We work together and trust each other
  - We show that we value our differences and treat people fairly
3. Ensure that staff are aware of and know how to access whistle-blowing, and anti-fraud and corruption procedures. All our staff are expected to help prevent fraud and corruption, and are encouraged, supported, and protected to speak up if they encounter potential wrongdoing.

### **A2 - Demonstrating Strong Commitment to Ethical Values**

We will:

1. Operate a Standards Committee that champions high standards of ethical governance from elected members.
2. Maintain robust policies and procedures so that ethical values are put into practice, including separate Codes of Conduct for members and staff and a Member / Officer Relations Protocol, which are clearly communicated and readily accessible.
3. Operate effective procedures for the declaration of interests, gifts and hospitality for both members and officers.
4. Operate ethical procurement policies to ensure that commitment to our values and integrity is delivered by external suppliers delivering services on our behalf, who deliver against our social value commitments.

### **A3 - Respecting the Rule of Law**

We will:

1. Appoint a Monitoring Officer (the City Solicitor), who is a member of the Strategic Management Team (SMT), and who ensures that decisions are taken in a lawful and fair way, procedures are followed and that all applicable legal requirements are complied with.
2. Put in place measures to address breaches of our legal and regulatory powers. The Council's Monitoring Officer (the City Solicitor) has statutory reporting duties in respect of unlawful decision making and maladministration. Similarly, the Chief Finance Officer (the City Treasurer) has statutory reporting duties in respect of unlawful and financially imprudent decision making.
3. Appoint Statutory Officers that have the skills, resources and support necessary to perform effectively in their roles. These include:

- 3.1. Head of Paid Service (Chief Executive)
- 3.2. Monitoring Officer (City Solicitor)
- 3.3. Chief Finance Officer (City Treasurer)
- 3.4. Other officers as listed in the Scheme of Delegation in the Council's Constitution
4. Support the statutory officers as well as other key postholders and elected Members to fulfil their responsibilities within legislative and regulatory requirements. Due regard will be given to the SOLACE/CIPFA/LLG Code of Practice on Good Governance for Local Authority Statutory Officers.<sup>2</sup>
5. Ensure that all Members and Officers appointed to undertake roles as Directors on either Company or Charity Boards have access to appropriate guidance and support to ensure that they undertake their duties within the context of the relevant Acts that govern such bodies.

## **B. Ensuring openness and comprehensive stakeholder engagement**

### **B1 - Ensuring Openness**

We will:

1. Set out our website in a clear and accessible way, including plain language. We are committed to complying with web content accessibility guidelines.
2. Ensure that decisions taken by Council (the meeting attended by all Councillors), as well as those taken by Committees or by the Executive, are recorded on our website, alongside the reasons and the evidence considered.
3. Ensure that subject to limited exemptions these decisions are made in public and information relating to those decisions is made available to the public.
4. Publish notification online of the intention to take the most significant executive decisions on a Register of Key Decisions.
5. Provide live webcasts of decision making and Scrutiny Committee meetings.

### **B2 - Engaging Comprehensively with Institutional Stakeholders**

We will:

1. Develop and maintain relationships with leaders of other organisations across the private, public and voluntary sector, contributing to the vision for the city in the Our Manchester Strategy and other key Council strategies.
2. Maintain a register of our significant partnerships to assess the level of assurance for the governance arrangements of each partnership and highlight areas where improvements may be required to further strengthen these arrangements. This activity will be reported and accountable to Audit Committee and underpinned by clear and well documented supporting evidence.
3. Ensure effective monitoring of the performance and outcomes delivered through the companies, Joint Ventures and charities to which the Council is a party, through the Council's Commercial Board, the Shareholder Panel and an annual report on activities delivered through these arrangements to the Resources and Governance Scrutiny Committee.

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<sup>2</sup> LLG is Lawyers in Local Government.

## B3 - Engaging with Individual Citizens and Service Users Effectively

We will:

