

BEAUFORT WEST LOCAL MUNICIPALITY



STAKEHOLDER ENGAGEMENT STRATEGY [Financial Recovery Plan]

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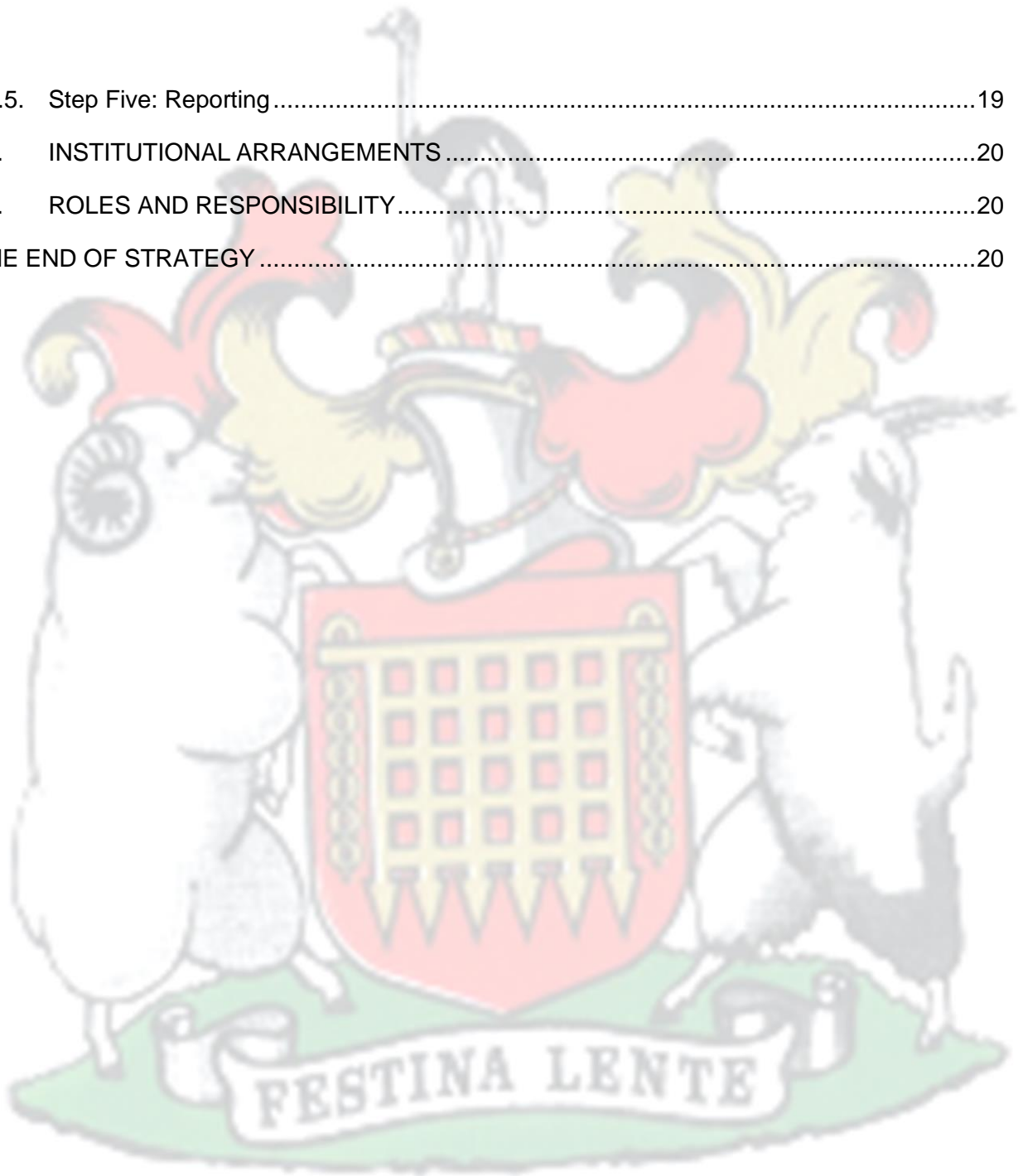
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1. DEFINITIONS

- 1.1. “stakeholder engagement” means integrated and coordinated efforts by the Beaufort West Municipality to consult and communicate with all stakeholders within the jurisdiction of the Municipality
- 1.2. “Financial Recovery Plan” means a Financial Recovery Plan for Beaufort West Municipality in terms of section 143 (2) of the Municipal Finance Management Act , No 56 of 2003 (MFMA) – a binding Financial Recovery Plan for the mandatory intervention as approved by Provincial Cabinet on 21 August 2021 in terms of section 139 of the MFMA and section 139 of the constitution of South Africa, 1996.
- 1.3. “Regulatory Framework” means legislative and policy prescripts governing stakeholder engagement at a local government level.

