

## Governance, Public Policy and Ethics

Governance, Public Policy and Ethics (GPPE) is designed to provide a sound working knowledge of policy-making actors and processes within the public sector at national and sub-national levels of government. In addition, the module provides an understanding of the principles of good governance in the public and corporate sectors, and knowledge and skills in the areas of professional values and ethics.

There are a large number of different forms of government, so this module focuses primarily on the actors and structures typically found in democratic states, but reference is made to other approaches where relevant. Even within democracies there is a large amount of variation, with differences such as federal or unitary arrangements, monarchies or republics, prime-ministerial or presidential systems, etc. As far as possible, this variety is reflected in the syllabus and learning materials, but inevitably there is a limit to the extent to which all variations can be addressed. Where, for example, the materials focus on approaches applied in the UK, USA or EU in order to provide concrete cases that can be analysed alongside general or theoretical concepts, this is not intended to suggest that these approaches are in any way the 'norm'.

The knowledge gained in this module is of general relevance to modules across the whole of the IPFM qualifications. In particular, the content of this module links directly to aspects of the Audit and Assurance, Public Finance and Public Service Financial Reporting modules.

## Syllabus topics

A Governance and ethics	30%
B Government structures and ideologies	15%
C Policy making processes	25%
D Public, private and not for profit sectors	10%
E Transnational public policy making	20%

## Other information, including assessment

Prior knowledge:	Financial Accounting (ethical principles)
Standards:	N/a
Validity:	2019 examinations
Assessment:	A two hour exam with 60 marks available, consisting of: 20 objective test questions of 1 mark each; 4 short form questions of 5 marks each and 2 longer scenario questions of 10 marks each. The pass mark is 50%.

Overall Aim	Learning outcome	Content
A <b>Discuss and apply the principles of governance and ethical conduct, and key provisions relating to the governance of companies and public service organisations</b> (30%)	A1 Identify and describe the main principles of governance	(i) Need for good governance; agency theory (ii) Stakeholder and governance relationships (iii) General principles of good governance: accountability, transparency, integrity and public good (iv) Different models of corporate governance <ul style="list-style-type: none"> <li>• Agency model</li> <li>• Stakeholder model</li> </ul>
	A2 Discuss and apply the principles of governance for companies	(i) Organisation vision and mission and influence on ethics and corporate governance (ii) Voluntary and statutory approaches to corporate governance (iii) OECD Principles of Corporate governance
	A3 Identify, describe and apply the principles and main provisions of governance in the public services	(i) Role of governing body; appointed and elected governors, executives and non-executives; engaging with shareholders; risk management; responsibility, accountability and transparency (ii) CIPFA/IFAC Standard <i>International Framework: Good Governance in the Public Sector</i> (iii) Key differences in governance arrangements across public service organisations; including joint-working situations (iv) Application of <i>Good Governance in the Public Sector</i>
	A4 Discuss and apply principles and concepts of ethical behaviour	(i) Good governance and ethics: business ethics, ethical standards in government, professional

		ethics
		(ii) Corporate codes of ethics
		(iii) IFAC Code of Ethics, adopted by CIPFA in the CIPFA Standard of Professional Practice on Ethics
		(iv) Consequences of unethical behaviour
<b>B Describe the contexts that underpin the most common policy-making structures in the contemporary public sector, and discuss economic and political ideologies, policy-making models, and constitutional theory (15%)</b>	B1 Define the main concepts relating to the different forms of state and governmental structures	(i) Democracy vs authoritarian rule
		(ii) Federal systems vs unitary states
		(iii) Centralised vs decentralised systems
		(iv) Presidential vs prime ministerial systems
		(v) Parliamentary systems
	B2 Describe and evaluate economic and political ideologies	(i) Command economies
		(ii) Free market economies
		(iii) Mixed market economies
		(iv) Left-wing versus right-wing ideology
B3 Describe and discuss key constitutional theories	(i) Classification of constitutions (codified/uncodified, federal/unitary, flexible/inflexible) and strengths and weaknesses of each	
	(ii) Constitutional theory on the role of the legislature, the executive, and the judiciary	
	(iii) Link between constitutions and governance	
<b>C Describe and analyse the key actors and structures in the national public policy-making process, and the connections and power relations between</b>	C1 Analyse the network of organisations making up the state	(i) Multi-level governance
		(ii) Central government
		(iii) Central government representatives
		(iv) Regional governments

<b>them</b> (25%)	(v) Local authorities (vi) Central-local government relations in authoritarian states
C2 Demonstrate an understanding of the role of the Legislature	(i) Structure (ii) Functions (iii) Committees (iv) Role in authoritarian states
C3 Explain the structure and role of the Executive	(i) Presidential government (ii) Parliamentary government (iii) Semi-presidential government (iv) Executive in authoritarian states
C4 Discuss the changing role of the bureaucracy	(i) Evolution (ii) Recruitment (iii) Organisation <ul style="list-style-type: none"> <li>o Department</li> <li>o Division</li> <li>o Non-Departmental Public Bodies</li> </ul> (iv) Accountability
C5 Analyses the key non-governmental actors	(i) Structure and functions of non-governmental or quasi-governmental organisations (ii) Structure, functions and classifications of pressure groups and their varied role in policy making (iii) Structure and functions of political parties

		(iv) Structure and function of the judiciary
<b>D Explain and analyse the interplay between public, private and not-for-profit sectors, including public service reform and regulation (10%)</b>	D1 Discuss the dynamic nature of the boundaries and relationships between the public, private and third sectors	(i) Public service, private enterprise and not-for-profit (ii) Mutual-benefit organisation, business concern, service organisation and commonwealth organisation (iii) Impact of public goods, taxation, and charging
	D2 Describe and evaluate various types of New Public Management and public service reform	(i) Privatisation, including arguments for/against (ii) Reasons for and mechanisms to achieve marketisation of public services (iii) Contracting and outsourcing (iv) Involvement of the public
	D3 Discuss the use of regulation and deregulation in the provision of public services	(i) Regulation of public services, private enterprise, and privatised industry (ii) The case for regulation in each of these sectors (iii) Common problems with regulation
<b>E Describe and analyse the key actors and structures in transnational public policy-making processes, and the connections and power relations between them (20%)</b>	E1 Explain the need for international policy making	(i) Globalisation (ii) The need for international co-operation
	E2 Describe the role of international bodies and their influence on national legislation and regulation	(i) Inter-governmental and non-governmental actors (ii) United Nations/World Bank <ul style="list-style-type: none"> <li>o Structure</li> </ul>

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- Function and vision
  - Membership
  - Conventions
  - Impact on national policy making
  - Governance arrangements
- (iii) World Trade Organisation
- Mission and vision
  - Trade barriers
  - Agreements and legal aspects
  - Conflict resolution
  - Impact on national policy making
  - Governance arrangements
- (iv) Organisation for Economic Cooperation and Development
- Membership
  - Role and mission
  - Tax convention
  - Impact on national legislature
  - Governance arrangements
- (v) International Monetary Fund
- Membership
  - Role and mission
  - Impact on national policy making
  - Governance arrangements
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E3 Identify and explain the roles of regional treaties and obligations

- (i) Trading blocs, including advantages and disadvantages
  - (ii) Different levels of integration including examples of:
    - Free trade area (usually as a minimum)
    - Economic and monetary union
    - Customs union
    - Single market
    - Currency union
    - Free travel
    - Political pact
    - Defence pact
  - (iii) Governance arrangements of regional bodies using the European Union as an example.
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