1. Use the Our Manchester approach when engaging with residents. This means that we focus first on the strengths and potential in people and places, rather than starting from their challenges.
2. Use the most appropriate methods to engage and consult to ensure the reach is as broad and inclusive as possible, including but not limited to community engagement, formal consultation, and working with residents and service users to design services that best meet their needs.
3. Proactively engage with the city's diverse communities and identity groups to inform the development and delivery of our functions. This includes recognising the distinction between engaging communities of geography (a finite number of residents within individual neighbourhoods) and communities of identity, as well as groups with intersecting identities who may experience more disadvantage due to that intersectionality. Identity groups can mean people with protected characteristics defined by the Equality Act 2010, for instance disabled people, older people, communities experiencing racial inequality, and LGBTQ+ people, who are widely dispersed across Manchester. The Council also pays due regard to a broader range of communities than those defined in the Equality Act, including armed forces veterans and their families, people living in poverty (the socio-economic duty), people with caring responsibilities, care-experienced people and people experiencing homelessness.
4. Partner with Voluntary, Community, Faith and Social Enterprise (VCFSE) organisations to deliver meaningful engagement with Manchester's diverse communities, within neighbourhoods and communities of identity.
5. Strive to balance the feedback we receive from more active stakeholders with that from less active stakeholders through monitoring responses by age, gender, location, ethnicity, sexuality, and other factors and delivering targeted promotion where required to ensure that the sample of respondents is representative of the city as a whole.
6. Commit to sharing outcomes of consultations and other community engagement mechanisms with the public and other stakeholders.
7. Maintain effective and accessible channels for dialogue and discussion with residents, including via social media.
8. Maintain effective complaints and compliments handling and monitoring procedures, so that we can identify where improvements in service delivery are needed and learn effectively from the complaints that we have received.

## C. Defining outcomes in terms of sustainable economic, social, and environmental benefits

### C1 - Defining Outcomes

We will:

1. Ensure that feedback from residents, partners and other key stakeholders which contributes to strategic or service development is refreshed on an ongoing basis, this review being incorporated into work programmes.

2. Ensure that outcomes are focused on achieving delivery of the overall vision for the city in the Our Manchester Strategy.
3. Maintain a current Corporate Plan which sets out the priorities which the Council will focus on to play its part in delivering the vision for the city.
4. Put the Our Manchester Strategy and Corporate Plan priorities at the heart of our budget, business planning, and service planning processes.
5. Ensure that service leads communicate their Service Plans to all staff, so that they understand the role that they play in delivering the Corporate Plan priorities.
6. Commit to consulting with the businesses and residents of Manchester in the design of our budget proposals to understand their priorities, and to be transparent about financial limitations.
7. Develop a Medium-Term Financial Strategy which sets out financial assumptions and provides a set of goals for financial decision making for the planning period ahead.

## C2 - Sustainable Economic, Social, Equality and Environmental Benefits

We will:

1. Assess and address the full combined economic, social, equality and environmental implications of our decisions through, for example, data analysis and consultation with affected parties, so that our decisions advance the achievement of the city's vision.
2. Set out the impact a decision will have on the Our Manchester Strategy themes and include both an Environmental and an Equality Impact Assessment in any reports which recommend a decision.
3. Maintain up to date plans to address climate change and provide regular online progress updates on delivery. This includes progress towards science-based carbon reduction targets for Manchester which require the city to become zero carbon by 2038.
4. Provide both political and officer leadership on our equality, diversity, and inclusion (EDI) priorities via Executive Members and senior leaders, and incorporate our Corporate Equality Objectives into service planning processes.
5. Ensure that officers are clear about their role in meeting the Public Sector Equality Duty (S149 of the Equality Act 2010). When required, Equality Impact Assessments will be carried out to assess the impact of proposals which may have a differential effect on people with protected characteristics and communities across the city. This includes the adoption of the socio-economic duty, which asks officers to consider if any decision increases or decreases inequalities that result from socio-economic disadvantage.
6. Maintain a Council wide focus on tackling the social determinants of health inequalities.
7. Commit to improving workforce inclusion by delivering the Workforce Equality, Diversity and Inclusion Strategy, and ensuring our workforce better reflects the communities that we serve at all levels. Additionally, commit to advancing equalities, addressing inequalities and eliminating discrimination so that the Council is a place where staff feel safe, valued and respected.
8. Enact plans and strategies which will encourage a growing economy that is inclusive and benefits everyone, boosting productivity and reducing poverty. We want Manchester's economy to function as a net-contributor to UK Gross Domestic Product (GDP) and provide the best possible opportunities for our residents.

9. Deliver our social value priorities and secure social value benefits to Manchester within all of our contracts, and where possible through wider activities. We will continually refine and update our approach, striving for innovation. We will view social value as a mechanism to minimise detrimental impacts as well as maximising positive impacts to society. We will align our social value policy to our wider strategic economic, social, equality and environmental objectives.
10. Influence our partners in delivering outcomes that are in line with our economic, social, equality and environmental objectives.

## **D. Determining the interventions necessary to optimise the achievement of the intended outcomes**

### **D1 - Determining Interventions**

We will:

1. Ensure that decision makers receive accurate, relevant and timely performance information and intelligence to support them with objective and rigorous analysis of options, covering intended outcomes, financial impact and associated risks informing efficient service delivery.
2. Seek to continuously enhance the insights made available to decision makers, for example by delivering improvement programmes focusing on key areas such as digital and data.
3. Commit to seeking continuous feedback from residents and those who use our services, both in planning service changes and improvements. This could be through surveys, consultations or other engagement models, but should include people with lived experience where possible.
4. Ensure effective delegation of decision making to officers so that they can deal with the day-to-day running of services without the need to constantly refer matters back to elected Members. Details of decisions that may be taken by officers in this way are included in the Scheme of Delegation in the Council's Constitution.