2. VISION AND MISSION STATEMENT

Vision

“Beaufort West, economic gateway in the central Karoo, where people are developed and live in harmony”

Mission

To reflect the will of the South African people as reflected in the Constitution and by Parliament:

- Service Delivery: To provide excellent services to the residents of Beaufort West Municipality
- Growing the economy: to implement infrastructure to grow the economy and create jobs
- Staff: to have an equipped, skilled and motivated staff establishment
- Well-run administration: establish a sound, efficient and effective administration for the Municipality
- Financial Sustainability: Collecting all debtors and paying creditors in time

- Sport centre: to become the sport and recreational mecca of the Karoo, creating harmony and unity
- Safe place: to create a crime free, safe and health environment
- Reduce Poverty: to reduce poverty and promote the empowerment of women, youth and people living with disabilities

3. INTRODUCTION

3.1. Best practice as defined in King III requires a company to have a Stakeholder Engagement Strategy in place to guide the municipal approach to communicating and working with stakeholders.

3.2. To this end, and considering the trust deficit that exists between communities and municipalities, Moodley (2017) contends that the state and relevant institutions must always strive to coordinate efforts with the view of strengthening the interface between the municipality and its communities failing which “ Citizens may decide not to cooperate at all, to cooperate partially or to actively oppose a specific policy or Initiative because any initiative that depends on the active cooperation of its citizens requires legitimacy”.

3.3. To this end, and considering the trust deficit that exists between communities and municipalities, Moodley (2017) contends that the state and relevant institutions must always strive to coordinate efforts with the view of strengthening the interface between the municipality and its communities failing which “ Citizens may decide not to cooperate at all, to cooperate partially or to actively oppose a specific policy or Initiative because any initiative that depends on the active cooperation of its citizens requires legitimacy”.

3.4. In light of the above, and more specifically in the context of the Beaufort West Municipality’s Financial Recovery Plan (FRP) - a mandatory intervention that was instituted by the Western Cape Executive Committee (EXCO) in 2021 - the municipal leadership (both politically and administratively) will put in place measures and procedures to address “inadequate public participation” which is largely to blame for the existing social distance between the municipality and its stakeholders.

- 3.5. In this regard, the FRP correctly cautions against the emerging risks that have the potential to hinder the successful implementation of key intervention activities of the FRP.
- 3.6. One of the emerging risks, as outlined in the FRP, is that industrial action could not be ruled out “owing to communication and resistance to the changes due to any organizational restructuring and realignment and the implementation thereof.
- 3.7. As such, the FRP observes, among other things, that if urgent and corrective interventions are not made to enhance meaningful stakeholder participation in municipal governance, there could be a “potential resistance to change by certain internal and external stakeholders”.
- 3.8. To mitigate these and other risks, it was recommended that the municipality should “develop an internal and external communication plan to support effective communication throughout the intervention” which comprises of three critical phases, i.e. rescue phase, stabilization phase and sustainability phase.
- 3.9. Accordingly, this Stakeholder Engagement Strategy sets out Beaufort West Local Municipality’s (BWLM) approach to communicating and working with its stakeholders. Engagement is an integral part of developing and understanding of our stakeholders’ needs, interests and expectations and assists the municipality in achieving its strategic goals and sustainable decision-making processes.

4. PURPOSE

To ensure effective stakeholder engagement with the view to strengthen the interface between the Municipality and its stakeholders towards the attainment of the goals and objectives of the FRP.

5. OBJECTIVES

- 5.1. Municipal communication and meaningful stakeholder engagement is the nerve center of democratic governance and participatory democracy at a local government

level.

