



MANCHESTER  
CITY COUNCIL

# Annual Governance Statement 2023/24

## 1. Introduction

- 1.1 This statement provides an overview of how the Council's governance arrangements operate, including how they are reviewed annually to ensure they remain effective. Governance comprises the systems and processes, culture and values by which the Council is directed and controlled, and through which it is accountable to, engages with and leads the community.
- 1.2 A summary of significant governance challenges which the Council faces is given, alongside an explanation of what actions have been taken to bring about required improvements, and what work is still to be done. This provides transparency and gives assurance that the Council is committed to continuously improve the way in which it functions. More detail on particular topics can be accessed by clicking on the hyperlinks, which are highlighted and underlined throughout the document.
- 1.3 The Council operates in a complex and constantly evolving financial, policy and legislative environment. The role, responsibilities and funding models of local government continue to be in a period of rapid transition. The city continues to progress the delivery of its ambitious Our Manchester strategy, with staff, residents and stakeholders across the city engaged in working towards the realisation of the vision. The Council's Corporate Plan sets out its priority actions for delivering the strategy for the city.
- 1.4 Key challenges for the Council and the city as it continues its longer-term recovery from the COVID-19 pandemic include tackling health inequalities and supporting residents who are impacted by the cost-of-living crisis. Effective leadership and governance of the response to these challenges is critical. The Council is consulting (until May 2024) on our next ten-year plan for Manchester - Our Manchester 2025–2035 - which must tackle gaps in health, wealth and opportunity.
- 1.5 The introduction of the Integrated Care System (ICS) arrangements at Greater Manchester level continues to drive the next phase of health and social care integration. The operating model for Manchester's health and social care integration is key to enabling further progress towards achievement of the priorities for the city. These ambitions are for the city to significantly improve health outcomes, tackle health inequalities and develop a financially and clinically sustainable system.
- 1.6 The changes taking place present both opportunities and challenges. Therefore, the Council must continue to engage in a broad programme of innovation and reform work so that it can maintain services for residents which are efficient, effective and deliver value for money using available resources. This document explains the governance mechanisms in place to ensure appropriate oversight of this work.

## 2. Scope of Responsibility

- 2.1 Manchester City Council (the Council) is responsible for ensuring that its business is conducted in accordance with the law and proper standards. It is also responsible for ensuring that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised.
- 2.2 In discharging these responsibilities, the Council must put in place proper arrangements for the governance of its affairs and effective exercise of its functions, which includes arrangements for the management of risk. The Council first adopted a Code of Corporate Governance in 2008, which was last updated in November 2022. The Code of Corporate Governance 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, honest, and accountable manner. Some of these standards are required by law, while others are a matter for the Council to choose.
- 2.3 The approach to the production of the Annual Governance Statement (AGS) is reviewed annually to ensure that it remains consistent with the principles of the most recent Chartered Institute of Public Finance and Accountancy and the Society of Local Authority Chief Executives and Senior Managers (CIPFA/SOLACE) joint framework for delivering good governance in local government. CIPFA issued an update to the Framework in 2016, which has informed the preparation of the Annual Governance Statement (AGS) from 2016/17 onwards.
- 2.4 This AGS explains how the Council has complied with the Code of Corporate Governance. The AGS also meets the requirements of the Accounts and Audit (England) Regulations 2015 regulation 6(1) which requires all relevant bodies to prepare an Annual Governance Statement (AGS).

## 3. The Purpose of the Governance Framework

- 3.1 The governance framework comprises the systems and processes, culture and values by which the Council is directed and controlled, and through which it is accountable to, engages with and leads the community. It enables the Council to monitor the achievement of the city's strategic objectives as set out in the Our Manchester Strategy - Forward to 2025, and to consider whether those objectives have led to the delivery of appropriate, cost effective services. The Council's Corporate Plan sets out the Council's contribution to the Our Manchester vision. The objectives in Our Manchester and Our Corporate Plan are underpinned by 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

3.2 The system of internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve the Council's aims and objectives and can therefore not provide absolute assurance of effectiveness. The system of internal control identifies and prioritises risks; evaluates the likelihood of those risks being realised and the impact should they be realised; and aims to manage them efficiently, effectively, and economically.

## 4. The Governance Framework

Corporate governance describes how organisations direct and control what they do. The Council operates to a Code of Corporate Governance, updated versions of which are reviewed by Audit Committee. The Code is updated when appropriate, to ensure it reflects the Council's current governance arrangements.

The information below includes key examples of how the Council has adhered to its governance commitments set out in the Code and includes hyperlinks to sources of further information, which include more detail about how the Council has implemented its commitments.

The Council has a broad range of strategies and policies in place, and therefore this is not intended to be an exhaustive list. There is a particular focus in this statement on 'first tier' strategies which deliver on the five key themes of the Our Manchester Strategy (Thriving & Sustainable, Highly Skilled, Progressive & Equitable, Liveable & Zero Carbon, Connected City). The current Our Manchester Strategy runs to 2025. A new Our Manchester Strategy for 2025 to 2035 will be developed during the course of 2024.

The economic strategy for Manchester ('Investing in Success') sits across all Our Manchester themes. More detail about particular areas of interest can be found on the Council's website [manchester.gov.uk](https://manchester.gov.uk).

There are seven core principles of good governance in the public sector, which are set out below (principles 'A' through to 'G'). Each core governance principle has a set of sub-principles beneath it with a description of how we meet those principles. Where applicable, hyperlinks are also provided where you can access more information about key examples of governance in action.

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

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

- The Council's 'Our Manchester' approach includes five behaviours that demonstrate the attitude and ways of working to achieve the Our Manchester Strategy, the fifth behaviour was introduced in 2022:
  1. We are proud and passionate about Manchester
  2. We take time to listen and understand
  3. We own it and are not afraid to try new things
  4. We work together and trust each other
  5. We show that we value our differences and treat people fairly

These behaviours represent how we should do things, how we should treat others, what we should say, and how we should say it.

- We're prioritising workforce equality and diversity by creating a more inclusive Council, through delivering the Workforce Equalities Strategy. [Workforce Equalities Update October 2023](#)

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

- The Standards Committee champion high standards of ethical governance from elected members and the Council as a whole. A summary of its work is included in its [Annual Report to Council](#).

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

- The Council's City Solicitor undertakes the role of Monitoring Officer. The Monitoring Officer ensures that Council decisions are taken in a lawful and fair way, correct procedures are followed, and that all applicable laws and regulations are complied with. The City Solicitor is also responsible for reporting any actual or potential breaches of the law or maladministration to the Full Council and/or to the Executive, and for ensuring that procedures for recording and reporting key decisions are operating effectively. [Our Constitution](#) - article 12.3(b)
- The Chief Finance Officer (City Treasurer) has statutory reporting duties in respect of unlawful and financially imprudent decision making. [Our Constitution](#) - article 12.4(a)
- The Council ensures that it complies with CIPFA's Statement on the Role of the Chief Finance Officer in Local Government (2016)

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

### **B1 - Ensuring Openness**

- The Council's website is set out in a clear and easily accessible way, using infographics and plain language. The information which residents use most, such as about Council Tax, and Waste and Recycling can be accessed quickly and easily from the main page. Design of the site has considered and incorporated understanding of the needs of people with accessibility requirements. [Manchester City Council website](#)
- All Council and Committee meetings are held in public (other than in limited circumstances where consideration of confidential or exempt information means that the public are excluded), with agenda and reports available on the Council's website. Live-streamed webcasts of Council, Executive and Scrutiny committee meetings are available online, as well as in an archive which can be accessed on-demand. [Council Meeting Agendas and Reports Webcasts of Council Meetings](#)

