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| <b>Report to:</b> | Standards Committee                               | <b>Date:</b> 03 April 2025 |
| <b>Subject:</b>   | Ethical Governance – Code of Corporate Governance |                            |

## Summary

As part of the annual review of the constitution a forward plan item for this Committee has been an ethical governance review, this report seeks Members agreement to develop a revised Code of Corporate Governance which would be considered and approved by this committee.

## Recommendation

1. Members consider the report and agree that a Code of Corporate Governance should be prepared for review by this Committee

## Code of Corporate Governance

This report seeks Members agreement to develop a revised Code of Corporate Governance which would be considered and approved by this committee.

This involves:

- Focusing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area;
- Taking informed, transparent and accountable decisions which are subject to effective scrutiny, monitoring of achievement of performance and the management of risk;
- Engaging with local people and other stakeholders to ensure robust public accountability;
- Councillors and officers working together effectively to achieve outcomes;
- Achieving a common purpose with clearly defined functions and roles;
- Developing the capacity and capabilities to provide effective leadership;
- Promoting the values of the Authority and demonstrating good governance;
- Upholding high standards of conduct and behaviour, ethical standards and legal compliance.

This Code is underpinned by the seven key principles set out in the current revised framework 'Delivering Good Governance in Local Government: Guidance notes for English Authorities (2016 Edition)', published by CIPFA and SOLACE.

The code would cover each of the principles, short examples are set out against each principle as an example for Members

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

A1 - Behaving with Integrity - Ensuring that as a Council our values, ethical principles and good conduct is put in to practice by Officers and Members. 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 – Demonstrated by ensuring we have a Standards Committee high standards of ethical governance from elected members. Maintain robust policies and procedures so that ethical values are put into practice, including separate Codes of Conduct for members. Ensuring that appropriate protocols are in place for Member/Officer protocols alongside effective procedures for the declaration of interests, gifts and hospitality for both members and officers.

Operate ethical procurement policies to ensure that commitment to our values and integrity is delivered by external suppliers delivering services on our behalf.

A3 - Respecting the Rule of Law – Demonstrated by the appointment of a Monitoring Officer and statutory officers these include:

The Chief Executive, Monitoring Officer (Director of Law and Governance), s151 Officer (Director of Finance).

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

B1 - Ensuring Openness – Ensuring Council systems are accessible to the public, public participation in decision making. Publication of decision making including the register of key decisions and live streaming of Cabinet and Council.

B2 - Engaging Comprehensively with Institutional Stakeholders – Maintain and develop relationships with Organisations across the public and voluntary sector. Ensuring effective relationships with our joint venture partners and company arrangements with oversight of the Commercial Board.

B3 - Engaging with Individual Citizens and Service Users Effectively – Revision of our public participation guidance, ensuring we are engaging effectively will all communities across our Townships.

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

## C1 - Defining Outcomes

We will:

- Engage and consult with residents, partners and other key stakeholders when designing key strategies.
- Ensure that outcomes are focused on achieving delivery of the overall vision for the city in the Our Manchester Strategy.
- 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.
- Put the Our Manchester Strategy and Corporate Plan priorities at the heart of our budget, business planning, and service planning processes.
- Commit to service managers ensuring that Service Plans are clearly communicated to all staff, so that they understand the role that they will play in delivering the Corporate Plan priorities.
- 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.
- 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 and Environmental Benefits – Including delivery of our social value strategy, climate change policies and providing leadership on our equality, diversity and inclusion priorities.

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

D1 – Ensure our corporate planning and LET's strategy a clearly focused on delivery

D2 – Planning Interventions – Excellent strategic forward planning , plan our activity at a strategic level through our budget and 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

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

E1 - Developing the Organisation's Capacity.

E2 - Developing the Capability of the Organisation's Leadership and Other Individuals

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

F1 - Managing Risk - Operate an effective risk management framework, ensuring that a system of risk recording is across all areas of the Council to inform the Corporate risk register.

F2 - Managing Performance – Clear performance metrics reported to Members under pinned by a system of Boards and Members Assurance Group.

F3 - Effective Overview and Scrutiny – Continue effective scrutiny committees.

F4 - Robust Internal Control – Strong and effective audit Committee. Internal controls to assist in the management of risks. Response to internal and external audit reports including responding to any recommendations from our Auditors.

F5 - Managing Data - Comply with data protection legislation, which includes the UK General Data Protection Regulation, the Data Protection Act 2018 (DPA). This will ensure that data processing is carried out fairly, lawfully, and transparently

F6 - Strong Public Financial Management – Financial management led by the Finance Board. Compliance 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 decisions. Maintain strategies and processes detailing our approach to decision making on capital investments, and treasury management.

## **G - Assurance and Effective Accountability**

G1 - Implementing Good Practice in Transparency - Publication of our reports, ensuring our website is accessible

G2 - Implementing Good Practices in Reporting - Publication of our Committee reports, corporate plans and policies.

The revised code of corporate governance will outline the recent work carried out by the Council to strengthen governance and set out the new governance arrangements and the work of the Boards.

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