



February 2024

**Presentation to MPSA**

*Briefing on the highlights of the performance achievements and non-achievements from 2020-2024*



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# EXECUTIVE SUMMARY



The 5-year Strategic Plan of the CPSI cascades from the mandate of the Public Service and Administration Portfolio.

The mandate entrusts the Minister with the responsibility to **build a capable, ethical and developmental State**.

In contributing to this mandate, the CPSI is entrusted with a government-wide responsibility to facilitate the entrenchment of the **culture and practice of innovation** to improve service delivery.

The performance targets over the medium-term period contribute directly to the achievement of the mandate of the CPSI and the implementation of the **MTSF**. It is also a cross-cutting outcome that affects the seven priorities of the government as identified by the Sixth Administration.



# EXECUTIVE SUMMARY



The Mandate of the CPSI derives from the Public Service Act locating the responsibility for Public Service Innovation in the Minister. This mandate is further expanded on in *Government Notice 700 of 2 September 2011*.

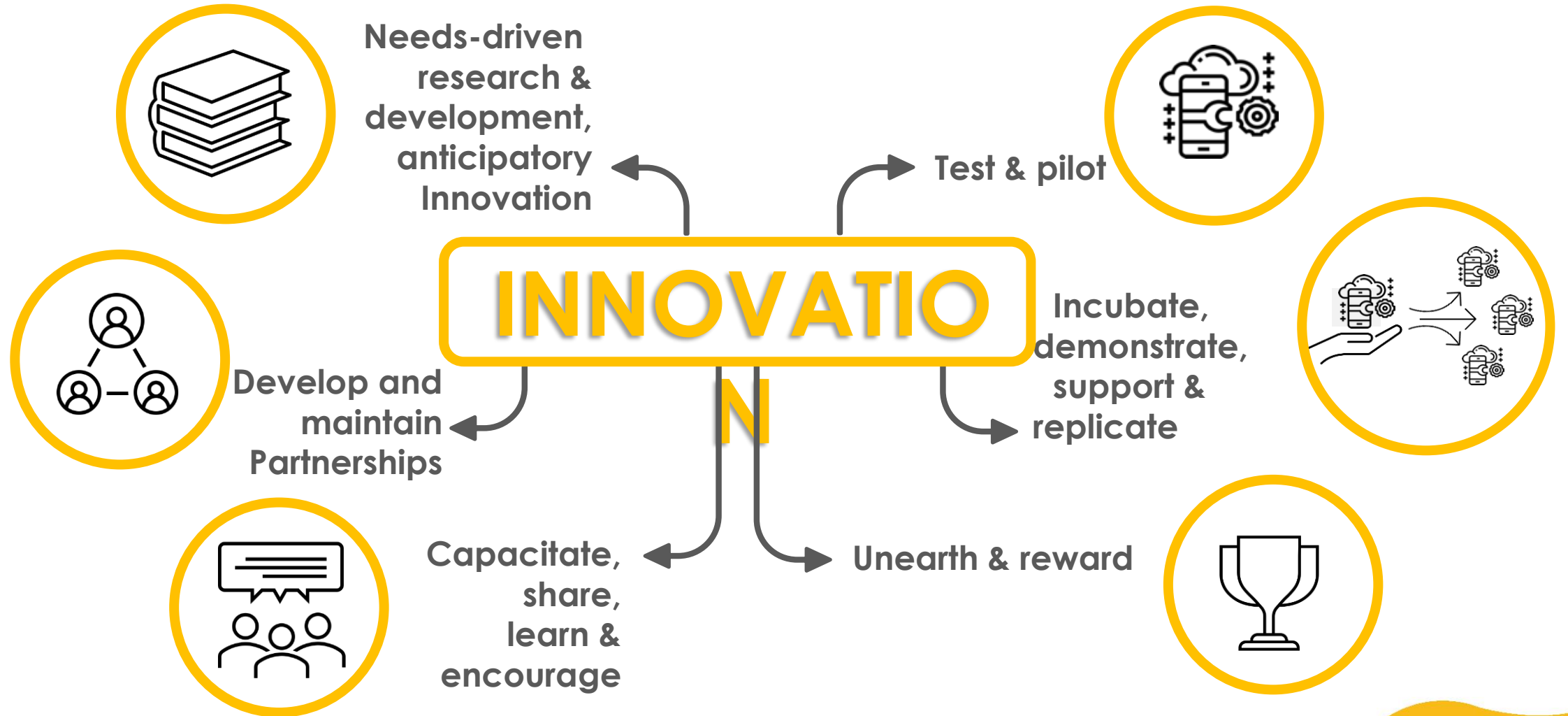
**VISION:**

A solution-focused Public Sector through innovation

**MISSION:**

To entrench an innovation Culture and practice in the Public Sector

# APPROACH





# Overview of Programmes



## PROGRAMME 1: ADMINISTRATION

- **Programme Purpose:** Provide strategic leadership, management and support services to the centre.