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

- The Our Manchester Forum supports development of effective relationships across leaders of the city's key private, public, voluntary and community sector organisations and our residents. The Forum benefits the city by driving forward the priorities set out in the Our Manchester Strategy to put Manchester in the top-flight of world class cities by 2025. [Our Manchester Forum Information - The Manchester Partnership](#)
- The Council maintains a list of major partnerships in a Register of Significant Partnerships. This contains an assessment of the level of assurance for the governance arrangements of each partnership, shining a light on areas where improvements may be required - so that these can then be addressed. [Register of Significant Partnerships](#)

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

- A major public engagement to develop the new Our Manchester Strategy up to 2035 was launched in early February 2024, running until May 2024. The people and businesses of Manchester and the workforce within the Council are being asked their views to help shape the next ten years. [Our Manchester 2025-2035 Survey](#)
- To promote transparency and wider engagement with Council decisions, residents can sign up for email e-bulletins and use social media to interact with the Council. [E-bulletins and Social Media](#)
- The Council ensures that community engagement is an integral part of how we work with residents and communities. Engagement activity has been key in the development of recent plans and strategies including the [Anti-Poverty Strategy](#) and the [Economic Strategy](#). Public consultation continues to be an integral part of the annual [Budget](#) setting process.
- Community consultation and involvement is delivered in accordance with the [Campaigning Engagement Framework \(CEF\)](#).
- The Council's ambition to become recognised as a [UNICEF Child Friendly City](#) will include ensuring that the voices, needs and priorities of children are an integral part of decision making processes influencing their lives.

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

### **C1 - Defining Outcomes**

- An extensive consultation in 2015 led to a 10-year strategy for the city – the Our Manchester Strategy 2016-2025 – which included a new approach to working across the whole organisation and with residents, partners and other key stakeholders. [Our Manchester Strategy – Forward to 2025](#) .Our vision remains for Manchester to be in the top-flight of world class cities by 2025, when the city will be:
  - Thriving and Sustainable – vibrant with a cutting-edge economy involving and fairly rewarding all our people.
  - Highly Skilled – work-ready, well-educated young people and all residents supported to take up opportunities.
  - Progressive and Equitable – so all can thrive, with better joined-up support, care and health services.
  - Liveable and Zero-Carbon – safe, enjoyable neighbourhoods with affordable housing, zero-carbon by 2038 using green growth and design, energy, and more climate-resilience.
  - Connected – more walking, cycling and green transport, and accessible digital technology used by and working for everyone.
- Our Corporate Plan sets out the Council’s contribution to the Our Manchester vision. The priorities are:
  - Inclusive economy where every resident shares in the prosperity of our growing economy
  - Tackling climate change and create a healthy, green, socially just city where everyone can thrive
  - Advancing Equality, Diversity, and Inclusion
  - Children and Young People enjoy a safe, happy, healthy, and successful future.
  - Improving Health and Wellbeing for all
  - Inclusive Communities, Thriving Neighbourhoods
  - Well-managed Council
- The Council will help to deliver these priorities through new ways of working and by demonstrating the Our Manchester Behaviours.

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

- The Council declared a Climate Emergency in July 2019 and developed a Climate Change Action Plan which was approved by Executive in March 2020. Quarterly reports are provided on the progress that has been made in delivering the Plan. [Climate Change Action Plan 2020-25 \(item 37\)](#) [Climate Change Action Plan - Progress Report](#)
- Making Manchester Fairer is the city’s action plan to tackle health inequalities – the preventable gaps between people with the worst health and people with the best health – over five years (2022-27), and with a view to the long-term. The plan is based on what Manchester’s residents and staff from a range of organisations and agencies have told the Council in recent years, as well as the evidence of what works from research and experts on health inequalities. [Making Manchester Fairer Plan](#)



- Our Anti-Poverty Strategy draws upon evidence from residents, organisations, and national research to produce evidenced based recommendations to tackle poverty, its causes, and consequences. [Making Manchester Fairer: Anti-Poverty Strategy 2023-2027](#)
- Manchester’s new economic strategy, ‘Investing in Success’ was launched in November 2023. It seeks to build on the foundations of the last 25 years or so which have seen Manchester transformed from post-industrial decline to being a dynamic city with a growing population, a larger and more highly skilled workforce and a more diverse economy – attracting talent, investment and visitors from all over the world. The strategy has five priority themes (Use investment and development to drive inclusive growth; Nurture thriving, productive and innovative sectors; Develop world class infrastructure, places and talent; Transition to a zero carbon and resilient economy; Include more people in economic opportunity). [Investing in Success: An Economic Strategy for Manchester](#)
- The Housing Strategy explains how the Council will ensure provision of homes that residents want and need, while also considering the role of housing in the context of the Our Manchester Strategy, its contribution to the economic recovery of the city, and zero-carbon objectives. [Manchester Housing Strategy \(2022-2032\)](#)
- Our Work and Skills Strategy sets out how we will use learning and employment to meet the Our Manchester Strategy vision of being a more highly skilled city, and how we will help to create a more inclusive and low-carbon economy in Manchester, where more of our residents are connected to the city’s success. A public consultation on the new strategy ran until 9 May 2022. [Work and Skills Strategy 2022-27](#)

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

#### **D1 - Determining Interventions**

- Decision makers receive accurate, relevant, and timely performance and intelligence to support them with objective and rigorous analysis of options, covering intended outcomes, financial impact and associated risks informing efficient service delivery. This can take the form of regular performance reporting, or bespoke reports. [Executive Reports](#)
- The Future Shape of the Council programme has a workstream focussed on Digital, Data and Insights which includes projects on data management to address data quality challenges. This will ensure all data initiatives follow a well-defined approach to enable uniformity and consistency across systems and solutions and improving insights for decision makers. A key part of this is [The Resident and Business Digital Experience Programme \(RBDxP\)](#)

## D2 - Planning Interventions

- The Council plans its activity at a strategic level through its budget and business planning cycle and does so 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. The [Council's Budget 2024/25](#)
- The Council Budget and Business Plan are underpinned by individual service plans which set out the core priorities and activities for each service. The service plans also include a service improvement plan and active contributions to the corporate priorities of Tackling Climate Change, Advancing Equality, Diversity and Inclusion, and a Place-Based approach. Service Plans have been further strengthened for the 2024/25 financial year with the inclusion of a Risk and Resilience section, and a section explaining how services will support work to achieve the Council's ambition to become recognised as a [UNICEF Child Friendly City](#).