- 5.2. While this may not necessary be a panacea to address the complex and structural challenges experienced by Beaufort West Municipality in recent years, bridging the communication gap between the municipality and its stakeholders remains a critical focus area in achieving the municipality's long-term vision: ***'Beaufort West in the Central Karoo, the economic gateway to the Western Cape, where people are developed and living together in harmony.'***
- 5.3. Taking the above into consideration, the Stakeholder Engagement Strategy is a broad framework upon which stakeholders will be consulted on a wide range of municipal projects, not only as a tick-box compliance exercise but for them to meaningfully influence municipal decision-making processes.
- 5.4. As such, the Municipality will continuously solicit stakeholders' inputs to ensure that it is responsive to the service delivery needs of its stakeholders.
- 5.5. In broad practical terms, various initiatives will be rolled out to enhance coherence and consistency in messaging consistent with the universally recognized basic communication principles – "one message, multiple voices, in volume and overtime.
- 5.6. More importantly, this Strategy endeavors to achieve the following objectives:
 - 5.6.1. To strengthen efforts for sound and strategic sustainable decision-making processes.
 - 5.6.2. To improve effective two-way communication with our stakeholders for the duration and beyond the FRP.
 - 5.6.3. To strengthen transparency and accountability.
 - 5.6.4. To build trust and ownership, identify the opportunities and potential threats arising from stakeholders' material issues which may affect the implementation of the FRP.
 - 5.6.5. To build and strengthen relationship with the Municipality's stakeholders throughout the implementation of the FRP and beyond
 - 5.6.6. To promote and facilitate inter-departmental planning and coordination within

the Municipality.

5.6.7. Establish an Internal Stakeholders' Command Centre to coordinate joint planning. This will be constituted by all section 56 Managers and relevant officials

5.6.8. Establish a Stakeholders' Forum with clear Terms of Reference (ToR) outlining frequency of meetings (preferably bi-annually), key stakeholders etc.

5.6.9. Develop and maintain a municipal stakeholder database and review annually

6. SCOPE

6.1. This Stakeholder Engagement Policy is applicable and binding on all employees of Beaufort West Municipality particularly those who have a legislative prerogative and an obligation to communicate and interact with stakeholders (both internally and externally) on behalf of the municipality.

6.2. The stakeholder engagement function resides in the office of the Municipal Manager. However, the various Directorates within the municipality are expected to coordinate and maintain an inclusive and mutually beneficial relationships with their respective stakeholders and do so in a transparent and accountable manner consistent with the Municipality's motto, i.e. '*Festina Lente*', as well as its core values.

6.3. The strategy complements but does not replace the decision-making role of Council -whether community or stakeholder opinion is divided or overwhelmingly of one opinion, it remains the powers and functions of Council to make strategic decisions and administration to make operational decisions.

6.4. Stakeholder engagement is undertaken with a far broader aim than merely communicating to various stakeholder groups. Rather, Beaufort West Local Municipality considers its various stakeholders as key partners in its programme.

6.5. Applies to all municipal departments and units, regarding all their activities and interactions with stakeholders;

6.6. Is monitored quarterly for compliance by the Office of the Municipal Manger.


7. REGULATORY FRAMEWORK

7.1. Chapter 4 of the Local Government, Municipal Systems Act, Act 32 of 2000 (the Systems Act) provides for the development of a culture of community participation. In this regard, municipalities are required to outline mechanisms, processes and procedures for community participation. Therefore, in the effort to implement its legislative obligation, local government should focus on best practice engagement, participation and public consultation processes. A Stakeholder Engagement Strategy is therefore a crucial tool which is aimed at guiding the municipality on its interaction with organized sectors.

7.2. Section 152 (1) and (2) of the Constitution clearly defines the objectives of local government which includes “the provision of democratic and accountable government for local communities”. Furthermore, subsections (1) place an obligation on local government “to encourage the involvement of communities and community organizations in the matters of local government.”

7.3. The Municipal Finance Management Act, Act 56 of 2003, requires that municipalities have a secure sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government; to establish treasury norms and standards for the local sphere of government; and to provide for matters connected therewith. It requires that there is consultation on tabled budgets and further requires that meetings of a municipal Council, where annual reports are being tabled must be open to the public and any other organs of the state and reasonable time must be made available for discussions of written submissions.

