

Syllabus Outline Public Sector Governance

NQF8

Prescribed readings (see end of the document)

The aim of this module is to enable students to apply the concepts of good governance within the public-sector environment

Syllabus topics	Syllabus detailed content	Readings
Learning Outcome 1: Demonstrate an understanding of the governance structures and processes of government		
The structure and functions of key decision-making structures in government	<ul style="list-style-type: none"> • The role of the executive structures • The executive structures and the doctrine of collective responsibility • The structure and functions of the civil service • Types of public sector entities: National departments; Provincial departments; Local government; Statutory bodies and authorities; State-owned companies (SOCs); Chapter 9 Institutions 	<ul style="list-style-type: none"> • PFMA: <ul style="list-style-type: none"> ○ Chapter 5: Departments and Constitutional Institutions <ul style="list-style-type: none"> ▪ Appointment of Accounting Officers ▪ Responsibilities of Accounting Officers ○ Chapter 6: Public Entities ○ Chapter 7: Executive Authorities ○ Chapter 11: Accounting Standards Board • MFMA: <ul style="list-style-type: none"> ○ Chapter 7: Responsibilities of Mayors ○ Chapter 8: Responsibilities of Municipal Officials ○ Chapter 9: Municipal Budget and Treasury Offices • Chapter 10: Municipal Entities
Learning Outcome 2: Demonstrate an ability to identify the need for good governance within the public sector		
General principles of good governance	<ul style="list-style-type: none"> • accountability, transparency, integrity, fairness, responsibility, consensus and public good • models of governance, including international comparisons • King IV; International Codes 	<ul style="list-style-type: none"> • Protocol on Corporate Governance in the Public Sector • King IV
Learning Outcome 3: Demonstrate an ability to apply the principles of ethical behaviour within the public sector.		
Ethics and values	<ul style="list-style-type: none"> • Rule-based and principle-based approaches • Individual values, attitudes and beliefs • Impact of corporate governance codes, regulatory requirements (PFMA, Companies Act) and principles on ethical behaviour • The importance of ethical behaviour in a professional environment • The effect of globalisation on ethical decision making 	<ul style="list-style-type: none"> • King IV • PFMA: Chapter 10: Financial Misconduct • MFMA: Chapter 15: Financial Misconduct

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	<ul style="list-style-type: none"> • Ethical principles and decision making • The consequences of unethical behaviour • Codes of ethics and/or conduct • Conflicts of interest and political association 	
Learning Outcome 4: Demonstrate an understanding of the governance role of decision-makers in the public sector		
The structure of public sector entities	<ul style="list-style-type: none"> • Governing boards; Advisory boards; Role of CEO or head of department or agency; Role of chairman within public sector entities; Role of board members (committees: tender committee; audit committee; remco; risk); composition; induction; education and training; ex-officio members • Charters or terms of reference • Board performance and evaluation • Directors' duties: risk management; internal audit; compliance; insurance and indemnity 	<ul style="list-style-type: none"> • King IV • International codes
Learning Outcome 5: Demonstrate an understanding of principles of stakeholder theory		
Stakeholders of public entities	<ul style="list-style-type: none"> • Compacts and other performance agreements • The government as shareholder • Interdepartmental relationships and interactions 	<ul style="list-style-type: none"> • King IV
Learning Outcome 6: Demonstrate an understanding of public sector accountability mechanisms		
Oversight structures	<ul style="list-style-type: none"> • The role of the oversight structures such as the Auditor General and National Treasury • The role of commissions of enquiry • The role of an ombudsman • Other commissions • Records and reporting in terms of relevant legislation • Supply chain management 	<ul style="list-style-type: none"> • King IV • Legislation: PFMA plus accompanying regulations <ul style="list-style-type: none"> ○ Chapter 2: National Treasury and National Revenue Fund ○ Chapter 3: Provincial Treasuries and Provincial Revenue Funds ○ Chapter 4: National and Provincial Budgets ○ Chapter 8: Loans, Guarantees and Other Commitments • Legislation: MFMA plus accompanying regulations <ul style="list-style-type: none"> ○ Chapter 2: Supervision over Local Government Finance Management ○ Chapter 3: Municipal Revenue ○ Chapter 4: Municipal Budgets

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		<ul style="list-style-type: none"> ○ Chapter 11: Goods and Services ○ Chapter 12: Financial Reporting and Auditing ○ Chapter 13: Resolution of Financial Problems

Practical work
<p>Given different scenarios, the learner must be able to:</p> <ul style="list-style-type: none"> • Provide stakeholders with an analysis of a corporate governance problem. • Provide solutions and advice as to how a corporate governance problem might be resolved according to best practice.

Prescribed Reading

Title	Authors	Download from:
Betrayal of the Promise. How the Nation is Being Stolen. 2017.	Swilling, M. (Ed.)	http://pari.org.za/wp-content/uploads/2017/05/Betrayal-of-the-Promise-25052017.pdf
Corporate Governance of State-Owned Enterprises: A Toolkit. 2014.	World Bank	https://openknowledge.worldbank.org/bitstream/handle/10986/20390/9781464802225.pdf?sequence=1 .
King IV: Report on Corporate Governance for South Africa, 2016.	IoDSA	https://c.ymcdn.com/sites/iodsa.site-ym.com/resource/collection/684B68A7-B768-465C-8214-E3A007F15A5A/IoDSA_King_IV_Report_-_WebVersion.pdf .
Municipal Finance Management Act (MFMA) 2003	National Treasury	http://mfma.treasury.gov.za/MFMA/Legislation/Local%20Government%20-%20Municipal%20Finance%20Management%20Act/Municipal%20Finance%20Management%20Act%20%28No.%2056%20of%202003%29.pdf and the accompanying Treasury regulations
Protocol on Corporate Governance in the Public Sector, 2002:	Department of Public Enterprises	https://www.gov.za/documents/protocol-corporate-governance-public-sector
Public Finance Management Act (PFMA) 1999	National Treasury	http://www.treasury.gov.za/legislation/PFMA/act.pdf and the accompanying Treasury regulations
SOE Governance Unmasked: A learning journey	Constantatos, O and Sankar, T.	http://www.futuregrowth.co.za/media/2373/futuregrowth_soe-governance-unmasked_electronic.pdf
The Machinery of Government: Structure and Functions of Government, 2003.	DPSA	http://www.dpsa.gov.za/dpsa2g/documents/lkm/mog.pdf

- Daily reading of news articles on public sector organisations, e.g. Financial Mail; Business Day or online

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Open Book Resources

- Municipal Finance Management Act and accompanying Treasury Regulations
- Public Finance Management Act and accompanying Treasury Regulations