Within **Administration**, there are three sub-programmes:

- **Executive Support** oversees the overall management of the CPSI and manages and facilitates the provision of internal audit and organisational risk and integrity management services and legal services.
- **Corporate Services** manages and monitors the provision of corporate resource management services, ICT management services, security management services, office support, and auxiliary services.
- **Office of the Chief Financial Officer** ensures compliance with all relevant financial management statutes and regulations, notably the Public Finance Management Act (PFMA), and oversee the effective financial and supply chain management of the organisation and co-ordinate implementation, monitoring and reporting on the organisation's overall performance.




# Overview of Programmes



## PROGRAMME 2: PUBLIC SECTOR INNOVATION

- **Programme Purpose:** Drive service delivery innovation in the public sector in line with government priorities.

Within **Public Sector Innovation Programme**, there are three sub-programmes:

- **Research and Development** establishes the knowledge base in support of the programme to inform the selection, testing, piloting and development of potential innovative models and solutions.
  - **Institutional Support and Replication** Facilitates institutional support, demonstration, replication and mainstreaming of innovative solutions for the public sector to improve service delivery.
  - **Enabling Environmental and Stakeholder Management** nurtures and sustains an enabling innovative environment, entrenches a culture and practices of Innovation in the public sector through innovative platforms and products, and develops and maintains partnerships and stakeholder relations to enhance collaboration.
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# OVERVIEW OF HUMAN RESOURCES

## R&D

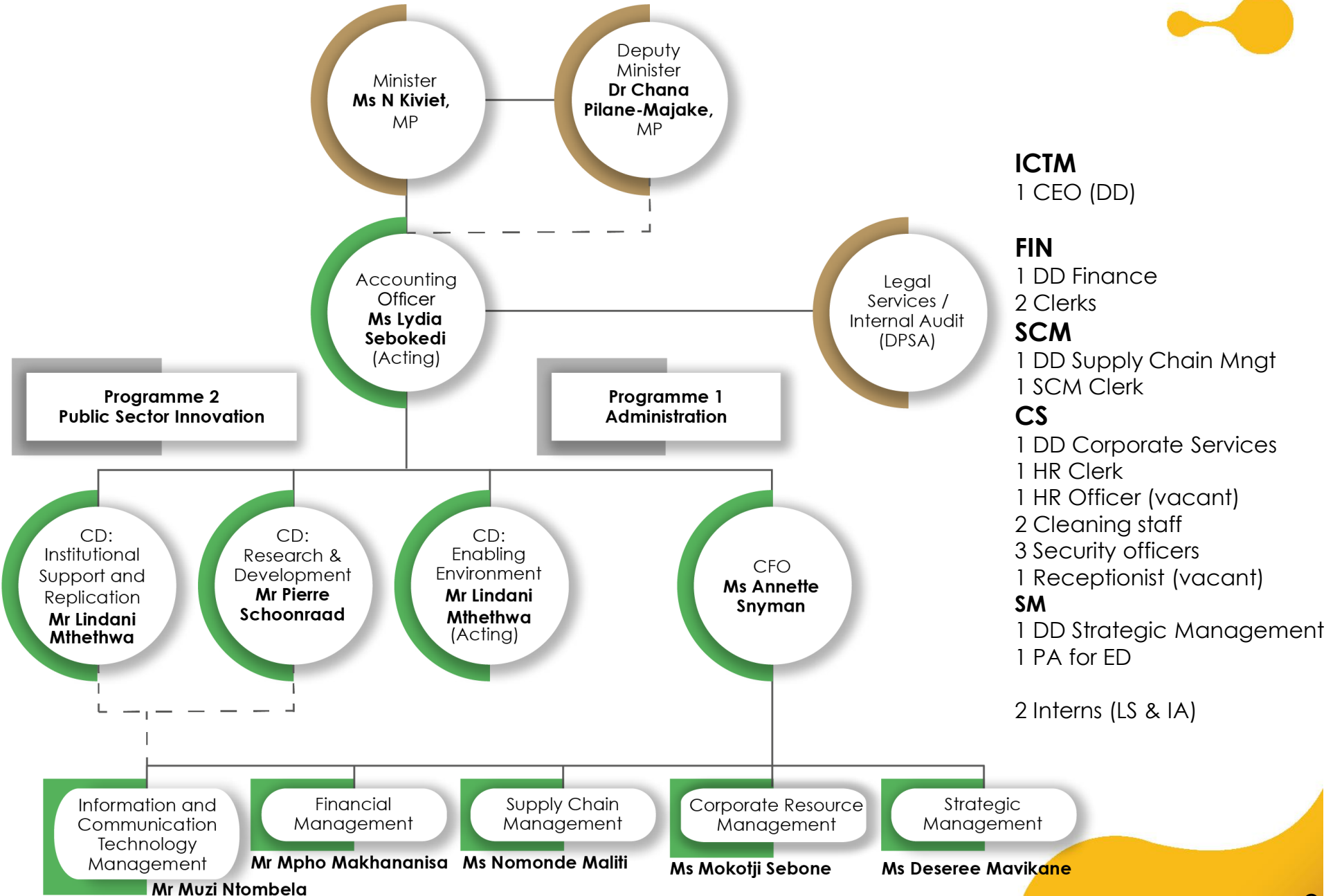
- 1 CD Research and Development
- 1 DD: Research
- 1 DD: Development
- 2 ASD: Systems Developers
- 1 Admin