7.4. Chapter 4 of the Systems Act: provides that a municipality must develop a culture of municipal governance which includes a system of participatory governance and should, in this respect, encourage and create an enabling environment for the community to participate in the affairs of the municipality. The Act also prescribes in Section 17 (2) that the municipality must provide for the following when establishing the mechanisms, processes and procedures, to enable the community to participate in the affairs of the Municipality:

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- 7.4.1. A notification and public comment procedure, when appropriate;
- 7.4.2. Public meetings or hearings by the Municipal Council and other political structures and political office bearers of the Municipality, when appropriate; Consultative sessions with locally recognized community organizations and, where appropriate, traditional authorities; and
- 7.4.3. Report-back to the local community.
- 7.4.4. Furthermore, in establishing the mechanisms, processes and procedures for community participation, the municipality must have due regard for the special needs of illiterate or disabled people, women and other disadvantaged groups (Section 17 (4) of the Act).
- 7.4.5. Naturally, these critical pieces of legislation are intended to ensure that the community consultation processes within local government are streamlined and also that there is an increased focus on strengthening engagement and participation and enabling communities to help shape policies that are developed on their behalf. Good governance requires the involvement of a wide range of stakeholders in governance issues.

Other Relevant Legislations

- The Constitution of the Republic of South Africa, 1996
- Constitution of the Western Cape, 1998
- Promotion of Access to Information Act, 2000
- Promotion of Administrative Justice Act, 2000
- Public Service Act, 1984
- The Protection of Information Act, 1982
- The Copyright Act, 1987
- Electronic Communications and Transactions Act, 2000
- Protection of Personal Information Act, 2021

8. ORGANISATIONAL ENVIRONMENT

Beaufort West Local Municipality comprises of four (4) Towns and seven (7) wards. The

Municipal Manager is accountable for implementing the PHASES OF THE FRP as stated in the FRP.

The municipality is managed through Governance Structures as determined by the Municipal systems Act and related pieces of legislation.

This stakeholder engagement strategy outlines our approach to engagement with our stakeholders, and the coordination of such for the implementation of the FRP. This strategy has been put in place to ensure that the stakeholder engagement is applied consistently across all municipal operations in relation to the implement the Financial Recovery Plan.

The stakeholder engagement strategy supports the Executive Mayor in the role of engaging with the citizens of Beaufort West Municipality on matters that affect them as well as accounting outcomes of the implementation of the FRP. The policy therefore seeks to define parameters which when executed will enable stakeholder engagement for the whole Beaufort West Municipality to be implemented in a cohesive and collaborative manner, for the achievement of the aspiration of the municipality and the communities.

9. STAKEHOLDER ENGAGEMENT PRINCIPLES

The Principles of this strategy are anchored on the need for Beaufort West Local Municipality to have an approach and practice to managing stakeholders, ensuring this stakeholder engagement initiatives strengthen/support the implementation of the Financial Recovery Plan of Beaufort West Local Municipality and meet legislative obligations.

Congruence	One version of the truth. We say what we mean, and mean what we say regardless of the stakeholder or communication channel.
Consultative	We aim to develop relationships where stakeholder views are considered in decision-making and we provide various channels to foster this.

Collaborative	We aim to establish deep partnerships with stakeholders (individuals or organizations) with aligned values and work closely with selected partners and stakeholders to build a more sustainable financial viable municipality.
Communicative	We value open, honest and on-going communication regarding the Financial Recovery Plan with all stakeholders and are proactively committed to such.
Commitment	We are committed to working towards creating a prosperous and sustainable future for all Beaufort West Municipality's residents and leveraging effective stakeholder engagement for the implementation of the FRP.
Responsive	We strive for continuous improvement and proactively respond to changing business conditions and stakeholder needs, interests and expectations.

10. STAKEHOLDER MANAGEMENT

10.1 Integrated Municipal Wide Stakeholder Management

The Stakeholder Management initiatives must be recognized as an integral part of the municipality. Stakeholder Management must be included in strategic and operational plans of Beaufort West and supported with appropriate resources. Stakeholder Management matters shall be included in the quarterly and annual reports of the municipal Structures.

The Mayoral Executive Committee will conduct Stakeholder engagement meetings/initiatives in consultation with Stakeholder Management Forums representing their structures, sectors and the public.

All Stakeholder Management initiatives shall be planned and listed on the municipal Events Calendar. This is to provide the Office of the Executive Mayor with an integrated view of Stakeholder Management events regarding the Financial Recovery Plan.

Stakeholder engagements/initiatives shall be used to track, report and monitor implementation of the FRP as well as collecting issues that need to be addressed

through the FRP.

Stakeholder engagements shall consolidate related initiatives at municipal offices and ward level to ensure that there is a holistic view on the status of the FRP issues with respect to consultations, and information on matters of the FRP of the municipality as a whole. Analysis should be conducted and steps taken to address these issues as well as reporting back to the appropriate stakeholders and governance structures of the Municipality.