## D3 - Optimising Achievement of Intended Outcomes

- The Council integrates and balances service priorities, affordability, and other resource constraints, supporting it to take into account the full cost of operations over the medium and longer term, including both revenue and capital spend budgets. This includes a medium-term financial plan. The report sets out the Framework for the Our Manchester Strategy and Corporate Plan priorities which provide the strategic context for the 2024/25 Budget. [Medium Term Financial Strategy](#)

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

### E1 - Developing the Organisation's Capacity

- The Council's Organisation Development Plan (2021-23) (OD Plan) is the way in which we embed Our Manchester. It builds on existing work to transform the culture of the organisation to deliver against the Our Manchester Strategy. The refreshed OD plan 2023-25 is one of the four elements of the [Workforce Strategy](#) and drives work to embed the Our Manchester behaviours, focusing on leadership capabilities, supporting effective decision making, meaningful recognition and staff voice, and further work in supporting line managers with performance development.
- The Future Shape of the Council programme is reshaping how Manchester delivers services both internally and externally, by using new technologies, ways of working and new delivery models. It is an organisational wide initiative bringing together several programmes designed to strengthen our ability to deliver the Our Manchester Strategy. [Future Shape of the Council](#)

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

- Immediately following local elections, new Council Members receive an induction into the work of the Council and their role as local members. The format and content are reviewed annually with members. The induction training is also open for existing members to attend. [Member Development and Training](#)
- 'Our Conversation' is the Council's new approach to performance and development and replaces the former 'About You' process. Developed with staff, 'Our Conversation' provides a framework for meaningful regular discussions between staff and their line manager, covering wellbeing, performance, and development.
- The Council delivers a comprehensive programme of leadership and management development, which all managers have access to. Progress and support with a manager's development is monitored through the Our Conversation process. The programme is underpinned by the provision of a new 'Manager's Hub' on the intranet, together with a Good Manager's Guide. Together these provide a comprehensive resource for managers.
- The Council is committed to promoting the physical and mental health and wellbeing of the workforce through both specific interventions and opportunities and as a central part of the role of all managers, through delivery of The Health and Wellbeing Strategy. The strategy is one of the four elements of the overall [Workforce Development Strategy](#). There is a dedicated intranet page with a wide range of support and guidance for staff and their managers covering a wide range of health and wellbeing topics and a 24/7 Employee Assistance Programme (phone line) providing a range of support.

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

### **F1 – Managing Risk**

- The Council operates 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. The Corporate Risk Register is part of this framework and is an articulation of the key risks impacting the Council. It is used to inform decision making, provide assurance over actions being taken to manage key risks and to inform directorate level risk management planning and mitigation activities. Risks are reported publicly in the [Annual Corporate Risk Management Report and Corporate Risk Register](#). In early 2024 the Strategic Management Team approved a revised risk management strategy which will strengthen the review process, involve the use of risk appetite

statements and introduce new formats of reporting for 2024/25. This will be presented to Audit Committee for assurance purposes in April 2024, and progress and risk updates will be provided to SMT and Committee during the year.

- Staff are appropriately trained to ensure that they manage risk effectively using appropriate methodologies and aligned approaches, for example for Manchester Local Care Organisation. Safeguarding risks are managed in line with professional standards.

## **F2 – Managing Performance**

- The Council puts in place Key Performance Indicators (KPIs) to monitor service delivery whether services are internal or through external providers. An Integrated Monitoring and Corporate Plan report is provided to Strategic Management Team (SMT) five times a year. This brings together analysis of performance, finance, Corporate Plan priority delivery highlights, and risk - to support effective resource allocation, and to shine a light on any challenges so that they can be addressed.

## **F3 – Effective Overview and Scrutiny**

- The Council has six 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. The agenda, reports and minutes are publicly available on the Council's website [Scrutiny Committees information](#)

## **F4 – Robust Internal Control**

- The Council has robust internal control processes in place, which support the achievement of its objectives while managing risks. The Council's approach is set out in detail in both the latest Annual Corporate Risk Management report, and its Internal Audit Plan. [Internal Audit Plan 2023/24 - Item 11](#)
- The Council has an Audit Committee, in line with CIPFA's 'Position Statement: Audit Committees in Local Authorities and Police (2018)', which provides an independent and high-level resource to support good governance and strong public financial management. The Committee has two Independent Co-opted Members and provides a mechanism for effective assurance regarding risk management and the internal control environment.
- The Council maintains clear policies and arrangements in respect of counter fraud and anti-corruption. These are the Anti-Fraud and Anti-Corruption Policy; Whistleblowing Policy; Anti Money Laundering Policy and the Anti Bribery Policy. [Committee details - Audit Committee](#)

## **F5 – Managing Data**

- The processing of personal data is essential to many of the services and functions carried out by local authorities. The Council complies with data protection legislation, which includes UK GDPR (United Kingdom General Data Protection Regulation) and the Data Protection Act 2018 (DPA 2018). This will ensure that such processing is carried out fairly, lawfully, and transparently. [Data Protection](#)
- The Council reviews and supplement its policies, and also keep its 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).
- The Council ensures that officers handling personal data are trained to an appropriate level in the use and control of personal data. It is made clear that all staff and Members are personally accountable for using the Council's information responsibly and appropriately. All staff must undertake protecting information e-learning training, and this forms part of the induction process for new staff. Data protection forms part of the training offer for existing Members to access. It is also part of the induction programme for new Members and is included in the Council's new starters induction pack.
- Information Governance is overseen 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).
- The Council makes information available to the public via the information access regimes provided for by the Freedom of Information Act 2000 and the Environmental Information Regulations 2004. Data protection legislation, including the Data Protection Act 2018, provides individuals with various rights. The Council ensures that all valid requests from individuals to exercise those rights are dealt with as quickly as possible, and by no later than the timescales allowed in the legislation.  
[Freedom of Information](#)   [Environmental Information Regulations](#)

## **F6 – Strong Public Financial Management**

- The Council's approach to Financial Management ensures that public money is safeguarded at all times, ensuring value for money. Its approach supports both long-term achievement of objectives, and shorter term financial and operational performance.
- The Chief Finance Officer (City Treasurer) ensures that appropriate advice is given on all financial matters, proper financial records and accounts are kept, and oversees an effective system of internal financial control. The City Treasurer ensures well developed financial management is integrated at all levels of planning and control including management of financial risks, systems and processes. The Constitution (Part 5) details the financial regulations which underpin the financial arrangements. [Our Constitution \(Part 5\)](#)

- The Financial Management Code (FM Code) 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. The FM Code was launched in 2019, with the first full year of compliance being 2021/22. Information about the financial resilience assessment which the Council has carried out is set out in Section 5 of this AGS document – ‘Annual review of effectiveness of the governance framework’. Medium Term Financial Strategy
- Section 25 of the Local Government Act 2003 requires that when a local authority is making its budget calculations, the Chief Finance Officer (‘CFO’) of the authority must report to the Council on the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves. Medium Term Financial Strategy
- The performance and outcomes delivered through the companies, Joint Ventures and charities which the Council is a party to is monitored through the Commercial Board (chaired by the City Treasurer) and Shareholder Panel (chaired by the Deputy City Treasurer). In addition, the Council’s loan and equity investments are also tracked through these routes to ensure that expected returns and repayments are in line with contractual agreements and forecasts. Furthermore, the Register of Significant Partnerships provides additional assurance through the detailed review of a number of entities which is reported to Audit Committee on a bi-annual basis.
- CIPFA’s Prudential Code of Practice and Treasury Management Code of Practice sets out the risk framework through which the Council manages its balance sheet and makes capital investment decisions. Alongside the Department for Levelling Up, Housing and Communities (DLUHC) guidance on minimum revenue provision, and the guidance on borrowing from the Public Works Loan Board (PWLB) which seeks to limit borrowing solely for yield, the Council has a strong regulatory framework that it adheres to. The Capital Strategy and capital approval process detail the approach to decision making on capital investments, and the Treasury Management Strategy details the approach for debt management and cash investing, both of which contribute to strong, ongoing financial management of the Council’s balance sheet. Capital Strategy and Budget 2024/25 to 2026/27 Treasury Management Strategy Statement 2024/25

Principle G - Implementing good practices in transparency, reporting, and audit to deliver effective accountability

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

- The Council follows the Local Government Transparency Code 2015, which includes requirements and recommendations for local authorities to publish certain types of data. Local Government Transparency Code

- The Council's website is set out in a clear and easily accessible way, using infographics and plain language. Information on expenditure, performance and decision making is sited together in one place and can be accessed quickly and easily from the homepage. [Manchester City Council website](#)

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

- The Council produces regular updates on the city's progress towards its vision and priorities in the Our Manchester Strategy. [Our Manchester Progress Update](#)
- An integrated monitoring and Corporate Plan report is provided to Strategic Management Team (SMT) five times a year. This brings together analysis of performance, finance, Corporate Plan delivery highlights and risk - to support effective resource allocation, and to shine a light on any challenges so that they can be addressed.
- A [Communities of Identity](#) report was produced working with communities, Voluntary Community and Social Enterprise (VCSE) organisations, and partners to identify the different experiences of diverse communities in Manchester (and was taken to Communities and Equalities Scrutiny Committee in September 2023).

