



## **INNOVATION PROJECT 3: INNOVATION CAPACITY AND CAPABILITY OF MUNICIPALITIES**

### **Viability and Validation of Innovation for Service Delivery Programme**

#### **1. Introduction**

South Africa faces significant socio-economic challenges. It needs equitable access to basic services; equitable participation in the economy and equitable access to appropriate infrastructure to support economic activities. The 2019 White Paper on Science, Technology and Innovation sets the long-term policy direction for the South African government to ensure a growing role for science, technology and innovation (STI) in a more prosperous and inclusive society. It focuses on using STI to accelerate inclusive economic growth, make the economy more competitive, and improve people's daily lives. In order to achieve this, the NSI itself has to be more inclusive and focus on more active participation and collaboration with a wider set of actors including municipalities.

The endemic nature of poverty and inequality in South Africa demands that government constantly seek innovative approaches to respond to service delivery challenges and do things differently. There is a prominent role for science, technology and innovation to generate novel solutions; whether they involve technologies that can directly and significantly improve the quality of people's lives, or new innovative methodologies for examining and planning policies and delivery of basic services. Most significantly, STI-based value-adding interventions can open new economic opportunities, create jobs, develop skills, improve local government capacity and decision-making, and help realise the vision of a capable state and local governments through innovation.

#### **2. Context and background**

Municipalities are expected to deliver basic infrastructure and services and to play an important role in facilitating social transformation and poverty reduction. The 1998 White Paper on Local Government presents a vision of a developmental local government, giving local municipalities a wide-ranging developmental agenda to realise local social and economic development by working with local communities (including the most marginalised and excluded). However, many local municipalities currently have various challenges that make them unable to achieve the developmental mandate. Many municipalities have not adequately harnessed social innovation to improve service delivery and the livelihoods of poor communities.

The failure of municipalities to leverage innovation to achieve their development mandate is often because they do not have a coherent set of innovation information and decision-support tools to inform their interventions. This is especially so in impoverished municipalities. These municipalities are characterised by a low revenue base and are often excluded from finding solutions to respond to their spatially marginalised contexts. The Municipal Innovation Maturity Index (MIMI) is an intervention to assist municipalities to measure the level of innovation for service delivery and inclusive transformation.

MIMI was developed by the Human Sciences Research Council on behalf of the DSI as part of the Innovation Partnerships for Rural Development Programme, which was created by the Department of Science and Innovation (DSI) to "pilot and integrate innovative technologies to improve service delivery and quality of life in rural communities". MIMI is a tool for measuring innovation capabilities at the local municipal level and focuses on the capabilities of individual employees and municipalities to learn and implement innovation towards improving public service delivery.

MIMI has been digitised and converted into an online platform that allows municipalities to undertake their own innovation self-assessment. The first pilot was for six district municipalities, with most municipalities at innovation maturity level 2. The current piloting of the digital version of the MIMI tool covers 24 municipalities. The target is to reach 60% of municipalities in the next two years. The MIMI assessment is helping municipalities to develop innovation plans and invest in smart city projects.

### **3. Project objective**

The objective of Project 3 is to develop and strengthen innovation capacity for the delivery of basic services in municipalities by enhancing learning and capacity building across selected municipalities on technology and innovation management, the innovation capacity of municipalities, and the culture of innovation through the measurement of innovation maturity.

### **4. Typical project activities related to Project 3**

The successful municipalities will be expected to participate in the digital MIMI innovation assessment process as a self-reflection tool that provides innovation perspective and practices of the participating of the municipalities. This will require that the municipalities complete the online MIMI questionnaire, and provide information and documents that are necessary for the assessment process. The municipality will be expected to enrol some of its employees in innovation training programmes that may be provided by the National School of Government and/or higher training institutions. Furthermore, this project will require municipalities to work with the implementing agency to place unemployed graduates as innovation champions in municipalities and participate in innovation learning forums and policy dialogues that may be organised by the implementing agency for Project 3. It will be expected that, as part of this project, the municipality will establish an internal innovation committee.

The typical activities to be undertaken by the municipality and implementing agency are outlined below:

- Activity 1: Pilot the digital Municipality Innovation Maturity Index to measure innovation maturity at a local municipality.
- Activity 2: Engage the National School of Government and/or higher education institutions to develop and pilot a training module on innovation for service delivery as part of training municipal officials.
- Activity 3: Include municipalities as host organisations in the National Youth Service Programme, with a focus on development and placement of young STI graduates in municipalities.
- Activity 4: Improve innovation in service delivery dialogues within and among municipalities and the public on the integration of STI in the delivery of basic services through municipal learning forums.
- Activity 5: Establish municipal innovation forums with representation from academia and civil society, and use innovation to contribute to the District Development Model.

## **5. Expected project outputs**

Municipalities interested in participating in this project will be required to indicate in their response to the call for expressions of interest their current organisational capacity to embrace innovation and technology across business processes and service delivery practices, describing the current level of innovation capacity, culture of innovation and innovation maturity. Municipalities will be expected to participate in workshops on MIMI with the implementing agency, at which they will explain their innovation challenges, practices, innovation leadership, municipal employees' perception of innovation and planned innovation projects in the municipality. This will help the municipalities to identify innovation gaps and understand their innovation maturity levels, enabling them to plan how to improve their own innovation practices effectively.

## **6. Output indicators**

- Number of municipalities participating in the Municipal Innovation Maturity Index.
- At least one MIMI report for each participating municipality.
- Number of innovation policy dialogues and innovation learning forums in which municipalities participate.
- Number of youth and graduate innovation champions in municipalities.
- Number of innovation training sessions in which the municipalities participate.

## **7. Expected project outcomes**

The intended outcomes of this project are as follows.

- The adoption and institutionalisation of learning by municipalities.
- The development of organisational capacity to embrace technology and innovation across business processes and service delivery practices.
- The integration of innovation and technology in municipal business plans and programmes.

Typical outcome indicators for this project are as follows:

- Enhanced learning and capacity building across the targeted municipalities on technology and innovation management.
- Innovation capacity of municipalities strengthened.
- A culture of innovation supported through the measurement of innovation maturity.

## **8. Key result areas**

The DSI will be working with the selected municipalities, technology developers and the implementing agency to track and report on the following programme key result areas:

- Number of additions to the DSI portfolio of STI-based methodologies, models or tools available for use by municipal governments for planning and/or service delivery.
- Number of use cases by municipalities of STI-based methodologies, models or tools developed to support planning and/or service delivery.