### **D2 – Planning Interventions**

We will:

1. Plan our activity at a strategic level through our budget and corporate business planning cycle, in consultation with internal and external stakeholders, to ensure services delivered across different parts of the organisations and partners complement each other and avoid duplication.
2. Ensure consistent and effective service planning, with each service completing an individual plan. Service leads will ensure that their priorities and activities set out in their service plan all contribute towards delivery of our Corporate Plan, and that there is also a focus on continuous improvement.

### **D3 - Optimising Achievement of Intended Outcomes**

We will:

1. Integrate and balance our service priorities, affordability, and other resource constraints, considering the full cost of operations over the medium and longer

term, including both revenue and capital spend budgets. This includes producing a medium-term financial plan.

2. Take an integrated approach to the deployment of revenue and capital spend, aligned to delivery of the Our Manchester priorities.
3. Embed economic, social, equality and environmental objectives (“social value”) into procurement and commissioning processes from service design stage onwards and integrate monitoring of these objectives with contract and performance management procedures.

## **E. Developing the entity’s capacity, including the capability of its leadership and the individuals within it**

### **E1 - Developing the Organisation’s Capacity**

We will:

1. Have organisational development plans in place which support staff to develop the skills and behaviours to enable us to effectively deliver against the Our Manchester Strategy, and to continue to transform our culture.
2. Enact strategies which aim to create a more inclusive Council, where our workforce fully reflects the rich diversity and talent of the communities we serve at all levels.
3. Deliver change programmes which will continue to reshape how services are delivered internally and externally, using new technologies, ways of working and new delivery models.

### **E2 - Developing the Capability of the Organisation’s Leadership and Other Individuals**

We will:

1. Ensure that newly elected Council Members receive an induction into the work of the Council and their role as a local member.
2. Provide ongoing elected Member development, including briefings by officers into any new developments which affect their role.
3. Ensure that all staff have regular one-to-ones or supervisions with their line manager, in line with the organisation’s performance development principles. These will include discussions on objectives and goals, performance, understanding training and development needs, and health and wellbeing.
4. Listen to the views of our staff through surveys and engagement and then use the learnings from these to inform and improve the way that we prioritise, operate, and communicate.
5. Run events which give all staff the opportunity to understand our corporate priorities, and to connect and interact with the senior leadership.
6. Commit to developing all our managers at all stages throughout their careers. We will offer a broad range of courses ranging from those aimed at all new managers, existing managers, and leaders.
7. Ensure that all managers are aware of, understand and are following corporate people management policies and processes such as managing attendance.
8. Commit to improving the health and wellbeing of our diverse workforce through delivering a strategic and holistic approach to workplace health and wellbeing via

the Health and Wellbeing Strategy. The strategy provides support, guidance and interventions to improve mental health, physical health, financial wellbeing, and leadership and management confidence and capability.

## **F. Managing risks and performance through robust internal control and strong public financial management**

### **F1 - Managing Risk**

We will:

1. Operate a risk management framework that aids decision making in pursuit of the organisation's strategic objectives, protects the Council's reputation and other assets and is compliant with statutory and regulatory obligations.
2. Operate a business continuity management framework that supports resilience, is compliant with statutory and regulatory obligations and is aligned to good practice guidelines.
3. Ensure that staff are appropriately trained to ensure that they manage risk and business continuity effectively using appropriate methodologies, including the management of safeguarding risks in line with professional standards.
4. Consider national risks and opportunities, emerging pieces of legislation and policy changes to understand and prepare for their potential impact.

### **F2 - Managing Performance**

We will:

1. Ensure that service leads use timely and accurate performance information and insight to support delivery of a service, inform decision making, drive continuous improvement and respond to any barriers to good performance.
2. Provide SMT with concise, clear, and integrated finance and performance reports to support effective resources allocation, and to shine a light on good practice or any challenges so that they can be addressed in a timely manner.

### **F3 - Effective Overview and Scrutiny**

We will:

1. Maintain Scrutiny Committees, which hold decision makers to account and play a key role in ensuring that public services are delivered in the way that residents want.
2. Ensure that, where appropriate, officers know how to engage with and support the Scrutiny Committees.

### **F4 - Robust Internal Control**

We will:

1. Maintain robust internal control processes, which support the achievement of our objectives while managing risks. The current approach will be set out annually in Risk and Internal Audit reports to Audit Committee.
2. Maintain and communicate clear policies and arrangements in respect of counter fraud and anti-corruption.