## **G3 - Assurance and Effective Accountability**

- The Council welcomes peer challenge, internal and external review and audit, and inspections from regulatory bodies and gives thorough consideration to arising recommendations. The outcome letter of the Inspection of Local Authority Children's Services for Manchester was published on the Ofsted website in May 2022. This grades the overall effectiveness of children's services as 'Good'. The report notes that services for children in Manchester have significantly improved since the last inspection in 2017, and that many areas of service provide consistent practice for most children and their families. This includes when children first need support, come into care, and leave care. [Inspection of Manchester local authority children's services](#)
- A Joint Targeted Area Inspection (JTAI) in respect of Serious Youth Violence took place in September and October 2023. The inspection was led by Ofsted and involved inspectors from CQC (Health and Care), Ofsted (Schools and Social Care), HMPI (Youth Justice) and HMICFRS (Police, Fire and Rescue). The inspection identified the governance arrangements for Serious Violence in the city to be a strength and Inspectors described the work of Manchester's Complex Safeguarding Hub as strong and effective. The [Joint Targeted Area Inspection](#) outcome report and resulting action plan were taken to Executive in February 2024.
- The Council monitors the implementation of internal and external audit recommendations. Assurance reports are presented to Audit Committee and Mazars (the Council's external auditors), summarising the Council's

performance in implementing recommendations effectively and within agreed timescales. [Audit Committee meetings](#)

- Public Sector Internal Audit Standards (PSIAS) set out the standards for internal audit and have been adopted by the Council. This process includes the development of an Emergent Audit Plan designed to invite comment from management and the Audit Committee.
- The Council requested a Corporate Peer Review from the Local Government Association (LGA) which took place from 30 November to 3 December 2021. The overall feedback from the peer reviewers was very positive for both the Council and the city. A further [progress review](#) was undertaken in September 2022 commending the progress made and recognising that the Council “embraces challenge and sector-led improvement” [Manchester City Council Peer Review and Action Plan](#) [LGA Corporate Peer Review](#)
- There have been significant recent changes to the legal and regulatory framework governing the management of building safety, including the new Fire Safety Act 2021 (implemented May 2022) and Fire Safety Regulations 2022. The Director for Housing Services, Director for Development and Director of Capital Programmes jointly commissioned an audit of the Council’s current processes in relation to Fire Risk Assessment. The report was issued on 10 July 2023 and the findings presented within the [Executive Summary of Audit Reports](#) at Audit Committee on 25 July 2023 (Item 22, Appendix 5.2 IA Update 2022 23). The action plan arising is monitored through the Housing Improvement Board and through updates to Audit Committee.



## 5. Annual review of effectiveness of the governance framework

- 5.1 The Council has a legal responsibility to conduct an annual review of the effectiveness of its governance framework, including the systems of internal control. After conducting this review, the Council has assurance that its governance arrangements and systems of control are robust and reflect the principles of the Code of Corporate Governance.
- 5.2 The effectiveness of governance arrangements is monitored and evaluated throughout the year, with activity undertaken including:
- **Strategic Management Team (SMT)** - Responsibility for governance and internal control lies with the Chief Executive and the Strategic Management Team (SMT), which meets on a weekly basis to steer the organisation's activity.
  - **Scrutiny and challenge by Council and its Committees** - The Council has four bodies responsible for monitoring and reviewing the Council's governance:
    - 1) **The Executive** - Proposes the budget and policy framework to Council and makes decisions on resources and priorities relating to the budget and policy framework
    - 2) **Audit Committee** - Approves the Council's Annual Accounts, oversees External Audit activity and oversees the effectiveness of the Council's Governance, risk management and internal control arrangements.
    - 3) **Resources and Governance Scrutiny Committee** - Considers the implications of financial decisions and changes to corporate, partnership and city region governance arrangements.
    - 4) **Standards Committee** - Promotes high standards of ethical conduct, advising on the revision of the Codes of Corporate Governance and Conduct for Members
  - **Consideration of evidence sources to identify the Council's key governance challenges looking ahead to 2024/25 (see Action Plan at Section 7)** - These sources include:
    - Heads of Service online annual governance questionnaires, which provide a self-assessment of compliance with the Code of Corporate Governance. The questionnaire was sent to 51 different service areas, and the response rate was 100%.
    - Significant governance challenges in Partnerships as identified by the Council's Register of Significant Partnerships assessment process.
    - A meeting of key Senior Officers with responsibility for Governance, to identify and discuss emerging governance issues.
    - Consideration of risks identified in the Corporate Risk Register
    - Emergent challenges identified by the work of Internal Audit
    - Where appropriate, carrying forward elements of action points from 2023/24 if substantial further challenges remain, and ongoing monitoring is required.

- **Head of Audit and Risk Management Annual Opinion 2023/24** - In terms of the year to March 2024, the Head of Audit and Risk Management will provide an assurance level on the Council's governance, risk, and control framework. The assurance level and full opinion detail will be set out in the Annual Audit Opinion 2023/24 report which will be taken to Audit Committee in April 2024.
- **External Auditor's Review of the Effectiveness of Governance Arrangements** - The Council's external auditor is Mazars. They submit progress reports and their Annual Audit Letter to Audit Committee.
- **CIPFA Financial Management Code 2019 (FM Code)** - The authority has carried out a credible and transparent financial resilience assessment. This includes consideration of the CIPFA Financial Resilience Index which shows the Council to be relatively well placed on earmarked reserves and in a reasonably comfortable mid position on the other indicators. The only ratio classed as high risk relates to the low council tax base which is well understood and has mitigations in place. The index is not intended to represent the entire story on the financial sustainability of a Local Authority but provides some indicators of potential risk. In addition, the Chief Finance Officer has examined the major assumptions used within the budget calculations and associated risks. The Medium-Term Financial Plan and Capital Strategy have been updated to reflect the ongoing impact of the financial pressures faced in the current year.
- **Annual Report of the Standards Committee** - The Council is committed to promoting the highest standards of conduct by members and has adopted a Code of Conduct for all members as part of its Constitution. The Annual Report of the Standards Committee is one of the Council's sources of governance assurance.
- **Governance of Significant Partnerships** – Assurance relating to governance arrangements of the Council's significant partnerships is recorded on the Register of Significant Partnerships. Each partnership is self-assessed annually to provide assurance that effective arrangements are in place, and to highlight any governance challenges which need to be addressed.
- **Commercial Governance** – the Council has oversight and assurance for governance in relation to its companies, loans and equity investments via the Commercial Board and Shareholder Panel. Regular performance reporting is reviewed via these forums to ensure that the expected governance standards are met both in terms of the Seven Principles of Public Life and embedding the delivery of zero carbon and social value through organisational approaches.