## ISR

- 1 CD Institutional Support
- 1 D: Institutional Support
- 1 DD: Replication
- 1 Admin

## EESM

- 1 CD Enabling Environment and SM
- 1 DD Communications
- 1 DD Knowledge Management
- 1 DD Stakeholders (being filled)
- 1 Admin



## ICTM

- 1 CEO (DD)

## FIN

- 1 DD Finance
- 2 Clerks

## SCM

- 1 DD Supply Chain Mngt
- 1 SCM Clerk

## CS

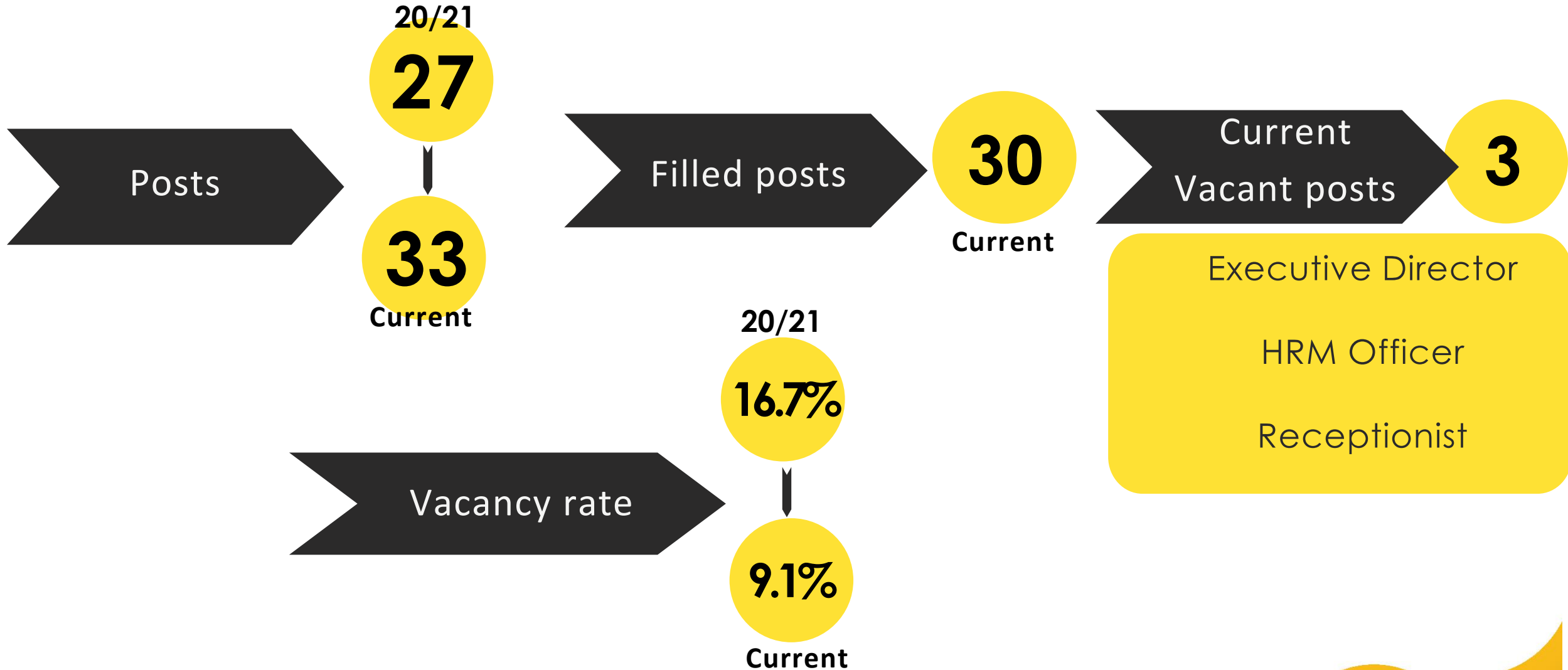
- 1 DD Corporate Services
- 1 HR Clerk
- 1 HR Officer (vacant)
- 2 Cleaning staff
- 3 Security officers
- 1 Receptionist (vacant)

## SM

- 1 DD Strategic Management
- 1 PA for ED
- 2 Interns (LS & IA)