3. Maintain an Audit Committee which oversees the effectiveness of governance and risk management arrangements, internal systems of control, and anti-fraud and anti-corruption arrangements.
4. Annually report to Audit Committee our internal auditor's findings into the overall adequacy and effectiveness of the framework of governance, risk management and control.
5. Ensure that implementation of, or response to improvement recommendations made by Internal and External Auditors and other external assessors occurs within due dates.

## F5 - Managing Data

We will:

1. Comply with data protection legislation, which includes the UK General Data Protection Regulation and the Data Protection Act 2018 (DPA). This will ensure that data processing is carried out fairly, lawfully, and transparently.
2. Ensure that all valid requests from individuals to exercise the rights provided for in data protection legislation are dealt with as quickly as possible, and by no later than the timescales allowed in the legislation.
3. Have a Corporate Data Management policy in place, and ensure that service leads take accountability for awareness and integration of the key principles (Data Ownership, Data Quality, Data Systems, Data Skills, Data Use).
4. Review and supplement our policies, and keep our processing activities under review, to ensure they remain consistent with the law, and any compliance advice and codes of practice issued from time to time by the Information Commissioner's Office (ICO).
5. Ensure that it is clear to all staff and Members that they are personally accountable for using the Council's information responsibly and appropriately.
6. Ensure that staff and Members are appropriately trained in protecting information and ensuring cyber security.
7. Make information available to the public via the information access regimes provided for by Freedom of Information and Environmental Information legislation.
8. Ensure that Information Governance is overseen at a senior level by the Corporate Information Assurance and Risk Group (CIARG), chaired by the City Solicitor, who is the Senior Information Risk Officer for the Council (SIRO).

## F6 - Strong Public Financial Management

We will:

1. Maintain an approach to Financial Management that ensures that public money is safeguarded at all times, ensuring value for money. Our approach supports both long-term achievement of objectives, and shorter term financial and operational performance. This is outlined within the Council's Medium Term Financial Strategy.
2. Ensure that appropriate advice is given on all financial matters, proper financial records and accounts are kept, and oversee an effective system of internal financial control. This will be delivered via Financial Regulations and through the leadership of the Chief Finance Officer (the City Treasurer). The

City Treasurer ensures that well developed financial management is integrated at all levels of planning and control including management of financial risks, systems, and processes.

3. Comply with the Financial Management Code (FM Code) which sets out the standards of financial management expected for local authorities and is designed to support good practice, and to assist local authorities in demonstrating their financial sustainability. As part of this we will carry out credible and transparent financial resilience assessments which will be made available.
4. When making our budget calculations, ensure that the Chief Finance Officer (the City Treasurer) reports to Council on the robustness of the estimates made for the purposes of the calculations, and the adequacy of the proposed financial reserves.
5. Follow CIPFA's Prudential Code and Treasury Management Code of Practice which set out the risk framework through which the Council manages its balance sheet and makes capital investment decisions, and statutory guidance on best value standards and interventions.
6. Maintain strategies and processes detailing our approach to decision making on capital investments, and treasury management (including debt management and cash investing).

## **G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability**

### **G1 - Implementing Good Practice in Transparency**

We will:

1. Commit to publishing information, including reports, in a manner which is accessible to residents and other stakeholders.
2. Ensure that our website is set out in a clear and easily accessible way, using plain language and also that it is compliant with web content accessibility standards.
3. Follow the Local Government Transparency Code, which includes requirements and recommendations for local authorities to publish certain types of data.

### **G2 - Implementing Good Practices in Reporting**

We will:

1. Make reports publicly available online which demonstrate the city's progress towards its vision and priorities as set out in the Our Manchester Strategy.
2. Provide integrated finance, performance and service delivery information to SMT to enable monitoring of delivery of our Corporate Plan priorities. This will support effective decision making, resource allocation, and help to identify any areas of best practice or challenges so that they can be addressed.
3. Ensure that lived experience and outcomes of different communities in Manchester are reflected in our reporting and ensure that our services and decision-making benefit our diverse residents. To do this, we will produce Communities of Identity reports, which utilise valued relationships with VCFSE

organisations, partners and communities to represent the different experiences of people in Manchester.

### G3 - Assurance and Effective Accountability

We will:

1. Welcome peer challenge, internal and external review and audit, and inspections from regulatory bodies, giving thorough consideration to arising recommendations.
2. Monitor the implementation of internal and external audit recommendations. Assurance reports will be presented to Audit Committee and the Council's external auditors, summarising the Council's performance in implementing recommendations effectively and within agreed timescales.
3. Follow the prevailing internal audit standards which apply to local government. These include a commitment to develop audit plans which are designed to invite comment from management and the Audit Committee.