## 6. Strategic oversight of actions to address the Council's governance challenges in 2023/24

This section provides a concise high-level summary of strategic actions taken to address the Council's governance challenges for the 2023/24 financial year, and the arrangements for oversight of delivery. The seven challenges were set out in the Action Plan at the end of last year's AGS (2022/23). Where relevant, separate detailed progress updates are provided to Project and Programme Boards, and where applicable reports and information are taken to Committees.

**Action 1** - Continuing to embed and deliver the Organisation Development (OD) Plan 2021-23 to further improve Council wide governance arrangements.

### Governance of actions taken and planned

The Organisation Development (OD) plan has been refreshed for 2023-25 and continues to drive work to embed the Our Manchester behaviours, focusing this time on leadership capabilities, supporting effective decision making, meaningful recognition and staff voice, and further work in supporting line managers with performance development.

The Director of Human Resources, Organisational Development and Transformation (HRODT) provided an update on the [Workforce Strategies](#) to October 2023 Resources and Governance Scrutiny. The OD Plan forms one of the four key Workforce Strategies along with The Talent Plan 2026, Health and Wellbeing Plan 2023-26 and the Workforce Equality Strategy (which is currently being refreshed). Collectively these plans deliver the Council's workforce priorities:

- Attract, develop, and retain talent
- Be an inclusive employer that represents the communities that we serve at all levels
- Develop world-class leaders and managers
- Have a high-performing workforce that delivers great services for our city
- Be a thriving and healthy workforce

Key actions taken during 2023/24 included:

- The Good Manager Guide was launched in June 2023, with all managers expected to attend a briefing.
- Introduction of a two-day Good Manager Masterclass in October 2023.
- Good Managers webinars were launched in Oct 2023, to develop practical understanding of good management practise in areas such as managing performance and health and wellbeing.
- Targeted training and development is being provided to support with key health and wellbeing workforce challenges, such as managing stress and mental health related absence.
- A new training evaluation framework is being rolled out.

Is this governance challenge carrying forward to 2024/25? **Yes**

- Responsible officers (SMT): Deputy Chief Executive, City Solicitor
- Responsible officers (Directors or Heads of Service): Director of HRODT
- How this is monitored: Resources and Governance Scrutiny Committee

**Action 2** - Effective updating, communication, and accessibility of key policies, including assurance over policy being put into practice. Effectively support the continued development of manager capabilities, to ensure policies are consistently implemented and adhered to.

### Governance of actions taken and planned

Key actions that have been taken and will continue to be taken include:

- Policies are reviewed every three years or where there are legislative changes. Minor changes are agreed under the authority of the Director of HRODT with Trade Union consultation where there is a contractual impact; significant changes to policy which impact on terms and conditions are agreed at Corporate Joint Consultative Committee (JCC), SMT and at Personnel Committee. Equality Impact Assessments are undertaken on significant changes to policy and equality networks are engaged in their development. Following approval at Personnel Committee, the policy changes are embedded through staff and manager communications, intranet content updates, briefings or training.
- Providing support to managers to be as effective as possible, for example to understand and apply policies correctly. This forms part of the 'Good Manager' programme of activity which is informed by the Good Manager Guide. This is part of the Organisations Development Plan which is owned by SMT as part of the Council's Workforce Strategies. Work is underway to develop the Manager Accountability Framework.
- All new employees will attend the Corporate Induction within their probation period and are provided with the Code of Conduct and Welcome to the Council pack on joining the council.
- Policies are embedded into associated training such as Recruitment and Selection and Managing of Attendance.
- Team Talk email communications to staff feature policies on a rotation basis, which is usually on a seasonal basis or where there are updates to policies.
- All policies are available on the intranet, or via request through the HR Helpdesk.

Is this governance challenge carrying forward to 2024/25? **Yes**

- Responsible officers (SMT): Deputy Chief Executive
- Responsible officers (Directors or Heads of Service): Director of HRODT
- How this is monitored: Resources and Governance Scrutiny Committee

**Action 3 - Future Shape of the Council** – Ensure effective governance of the coordination of, and interdependencies between the work programmes which will deliver the next steps to reshape how the Council operates, including using new technologies, ways of working and new delivery models.

### Governance of actions taken and planned

Future Shape of the Council is an internal transformation programme designed to enable the Council to be in the best possible shape to deliver its ambitions as set out in the Our Manchester Strategy, whilst meeting the external challenges the Council face for example from budget pressures.

The work programme has evolved, and changes ensure that there is clear alignment between the ICT ambitions of the organisation and Future Shape. The programme ensures that the Council has the digital infrastructure to support its digital ambitions. This includes improving the customer experience for residents and businesses accessing services online, and that the ways of working include our approach to change, building digital skills and best use of offices, spaces, and equipment for our workforce.

Future Shape has in place a Governance group made up of senior officers who represent the main workstreams of activity. This group is chaired by the Deputy Chief Executive and City Treasurer with the Director of HRODT as deputy chair. Decisions are made in this group relating to the programme of work on resourcing and prioritisation and it also enables a regular review of the whole work programme. Future Shape provides periodic updates to scrutiny committees, Senior Management Team, Senior Leadership Group and Executive Strategy Group which enables views to be expressed on how the work programme is being delivered and to demonstrate transparency.

Work in progress includes:

**Digital:** Implementation of back-office digital technology and process changes required for the Council to work smarter and more efficiently, improving the user experience and making best use of data and intelligence.

**Resident and Business Digital Experience Programme (RBDxP):** Improving how the Council interacts with residents and businesses by building a digital, customer-focused culture using new technologies. A [RDBxP progress update](#) was provided to Resources and Governance Scrutiny Committee in September 2023.

**Effective Core:** Reshaping how the Corporate Core Directorate within the Council works to provide the best leadership and support to the organisation and the city. Improving internal interactions with core services, focusing on self-serve, centres of excellence and collaboration.

**Our Ways of Working:** Improve how we work to give the best experience to residents and employees, so that our workforce can thrive in the workplace with the right tools, skills, and support.

More detail can be found in the October 2023 Resource and Governance Scrutiny Committee report [Future Shape - Our Internal Digital Transformation Programme](#)

Is this governance challenge carrying forward to 2024/25? **Yes**

- Responsible officers (SMT): Director of HRODT
- How this is monitored: The Executive, Scrutiny Committees

**Action 4** - Ensure effective governance of the next phase of health and social care integration and reform. This includes:

- The next steps in the development of Manchester Local Care Organisation (MLCO) as the delivery vehicle to reduce health inequalities and improve the health and well-being of the people of Manchester.
- Deliver work to develop the Manchester Operating Model embedding effective delivery of the Integrated Care System (ICS).
- Partnership arrangements to deliver the Making Manchester Fairer Strategy.
- Ensuring alignment with GM of systems and working culture.
- Effective governance with MLCO in preparation for the significant reforms facing Adult Social Care (ASC). This includes the work to move to a Fair Cost of Care, the implementation of the Care Cap, and the planned changes to the Care Quality Commission (CQC) inspection regime.