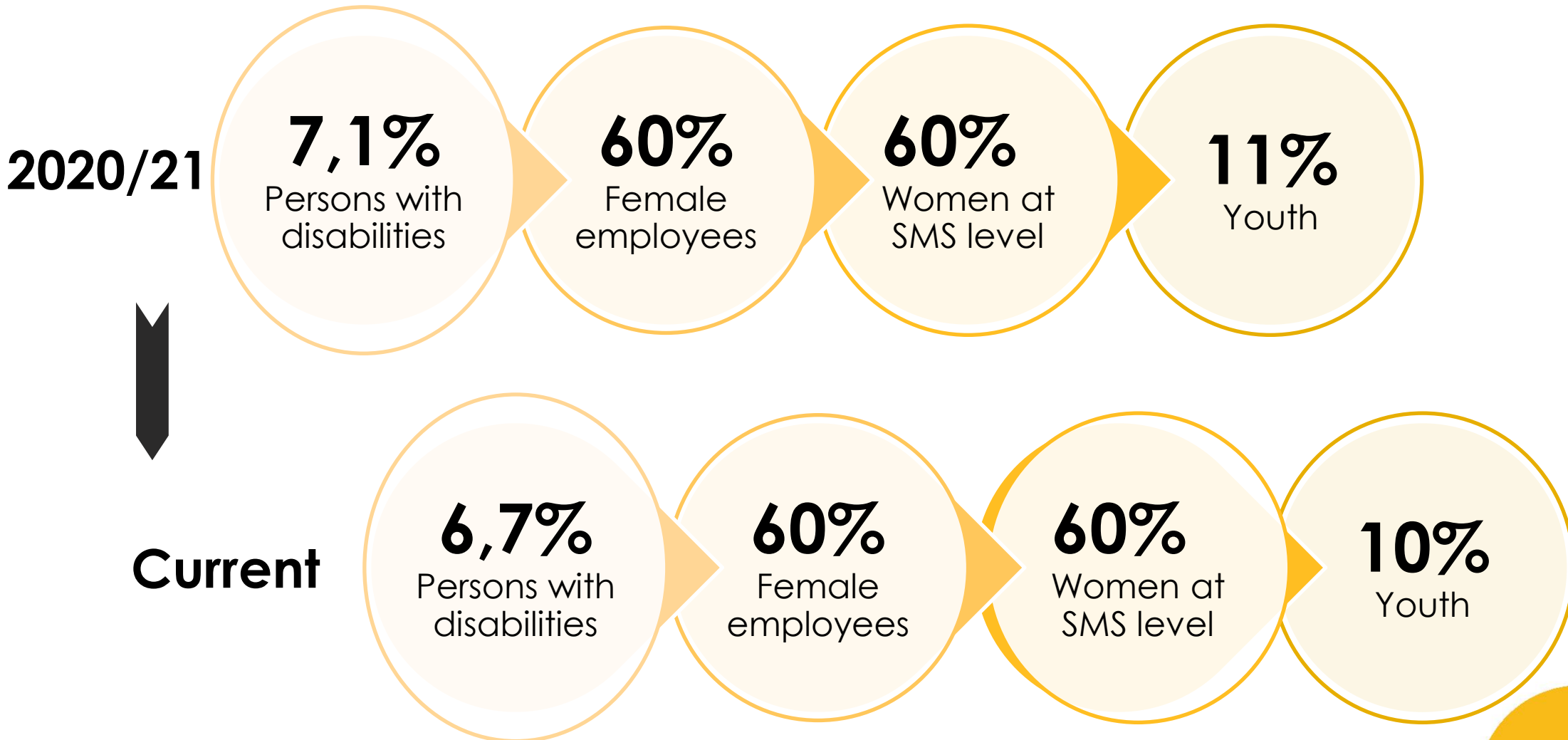


# OVERVIEW OF HUMAN RESOURCES



# OVERVIEW OF HUMAN RESOURCES

## EMPLOYMENT EQUITY





# FIVE-YEAR STRATEGY (2020-2025)



**Impact Statement:** *Improved effectiveness and efficiency of the public service and its service delivery to the public through innovation*

## **OUTCOMES**

**Effective Corporate Governance:** *The achievement of this outcome will ensure, amongst others, accountability for the efficient, effective, and economic use of allocated resources towards fulfilling the mandate of the organisation.*

**Innovative Culture and Practice in the Public Sector entrenched:** *This outcome contributes directly to the achievement of the mandate of the CPSI and the implementation of the NDP. It is also a cross-cutting outcome that impacts on the seven priorities of government as identified by the Sixth Administration.*

## HIGHLIGHTS IN RELATION TO THE 5-YEAR OUTCOME INDICATORS

Outcome	Outcome Indicator	MTSF Priority 1	Baseline	Five-year target	Progress made towards the achievement of the five-year targets in relation to the outcome indicators
<b>Effective corporate governance</b>	Number of unqualified audit opinions	A capable, ethical and developmental state	1 p/a	5	3
<b>Innovative culture and practice in the public sector entrenched</b>	Number of innovation initiatives enabled		15 p/a	75	69

Over the MTEF period, one target was not achieved (20/21) and one target exceeded in 22/23.