10.2 Internal and External Alignment of Stakeholder Management Initiatives

The wards shall monitor that Mayoral imbizo's address matters of interest that have been raised in their wards, and take appropriate steps to escalate this short-coming through the Ward Committees, Councilors and Community Development Workers and Stakeholder management forums of the Municipality.

11. METHODS OF ENGAGEMENT

11.1 A Strategic Approach to Stakeholder Engagement

Stakeholder Engagements shall focus on groupings of stakeholders detailed in the Stakeholder map of BWM, these stakeholder groupings are listed below:

Stakeholder Grouping Engagement Approach
Sector Department and Government Entities
Business and Professionals bodies and associations
Community Members and Civic Organizations
Ward Committees / Community Development Workers
Political Groupings and concerned groups
Educational Institutions

11.2 Development of Integrated Annual Events Diary

The four (4) towns and 7 wards shall ensure that they have an annual events diary

that provides for when Stakeholder Management initiatives/meetings shall take place and in what format:

Date	Focus Group / Stakeholder / Structure
1 st Quarter	
2 nd Quarter	
3 rd Quarter	
4 th Quarter	

11.3 Active Engagement through Mayoral Community Outreach

The Members of the Mayoral Committee hold quarterly mayoral committee meetings to discuss developments on the FRP. Hold meetings with different Stakeholders and community members, where possible.

At these meetings, the Mayoral Committee members should provide local delivery audits, tackle outstanding matters and provide support with respect to follow through on outstanding matters raised by the community on the implementation of the FRP. The Office of the Municipal Manager in conjunction with the offices of the Executive Mayor and the Speaker shall be responsible for planning these Stakeholder engagements/meetings.

12. STAKEHOLDER ENGAGEMENT FEEDBACK

Our stakeholder feedback will be derived from client feedback mechanisms - such as social media, Mayoral imbizo's, ward community and one-on-one meetings.

13. MONITORING, EVALUATION AND REPORTING

All Stakeholder Management initiatives shall be monitored, evaluated and reported through the normal structures of Beaufort West Local Municipality.

This entails the Office of the Municipal Manager conducting oversight on implementation, ensuring that these initiatives take place in a manner that promotes the ideals of the municipality. Review includes evaluation of the stakeholder management initiatives, monitoring and reporting thereof.

14. STRATEGY DETAILS

The details of this strategy are aimed at providing a systematic approach to managing stakeholders for the entire Beaufort West Municipality in relation to the implementation of the FRP.

The procedure for implementation of Stakeholder Management for Beaufort West Local Municipality shall be done through the following 5 steps

14.1. Step One: Profiling

Analyse stakeholders in line with geographic position and stakeholder groupings per the grouping area. Analyze related sub groupings and profile them as per their institutional arrangement, membership and their nature of business and influence. This is to best align them with the relevant stakeholder engagement fora.

Beaufort West Local Municipality will identify a Stakeholder map (Groupings) for its Stakeholders as detailed below:

- Government and State Owned Entities
- Internal
- Political
- Business and Professional
- Ward Committees
- Residents
- Civil Society and Media

The description of the stakeholder groupings that will be mapped by the Beaufort West Local Municipality are as follows:

Government and State Owned Entities (SOE's) refers to all government departments, national and provincial as well as all state owned entities located in Beaufort West Municipality.

The following are examples of sub groupings of stakeholders in this category:

- National Government Departments;
- Provincial Government Departments;
- Public Entities;
- SoE's;

Business and Professional Stakeholders include all forms of commercial business in the form of small, medium and large business. Like all stakeholders they are assessed based on their geographic ward position and then their service delivery requirements. It will be expected that in some instances the need of business may be to get involved in the development of solutions to service delivery.

The following is an example of sub groupings of Stakeholder categories:

- Banks;
- Retail Shops;
- Shopping Centre's;
- Motor Industry;
- Private Clubs (e.g. Golf Clubs);
- Big business;
- SMMEs;
- Taxi associations;
- Developers/construction industry;
- Shopping malls;

- Hotels;
- Professional Associations e.g. Lawyers, Doctors, Accountants

Community Members are seen to be the recipients of most services as well as the implementers of by laws. In a normal setting they are seen as passive customers who receive services from the municipality.

Civil Society and Media entails a number of social interest groups in the form of NGOs, CBOs, Faith Based organizations and Media. Their interests vary from ensuring that the constitutional rights of people are upheld and / or, reporting on matters of service delivery or service delivery related projects.