Governance of actions taken and planned:

**The next steps in the development of Manchester Local Care Organisation (MLCO) as the delivery vehicle to reduce health inequalities and improve the health and well-being of the people of Manchester.**

- To enable delivery in the city of Manchester, Manchester City Council (the Council) and Manchester Foundation Trust (MFT) entered into a section 75 agreement which is the vehicle for integrated care delivery and planning. This agreement was entered into for a three-year period effective August 2021 and work is now underway to refresh and renew that agreement for a minimum of an additional 12 months. The partnership between MFT and the Council is overseen through the MLCO Accountability Board.
- The MLCO is a key partner in the Bringing Services Together approach to neighbourhood working along with Greater Manchester Police (GMP), Housing Providers, Voluntary, Community and Social Enterprise (VCSE) organisations and different Council services enabling the interface between health, care and wellbeing with wider public services.
- The Manchester Population Health Management (PHM) approach has been embedded into the Integrated Neighbourhood Team (INT) model which has operated across Manchester's thirteen neighbourhoods since 2018; PHM is the use of data, evidence and insight to identify and understand a local health inequality and based on that understanding plan, deliver and learn from actions to reduce the targeted inequality.
- In Manchester this is aligned to the Making Manchester Fairer plan and each INT works with wider Neighbourhood partners to develop plans to target and reduce identified and agreed health inequalities.

- The composition of each INT enables the INT Lead to be a single point of contact for wider Neighbourhood partners providing a flexible and responsive interface with health, care and wellbeing stakeholders to enable both a citywide and local approach to improving health outcomes through addressing the social determinants of health.
- The INT lead also has a responsibility to influence the delivery of other services that may have a detrimental impact on people's health. This could include social and economic factors and the physical environment.

The INT partnership approach has enabled a move away from a health-focused approach to challenges faced by residents; the diverse partner perspectives in the INT's are able to address challenges that enable responses e.g. via community assets, to support and ensure that in Manchester we make the best use of resources in neighbourhoods.

- In April 2024 MLCO and Neighbourhoods Directorate will lead a workshop with all the teams in the neighbourhood to understand what is working well, but also which areas need to be addressed as the next phase of neighbourhood working is considered. This recognises that relationships and ways of working between the Council and MLCO have strengthened, providing a strong foundation to work engage with communities to address the challenges that lie ahead.
- The MLCO is currently working to develop a Prevention and Early Help framework that recognises how the organisation has developed to date, but also to ensure that this is embedded in how services are designed and delivered, and to enable Manchester residents to be more proactive about their health and wellbeing.

### **Deliver work to develop the Manchester Operating Model embedding effective delivery of the Integrated Care System (ICS)**

The Manchester Partnership Board (MPB) was established as a formal subcommittee of the NHS Greater Manchester Integrated Care Board (ICB) in April 2023. Extensive work has gone into setting the Partnership Board's priorities over the course of this year. MPB's two overarching priorities are:

1. Improve physical and mental health and wellbeing, prevent ill-health and address health inequalities, so that people live longer in good health, wherever they are in the city
2. Improve access to health and care services, so that people can access the right care, at the right time, in the right place, in the right way

### **Joint commissioning arrangements**

- The revised NHS GM Operating Model, agreed in September 2023, set out an expectation that each place develops a 'single, small and strong integrated commissioning function with a broad set of responsibilities across public services' working across the ICB at place-level and the local authority.

- This has been taken forward through the establishment of a Joint Commissioning Board (JCB) that is chaired by the Deputy Place Lead and brings together commissioning intentions and resource from across adult social care, children's services, public health and the NHS locality team. The aim is to develop this joint approach into a full-pathway approach to commissioning, which is person-centred, based on evidence, works across organisational silos and closely involves providers, including the Voluntary, Community and Social Enterprise (VCSE sector), as well as linking with the Public Service Reform agenda.

### **Manchester Provider Collaborative**

- The Manchester Provider Collaborative Board (PCB) continues to bring together providers as a formal subgroup of the Partnership Board. The Provider Collaborative has considered a number of important issues for the city, including the development of the Greater Manchester Mental Health Trust (GMMH) Improvement Plan, the planning and management of winter pressures across the health and care system, the further development of the neighbourhood model and the delivery of a population health management approach through the LCO, and work to address health inequalities through Making Manchester Fairer.

### **Financial Sustainability**

- The Manchester system has been under sustained financial pressure because of the overall financial pressure on the ICB. The locality team has undergone a full reorganisation as part of the wider NHS GM restructure, which has seen running costs reduced by c£5m since December 2022.
- NHS Greater Manchester is moving into formal regulatory action around its finances, so these pressures will continue into 2024/25. The locality team is closely engaged with ICB colleagues to set a plan for 2024/25.

### **Partnership arrangements to deliver the Making Manchester Fairer Strategy.**

- The Making Manchester Fairer Task Force is made up of leaders from across the system, including health and social care, who are driving delivery of the actions within each of the themes. Monthly meetings provide a structure for greater collaboration across the themes of the plan, mobilising organisations to place health equity and proportionate universalism (where additional resources are directed towards those who need them most) at the heart of governance, policy development, resource allocation, workforce planning and commissioning arrangements. Task Force members collectively identify and help unblock barriers to the successful delivery of the work.
- The Making Manchester Fairer Programme Board was established in May 2023. The board plays a vital role in reviewing and scrutinising activities across the partners delivering the Plan to ensure that they are delivered in line with the Making Manchester Fairer core principles of proportionate universalism and health equity. The Board contributes to the strategic



direction of the programme, holding partners responsible for delivering the Plan to account.

- The Board is co-chaired by the Executive Member for Healthy Manchester and Social Care, and the Deputy Leader, and meets quarterly. Board members were recruited through a combination of direct invitations and an expression of interest process to provide a cross-section of professional and lived experiences. The Chief Executive of the City Council is the Senior Responsible Officer (SRO) for the Programme and a key member of the Board.
- Although board members are able to contribute to the delivery of the plan through their professional roles, partnerships and networks, the responsibility for delivery of the plan sits with the Making Manchester Fairer Task Force, the Council's SMT, and joint work with a range of partners through a number of established forums in the city including the Our Manchester Forum and the Our Manchester Investment Board.

### **Ensuring alignment with GM of systems and working culture.**

- A revised NHS GM operating model was approved in September 2023 and set out the accountabilities and responsibilities that will be discharged at GM level and those that will be discharged at place level. This includes responsibility for the planning and oversight (commissioning) of a specific range of services.
- Work is ongoing with colleagues at the centre of the ICB to source data for the Partnership Board to maintain oversight of the city's health and care system, and to take forward transformational change. It is expected that much higher quality data and intelligence will be available in 2024/25.

### **Effective governance with MLCO in preparation for the significant reforms facing Adult Social Care (ASC). This includes the work to move to a Fair Cost of Care, the implementation of the Care Cap, and the planned changes to the Care Quality Commission (CQC) inspection regime.**

- The fundamental priority for Adult Social Care remains the safe, effective, efficient delivery of our statutory duties as outlined above in the Care Act 2014 as well as our duties in the Mental Capacity Act and the Mental Health Act, with citizens at the centre of everything we do.

### **Reform of Adult Social Care**

- There have continued to be significant reforms in Adult Social Care during 2023/24.
- Better Outcomes, Better Lives (BOBL) concluded in December 2023 and is being embedded across Adult Social Care. The strength-based practice focuses on how demand is managed using a needs assessment that identifies interventions that provides support and promotes independence.
- The impact of this approach and programme has contributed towards managing demand differently, supporting better outcomes and managing

costs. This is set out in the [Adults Social Care Budget 2024-27](#) to Health Scrutiny Committee in February 2024.