Administration

**3 Clean audit outcomes for the current strategic planning cycle**

2015/16: Clean audit outcome

2016/17: Unqualified audit outcome

2017/18: Clean audit outcome

2018/19: Clean audit outcome

2019/20: Clean audit outcome

2020/21: Clean audit outcome

2021/22: Clean audit outcome

2022/23: Clean audit outcome

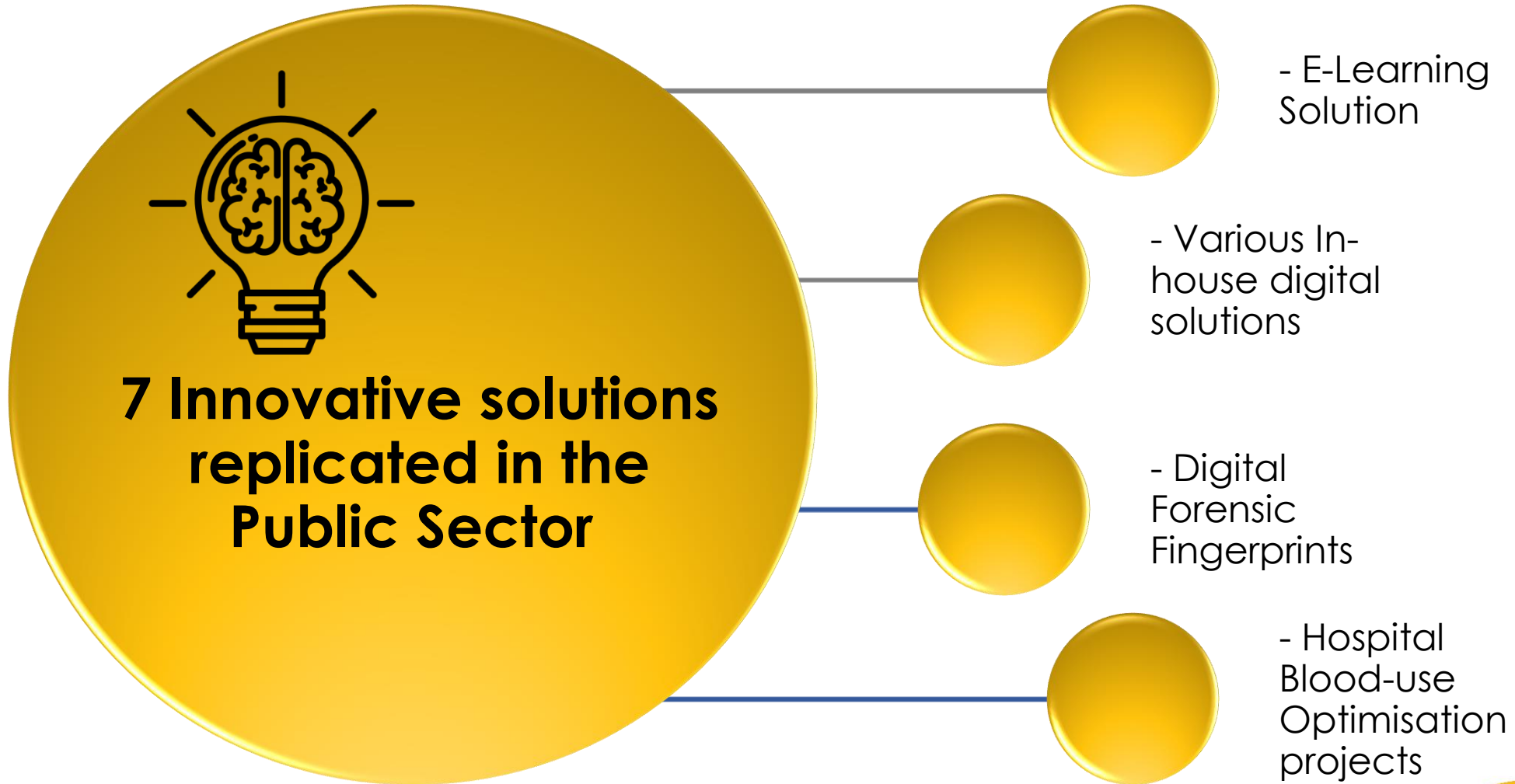
## Research and Development



**19 Innovation  
research and  
development  
initiatives undertaken**

- In-depth Case Study Report (four case studies)
- Public Sector Innovation Rapid Assessment and Qualitative Assessment
- Digital skills development and support of youth developers through hackathons
- Open Digital Governance Dialogue Series
- Department of Home Affairs Real-time Service Delivery Monitoring
- Currently: Two multi-year solutions under development (for Gauteng EMS and NC OTP)

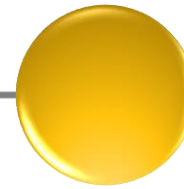
Replication Programme



Knowledge Platforms



40 Knowledge Platforms sustained



- Annual Public Sector Innovation Conference and Webinars



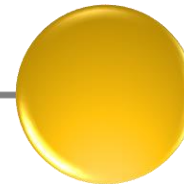
- Annual Public Sector Innovation Awards Programme



- Publication of ***Ideas that Work***: The South African Public Sector Innovation Journal



- Innovation and Design Thinking Workshops



- International Public Sector Innovation Programmes





# Knowledge Platforms



- **Annual Public Sector Innovation Conference**
  - Provide access to current thinking and practice locally and internationally
  - Community of practice: highlighting new thinking for policy consideration
  - Learning and sharing of Innovative practices, solutions and projects
  - Running for 17 years
- **CPSI Journal Ideas that Work**
  - Sharing successfully implemented solutions
  - Running for 8 years
- **Design Thinking & Innovation Training**
  - Capacitating public servants on new modern approaches and methodologies to improve service delivery



# Background to Awards



International public sector innovation best practice (similar to UNPSA and CPSI awards benchmarked by AU, AAPAM)