The following is an example of sub groupings of Stakeholders in this category.

- Sports Bodies;
- Faith based organizations;
- Children's organization;
- NGOs;
- Concerned Groups;
- Community forum representatives; and

14.1. **Step Two: Participation Analysis**

In the event that stakeholders need to partner actively in the implementation of the FRP, Beaufort West Local Municipality will be clear on information and tasks to be allocated to Stakeholders for them to engage meaningfully, and expected outcomes including recognition thereof.

Sharing of information for stakeholder engagement and partnering shall be in line with Beaufort West Local Municipality information management policies and guidelines and will not undermine secrecy and confidentiality requirements of the municipality at the expense of stakeholder engagement initiatives.

14.2. **Step Three: Planning**

This requires development of stakeholder management initiatives for the forthcoming period, in alignment with the implementation of the FRP. This is supported by a plan that will culminate into a Stakeholder Engagement Annual Event Diary for the municipal stakeholder management. Stakeholder analysis and engagement analysis still needs to take place prior to such engagements being implemented, to ensure that the correct approach and correct information is utilized to engage with stakeholders.

During the planning stage, identification of internal and external Stakeholders as well as their roles and responsibilities shall be undertaken and included.

14.3. **Step Four: Implementation**

This entails implementation of planned stakeholder management initiatives, ensuring that required recording of initiatives takes place including, minutes taking and reporting in line with requirements. Included in Implementation are communication which shall take place in line with the municipal guidelines and the Communication Strategy (if one is in place). The Office of the Municipal Manager and the Office of the Executive Mayor are responsible for oversight of implementation of stakeholder engagement initiatives and will provide facilitation and support services. The MM and the Executive Mayor shall also be responsible for communication, monitoring, evaluation and reporting of stakeholder engagement initiatives. The directorates (Finance and Corporate Services) leading with the co-ordination and implementation of stakeholder engagement initiatives to ensure monitoring, evaluation and reporting of stakeholder engagements initiatives to Council.

14.4. **Stakeholder Communication Plan**

The stakeholder management communication plan includes all the steps and information required to implement and maintain the Communication Strategy, and includes:

- ✓ Identifying Stakeholder categories, and geographic areas which need to be targeted, this process shall make use of information from step one of the stakeholder approach;
- ✓ Defining and scheduling Stakeholder Management events and milestones;
- ✓ Selecting the most viable and effective channels for respective stakeholders taking into consideration the level of engagement required.
- ✓ Preparing the communications content and obtaining approval for each communication;
- ✓ Establishing timing and timeframes for communicating, noting expiry time for communicating information;
- ✓ Establishing Feedback mechanisms and timeframes;
- ✓ Implementing communication plan;
- ✓ Periodically evaluating the effectiveness of the communications and the impact it has on required outcomes of the Financial Recovery Plan;
- ✓ Making changes to the communication plan as necessary.

Communication channels shall be used in a manner that increases the chances of stakeholder management initiatives to achieve the desired results of the FRP.

For informing citizens: road shows, emails, community radio station, and notice boards shall be used as medium of communication.

For collaboration requirements and empowerment, communication channels to be used will include, team meetings, focus groups, imbizos ,ward community meetings to name a few.

14.5. Step Five: Reporting

Reporting will be implemented by The Executive Mayoral Committee, Office of the Speaker and the Office of the Municipal Manager to Council and the stakeholders.

Reporting shall be done, quarterly by the Director: Financial Services to the

Executive Mayoral Committee and quarterly stakeholders and to Council on the progress of the FRP.

15. INSTITUTIONAL ARRANGEMENTS

The Department: Corporate Services and Department: Financial Services shall provide resources to manage stakeholder engagements for the municipality. Such resources shall be supported with required capacity.

16. ROLES AND RESPONSIBILITY

The roles and responsibility of the structure that support the stakeholder management shall be as follows:

POSITION	ROLE	RESPONSIBILITY
Executive Mayor	Ownership and support	Oversight
Executive Mayor		
Speaker	Ownership	Oversight
Municipal Manager	Execution	Implementation and Resources
Departments	Support	Implementation
Ward Committees and CDWs	Support	Implementation
MM,CFO, Executive Mayor, Speaker Communications, public Participation, (All directorates) etc.	Support Facilitation	Oversight/Implementation Oversight & implementation

THE END OF STRATEGY