### **Cost of care and care cap**

- As of February 2024, Manchester is considering the care fee uplifts for 2024/25 for providers, informed by fair cost of care and other analysis. Implementation of the Government's care cap has been delayed.

### **Care Quality Commission (CQC)**

- The Health and Social Care Act 2022 puts the Care Quality Commission's (CQC) assurance of local authorities on a statutory footing. The new duty on the CQC to assess local authorities' delivery of their adult social care duties under Part 1 of the Care Act 2014 came into effect on 1 April 2023. Linked to this new duty is a power for the Secretary of State to intervene, where, following assessment of the new duty, it is considered that a local authority is failing to meet their duties.
- Manchester has played an active role in shaping the new CQC Assurance Framework with several senior managers and the Executive Director of Adult Social Services (DASS) participating in Peer Reviews of other local authorities to aid learning to bring into our own assurance inspection preparations. Manchester was one of the two pilot sites to 'test and learn' with the CQC, and received an indicative 'Good' rating, which is very positive.
- A self-assessment is under way on the suite of quality statements to identify strengths and weaknesses which will inform an improvement plan to ensure that robust plans are in place on areas for development.

### Is this governance challenge carrying forward to 2024/25?

**Yes** - This will remain on the action plan but will be reworded – see Action Plan in section 7.

- Responsible officers (SMT): Director of Adult Social Services, City Treasurer, Assistant Chief Executive
- Responsible officers (Directors or Heads of Service): Deputy Director of Adult Social Services
- How this is monitored: Health Scrutiny Committee

**Action 5** - Governance of the coordination of delivery of our commitments on equality, diversity, and inclusion in relation to work with communities, our partners, and our workforce. This includes delivery of both the Workforce Equality Strategy and the Race Equality programme. Also in scope is co-ordination of work to mitigate the negative impacts of health inequalities exacerbated by the COVID-19 pandemic, highlighted by the Marmot report (Building Back Fairer, 2020).

### Governance of actions taken and planned

The Corporate Equality Diversity and Inclusion Leadership Group (CEDILG) which is chaired by the City Solicitor (the SMT lead for equalities) and the Deputy Leader of the Council provides corporate leadership, assurance and direction on equalities diversity and inclusion. They work with staff network chairs in respect of issues raised and provide regular reporting regarding workforce and development.

### **Workforce Update**

- The Corporate priority of advancing Equality, Diversity and Inclusion is embedded in the annual service planning process. Each service is required to set out actions to advance EDI across the Council workforce.
- In October 2023, Resources & Governance Scrutiny Committee considered an update from HRODT on the delivery of the [Workforce Equality Strategy](#).
- Positive progress has been made to deliver the Council's Workforce Equality Strategy. The strategy has a total of 47 actions, of which, 41 are complete, 4 are in progress and 2 are outstanding.
- HRODT is leading the refresh of the Council's Workforce Equality Strategy. The refresh will consider our progress, challenges and the actions we need to take to deliver against our vision and accelerate our equality, diversity and inclusion journey. The strategy will be developed with staff so that it is reflective of the voice, experiences, and ideas of our diverse workforce. The refreshed strategy is expected to be launched between April and June 2024.

### **EDI Service Delivery Update**

- Equality, Diversity and Inclusion (service delivery) has been highlighted as a separate section of the annual service planning process to ensure a stronger focus on delivering the best services to our residents. Each service is required to identify their service specific disparities and set out actions to advance EDI in service delivery.
- Equality and Inclusion work continues to have high visibility across the Council. This includes the newly launched Equality Impact Assessment template and guidelines, which is being communicated at all levels.
- There has been a recent review of the functions, effectiveness, and impact, with recommendations being adopted to take an integrated approach to tackling inequalities with the Manchester Integrated Care Partnership.
- The Communities and Equalities Scrutiny committee have considered reports over the past year on: [Communities of Identity](#), the [LGBT Communities Deep Dive](#), [Draft Equality Objectives 2024-28](#), and the [Public Sector Equality Duty \(PSED\) Annual Report 2023/24](#).

### **Making Manchester Fairer (MMF) update**

- Positive progress has been made to deliver and implement the Making Manchester Fairer (MMF) Action Plan that addresses health inequalities with a focus on the social determinants of health. The MMF Action Plan acknowledges the impacts of COVID-19 pandemic and the cost-of-living crisis on communities of identity.
- A Communities and Power Steering Group has been established to drive forward the actions outlined within the Tackling Systemic Racism and

Discrimination, and Communities and Power themes within the MMF Action Plan.

- The Anti-Poverty Strategy (APS) was formally adopted at Executive in January 2023. The APS has been integrated into the MMF programme and is seen as the main route to delivering against the MMF theme of Poverty, Income and Debt.
- The APS includes an ambition for the Council to adopt the Socio-Economic Duty (SED) voluntarily and publicly use this as part of its decision-making and governance processes. The refreshed Equality Impact Assessments will provide the foundation of implementation of the SED across the Council and system wide partners.
- The Deputy Director of Public Health provides regular [Updates on MMF](#) to the Health and Wellbeing Board

Is this governance challenge carrying forward to 2024/25? **Yes**

- Responsible officers (SMT): Chief Executive, City Solicitor
- Responsible officers (Directors or Heads of Service): Director of HRODT, Joint Director of Equality, Inclusion and Engagement
- How this is monitored: Resources and Governance Scrutiny Committee, Communities and Equalities Scrutiny Committee

**Action 6** - Effective governance of the Housing Services Improvement Plan to ensure the Council delivers improvements to housing for tenants and meets the requirements of the Social Housing Regulator including safe housing. This requires corporate support from different services and directorates to support the insourced Housing Operations service within the Neighbourhoods Directorate.

#### Governance of actions taken and planned

The Housing Service has a robust and wide-ranging service Improvement Programme which reports into:

- Resources and Governance Scrutiny Committee
- [Housing Advisory Board](#)
- Housing Board
- Housing Services Improvement Board

The Improvement Programme includes key priorities of:

- Creation and recruitment to new Housing Services leadership team
- Introduction of new Council Fire Policy and Procedure
- Introduction of new Council Damp and Mould Policy and Procedure
- External Audit of Housing Services approach to Building Safety and resulting Action Plan
- Sourcing of additional supply chain provision for completion of fire safety works.
- Commencement of a stock condition survey to identify and prioritise future investment

- Launch of new resident engagement '[Your Voice](#)' programme

The Housing Services Improvement Board was set up following the Council's self-referral to the Regulator of Social Housing in relation to fire safety, and damp and mould, and is chaired by the Strategic Director of Neighbourhoods.

The Improvement Programme actions are overseen at the Housing Improvement Board, which is focussed specifically on ensuring the Council is compliant with the Home Standard - a legal requirement to ensure that residents receive a decent quality of accommodation, a good and a cost-effective repairs service, and that the Council meets all applicable statutory health and safety requirements.

Senior Leadership Team track all performance metrics which are updated daily - these metrics are reported as a standing item at the Housing Advisory board, Housing Services Improvement Board and the Housing Board. This performance dashboard includes reporting on complaints and the statutory obligation to comply with housing ombudsman requirements.