Annual Public Sector Innovation Awards Programme now in its 21st year, is a year-long programme used to:

- Unearth, recognise, and reward innovation
- Replicate/scale up innovative solutions that improve service delivery
- Disseminate knowledge on solving service delivery challenges
- Demonstrate use of innovation to improve service delivery

Goes beyond just rewarding: a feeder programme for the replication programme.  
(by informing replication projects of the following APP)

Used to systematically build a repository of public sector innovation to avoid re-inventing the wheel

In the 2020-25 period, 63 innovative solutions have been unearthed, recognised and rewarded through the Public Sector Innovation Awards programme



# Awards Criteria



- Focus on '**coal-face**' solutions that improve efficiency and effectiveness of service delivery – emphasis on CITIZENS
- **BACK-OFFICE** solutions that enhance internal systems leveraging on ICT and other non-ICT solutions to enable improved service delivery to citizens
- Innovative solutions being **Replicated or Scaled up** for high impact
- **Use of Technology** in a new way to significantly improve service delivery e.g. Blockchain, Robotics, Artificial Intelligence (AI) and use of Big Data to plan and deliver services



# Trailblazers Criteria



Trailblazer Award- introduced in 2019

- Trailblazers are public servants (system developers) that are developing ICT solutions inhouse thus saving government money.
- Since 2019, 23 Trailblazers within the public sector have been recognised.

## Criteria

- Game changers: agile minds and passion to improve service delivery using modern technologies
- Develop in-house systems to limit expensive off-the-shelf procurement



# Impact of Awards Programme



Three reviews done:

## Ten-year review highlighted the following:

- Only available platform RSA public sector to unearth & reward innovations
- Critical for recognition and rewarding innovative public servant to encourage Innovative practices.
- Awards creates an enabling environment for government to find solutions to service delivery challenges.
- Contributes to developing an efficient and effective public service.
- Benchmarked by AU, OECD, Australia, Namibia and others.



# Impact of Awards Programme



## 20 Year review

- Critical importance of the innovation to improve service delivery
- Need to protect government innovations through IP/Copyrights
- Essential to properly fund Public sector innovations
- Requirement for a procurement regime that supports development of innovations in the public service

## Quantitative review

As part of a broader survey in partnership with NACI, a quantitative review of the Award programme was done in **2022 by UJ**

The OECD recognised the uniqueness of the Awards Programme because of the integration of the Replication programme and benchmarked with the CPSI in the establishment of the Observatory of Public Sector Innovations (OPSI)

### Examples of winning Innovations unearthed through the PSI Awards

**BizPortal** for their improvement of company registrations from a cumbersome system to a virtual one-stop shop, paperless integrated electronic registration system

**Central Chronic Medication Dispensary and Distribution** for chronic medication through 3rd parties

**HECTIS (Hospital and Emergency Centre Tracking Information System):** Replaced a manual system with an optimised workflow and patient management into one digitised solution.

**Hospital Water Savings Project** using recycled water to save R3 million per year.



CCMDD: NHI initiative



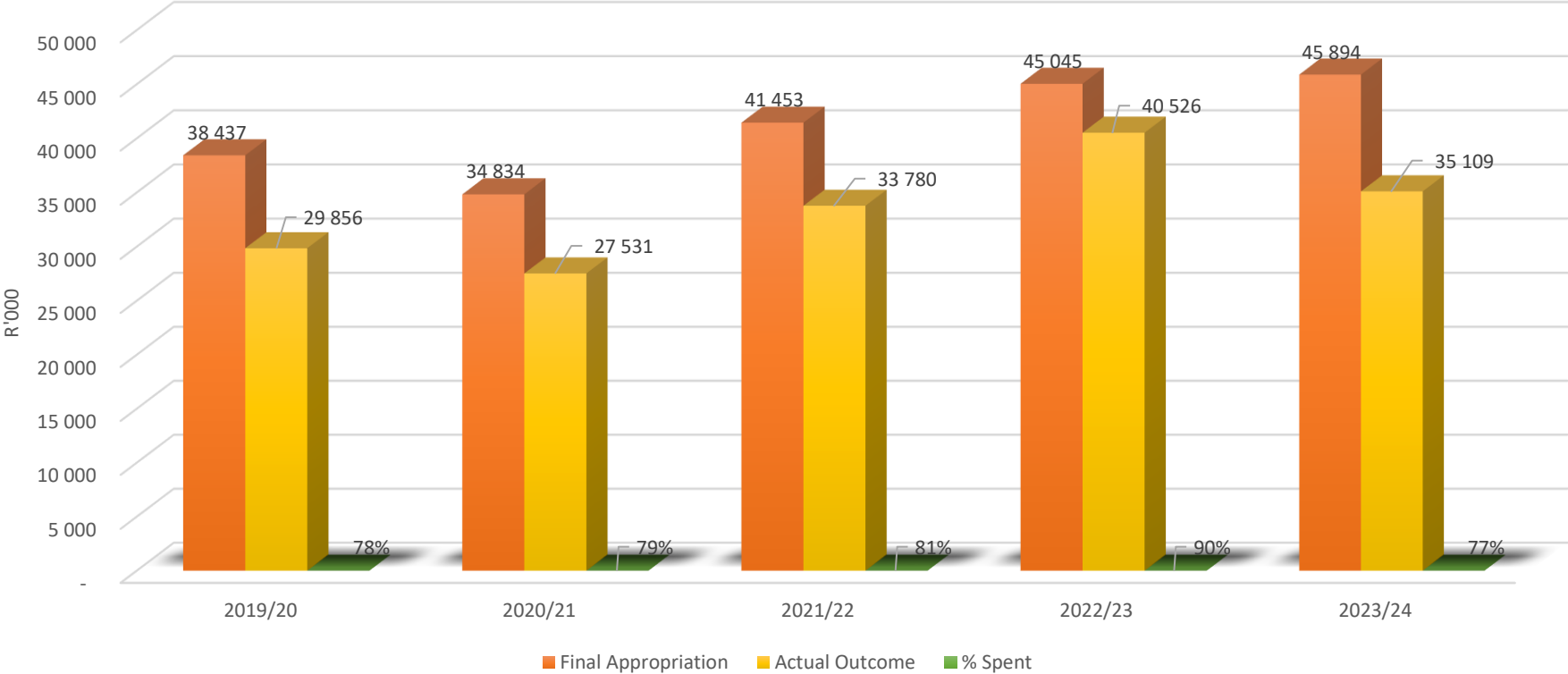
# Expenditure trend over 5 year period

Programmes	2019/20 Audited Outcome	2020/21 Audited Outcome	2021/22 Audited Outcome	2022/23 Audited Outcome	2023/24 Adjusted Appropriation	Actual Expenditure as at 31 January 2024	% under/over spending	Available Budget
	R'000	R'000	R'000	R'000	R'000	R'000		
1. Administration	14,779	13,821	16,963	20,426	21,829	15,248	70%	6,581
2. Public Sector Innovation	15,077	13,710	16,817	20,100	24,065	19,861	83%	4,204
<b>Total</b>	<b>29,856</b>	<b>27,531</b>	<b>33,780</b>	<b>40,526</b>	<b>45,894</b>	<b>35,109</b>	<b>77%</b>	<b>10,785</b>
<b>Economic Classification</b>								
Compensation of Employees	19,949	18,158	19,119	20,651	24,612	19,201	78%	5,411
Goods and Services	9,313	9,139	12,764	17,568	20,293	15,160	75%	5,133
Payment for Financial Assets	6	-	5	-	-	-	-	-
Transfers and Subsidies	109	-	-	-	34	40	117%	-6
Payment for Capital Assets	479	234	1892	2,307	955	709	74%	246
<b>Total</b>	<b>29,856</b>	<b>27,531</b>	<b>33,780</b>	<b>40,526</b>	<b>45,894</b>	<b>35,109</b>	<b>77%</b>	<b>10,785</b>