The Director for Housing Services, Director for Development and Director of Capital Programmes jointly commissioned an audit of the Council's current processes in relation to Fire Risk Assessment. The report was issued on 10 July 2023 and the findings presented within the [Executive Summary of Audit Reports](#) at Audit Committee on 25 July 2023 (Item 22, Appendix 5.2 IA Update 2022 23). The action plan arising is monitored through the Housing Improvement Board and through updates to Audit Committee.

Is this governance challenge carrying forward to 2024/25? **Yes**

- Responsible officers (SMT): Strategic Director - Neighbourhoods
- Responsible officers (Directors or Heads of Service): Director of Housing Services
- How this is monitored: Resources and Governance Scrutiny Committee, Housing Advisory Board, Housing Board and Housing Services Improvement Board

**Action 7** - Embedding of new capital governance arrangements to maximise the benefit that can be gained from more limited capital resources. This includes building into the process a stronger approach to planning for place, and a greater focus on neighbourhoods and communities.

Governance of actions taken and planned.

The capital approval process has been reviewed, with changes made to ensure that it remains fit for purpose. The process now encompasses a top-down approach, engaging senior staff and Members at the earliest initiation of projects, to strengthen the prioritisation process:

- Introduction of Capital Project Pipeline – This is a working document bringing together all potential capital investment needs for the next 3 – 5 years, completed by services and updated every six months. This aids prioritisation

of capital investment over the period and supports modelling and sensitivity analysis of the Council's balance sheet and capital financing position over the medium to long term.

- New Capital Project Initiation Form (due diligence template) - This supports more robust decision making at the initial stages. The form is completed for a scheme detailing the associated assumptions around benefits, costs, and links to strategic priorities and planning for place, replacing the current 'Checkpoint 1'.
- Establishment of the Capital Investment Group (CIG) - This monthly Member and senior officer led group has been established to strengthen the prioritisation process. The group will lead on overseeing the Capital Approval process from the earliest initiation of projects. Reviewing the Capital Project Pipeline and Initiation forms alongside Capital Financing with prioritisation of projects determined. The first meeting was held in June 2023.
- Creation of Capital Peer Review Group – This group has replaced the Strategic Capital Board with members now being a multi-disciplinary group. The group meet quarterly, to provide more robust challenge to business case investment proposals, and to ensure that the benefits ascribed to the projects are realistic and achievable. The Neighbourhood Lead is a key member of the group and is invited to scrutinise projects, to ensure that they align with neighbourhood plans and community needs. The first meeting was held in May 2023, and has continued quarterly.
- Key Decision Process Update - Until November 2022, key decisions for capital expenditure were taken at the point that expenditure is about to be incurred. The Council's Constitution has been altered to make the key decision at the point the budget increase is approved. This enables scrutiny at an earlier stage of a project and supports better decision making.

The proposed [Capital Approval Process](#) was submitted to Executive (February 2023) which included the key changes to the process:

- Focus on Prioritisation
- Creation of Forward Plan
- Capital Project Initiation Form (due diligence template)
- Improved Place Focus
- Improvements to Project Governance

An update of the now embedded [Capital Approval process](#) was taken to Executive February 2024.

Is this governance challenge carrying forward to 2024/25? **No**

- Responsible officers (SMT): City Treasurer, Deputy City Treasurer
- How this is monitored: Executive, Resources and Governance Scrutiny Committee

## 7. Action Plan: Governance Challenges for 2024/25 Onwards

The review of governance arrangements has identified seven main areas where the Council will need to focus its efforts during 2024/25, to address changing circumstances and challenges identified. These are set out in the section below. Completion or substantial progress against these objectives is due by the end of the financial year, in March 2025.

**Action 1** - Further development of Integrated Care arrangements for the benefit of the residents of Manchester by delivering the priorities of Manchester Partnership Board. Delivery of the Making Manchester Fairer programme including the 'kickstarter' programmes. Delivering the significant savings requirements for the 2024/25 Adult Social Care budget as part of Manchester Local Care Organisation. Embedding the Better Outcomes, Better Lives transformation programme into Adult Social Care.

- Responsible officers (SMT): Director of Adult Social Services, City Treasurer, Assistant Chief Executive
- Responsible officers (Directors or Heads of Service): Deputy Director of Adult Social Services
- How this is monitored: Health Scrutiny Committee

**Action 2** - Effective governance of the Housing Services Improvement Plan to ensure the Council delivers improvements to housing for tenants and meets the requirements of the Social Housing Regulator including safe housing.

- Responsible officers (SMT): Strategic Director - Neighbourhoods
- Responsible officers (Directors or Heads of Service): Director of Housing Services
- How this is monitored: Resources and Governance Scrutiny Committee, Housing Advisory Board, Housing Board and Housing Services Improvement Board

**Action 3** - Effective updating, communication, and accessibility of key defined policies, including assurance over policy being put into practice for online and offline staff. Effectively support the continued development of manager capabilities, to ensure policies are consistently implemented and adhered to, with particular focus on strengthening risk management.

- Responsible officers (SMT): Deputy Chief Executive
- Responsible officers (Directors or Heads of Service): Director of HRODT
- How this is monitored: Resources and Governance Scrutiny Committee

**Action 4** - Future Shape of the Council – Ensure effective governance of the coordination of, and interdependencies between the work programmes which will deliver the next steps to reshape how the Council operates, including using new technologies, ways of working and new delivery models.

- Responsible officers (SMT): Director HRODT
- How this is monitored: The Executive, Scrutiny Committees

**Action 5** – Effective governance and leadership of major systems including strong post-implementation governance. In scope are systems used by multiple services including ICT systems such as Liquid Logic (social care system) and Microsoft 365.

- Responsible officers (SMT): Deputy Chief Executive
- Responsible officers (Directors or Heads of Service): Director of ICT
- How this is monitored: Resources and Governance Scrutiny Committee

**Action 6** - Governance of the coordination of delivery of our commitments on equality, diversity, and inclusion in relation to work with communities, our partners, and our workforce. This includes delivery and communication of the Workforce Equality Strategy, training on Accessibility standards, the Council's equality objectives and addressing health inequity.

- Responsible officers (SMT): Chief Executive, Deputy Chief Executive
- Responsible officers (Directors or Heads of Service): Director of HRODT, Joint Director of Equality, Inclusion and Engagement
- How this is monitored: Resources and Governance Scrutiny Committee, Communities and Equalities Scrutiny Committee

**Action 7** - Embed, deliver, and communicate the Organisation Development (OD) Plan 2023-25 to further improve Council wide governance arrangements.

- Responsible officers (SMT): Deputy Chief Executive, City Solicitor
- Responsible officers (Directors or Heads of Service): Director of HRODT
- How this is monitored: Resources and Governance Scrutiny Committee



## Conclusion

The governance arrangements as described above have been applied throughout the year, and up to the date of the approval of the Annual Statement of Accounts, providing an effective framework for identifying governance issues and taking mitigating action.

Any significant events or developments relating to the governance system that occur between the year-end and the date on which the Statement of Accounts is signed by the City Treasurer (Section 151 officer) would be reported by the City Treasurer to Audit Committee prior to the final audited AGS being signed off.

Over the coming year the Council will continue the operation of its governance framework and take steps to carry out the actions for improvement identified in the review of effectiveness to further strengthen its governance arrangements.

Signed Councillor Bev Craig (Leader of the Council):

A handwritten signature in black ink that reads "Bev Craig". The letters are cursive and fluid.

Signed Joanne Roney (Chief Executive):

A handwritten signature in black ink that reads "Joanne Roney". The signature is highly stylized and cursive.