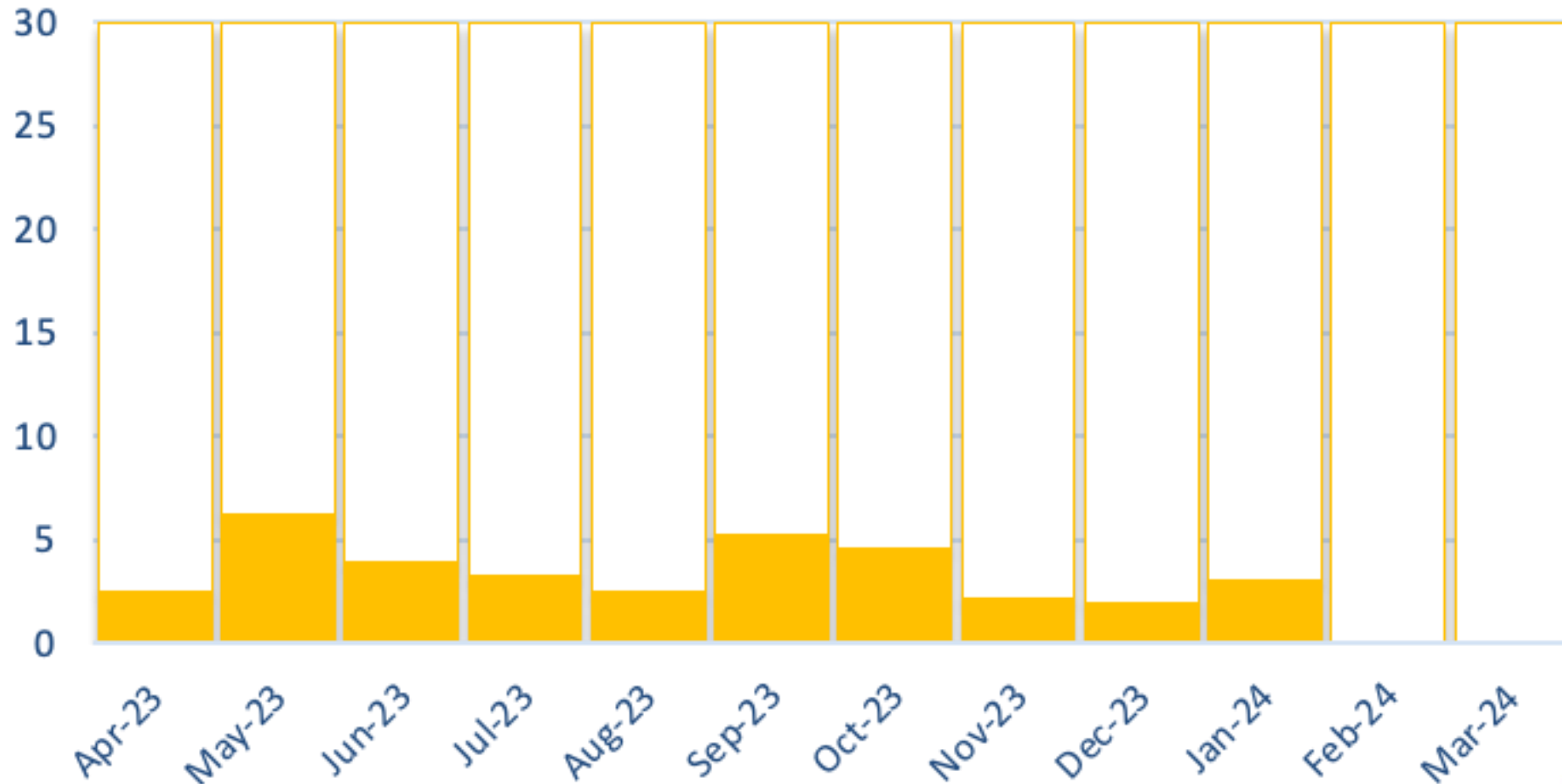
# Expenditure trend over 5 year period

Expenditure trend over 5 year period



# 2023/24 – 30-day payment report

**30-DAY PAYMENT AVERAGE: 3.58 DAYS**






# Recommendations/ Proposals



Public sector innovation will remain critical in the next administration.


Key Issues:

- The placement of this mandate needs to be reviewed to massify impact.
  - The mandate far exceeds the budget of R47 million allocated to the CPSI
  - Constrained internal capacity – currently have one system developer (after one resigned in October 2023)
  - CPSI/ SITA/ DSI needs to work closely together as recommended in the S&I White Paper to avoid duplication of efforts
  - Appointment of an ED is critical if the current form is retained. It is important to note that any changes should be made through a legal process to repeal or replace the Government Notice that enables the CPSI to operate as is currently
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# Recommendations/ Proposals




- **Strategic Review and Mandate Alignment:** A comprehensive review of the mandate's strategic positioning to ensure it aligns with broader government priorities and has the potential to significantly amplify its impact. Ideal placement of the CPSI with necessary authority to mainstream or scale up innovative solutions. This may involve engaging with a range of stakeholders, including other government departments and the private sector, to ensure the revised mandate is inclusive and capable of leveraging wider resources and expertise. This review should be part of joint strategic planning of all portfolio departments.
  - **Budget Reassessment and Reallocation:** Given the current budgetary constraints with an allocation of only R47 million to the CPSI, there is a need for a thorough reassessment of financial resources. This should include exploring avenues for additional funding, optimizing current spending, and potentially reallocating resources from lower-priority areas to ensure the mandate can be effectively fulfilled.
  - **Enhancing Internal Capacity:** Address the critical shortage of internal capacity, particularly in the wake of a system developer's resignation in October 2023. This should not only involve immediate recruitment efforts to fill the vacant position but also a strategic plan to build a robust team with diverse skills necessary for innovation. Consider partnerships with academic institutions, industry, and internships to build a pipeline of talent.
  - **Collaboration and Coordination Mechanism:** Establish a formal coordination mechanism between CPSI, DPSA, SITA, DSI, DCDT and possibly Presidency to enhance collaboration and prevent duplication of efforts. This could involve setting up a joint task force or steering committee that meets regularly to share updates, coordinate initiatives, and ensure that efforts are complementary rather than redundant.
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# Recommendations/Proposal



- **Leadership Appointment and Organizational Structure Review:** The appointment of an Executive Director (ED) should be expedited to provide leadership and direction, especially if the current organizational form is retained. Additionally, it's crucial to assess the overall organizational structure and governance model of the CPSI to ensure it is fit for purpose. Any necessary changes should be pursued through the appropriate legal channels, ensuring that amendments or replacements of the Government Notice are properly enacted.
  - **Legal and Regulatory Framework Update:** Ensure that any changes to the CPSI's operating model or mandate are supported by a comprehensive review and update of the legal and regulatory frameworks governing public sector innovation. This should involve a consultative process with legal experts, stakeholders, and potentially the public to ensure the frameworks are conducive to innovation and agile enough to adapt to future challenges.
  - **Stakeholder Engagement and Communication Strategy:** Develop a robust stakeholder engagement and communication strategy to keep all relevant parties informed about the changes, solicit feedback, and build support for the enhanced focus on public sector innovation. This should include regular updates, forums for feedback, and transparent reporting on progress and challenges.
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Thank you