

## **CITY OF CAPE TOWN: MAYORS SPECIAL FUND**

### **Introduction**

The Mayor receives regular requests for grants, donations and financial assistance. Most of these are dealt with through the normal Grants in Aid Policy, but some deserving requests fall outside the ambit of the Policy. A special fund has been created by the City and subject to the guidelines set out below, the Mayor is authorised to decide on the use of the Fund for grants to such exceptional beneficiaries.

### **Legal Framework**

Section 12 of the MFMA permits the establishment of a “relief, charitable, trust or other fund” in the name of the City.

The City may open a separate bank account and any money received for the purpose of the fund must be paid into the fund.

Money paid into the separate bank account may be withdrawn from the account without appropriation in terms of a Council approved budget, but only by or on the written authority of the accounting officer acting accordance with the decisions of the council and for the purpose the fund was established for.

### **Purpose of Fund**

The Fund is for the purpose of allocating grants by the Mayor at her discretion in respect of applications made or at the Mayors initiative for cases set out in the Fund Guidelines.

### **Fund Guidelines**

The fund may be used for:

1. Causes that will promote the profile of the City.
2. Cases of hardship which fall outside the City’s Grant in Aid Policy.
3. Emergency/Disaster situations where the City has no other provision to cater for the event.
4. The specific use and conditions as may be set out by a donor to the Fund.

### **Prohibited Uses**

The Fund may not be used for any purpose that benefits a political party. Appropriations may not benefit any member of the Council or a family or relative of any member of the Council.

Only in exceptional cases may grants be made for activities occurring outside the boundaries of the City and only after approval by the Mayor in consultation with the Mayoral Committee.

Grants may not be paid directly to any individual.

Grants may not be used for travelling expenses or accommodation for choirs, sports teams etc.

Any grant from the fund shall not result in repeat commitments nor may any expectation be created that funding will automatically be made available for future events.

Grants should not be used in conjunction with other City funding or grants.

### **Process for Release of Funds**

The Mayor identifies an appropriate use and determines the amount as well as the beneficiary and forwards the request to the City Manager. The Mayor may impose conditions in respect of any grant made from the Fund.

The City Manager or his delegatee must assess the request and determine whether it meets the Guidelines set out above as is required by S 12(4) of the MFMA. If there is sufficient funds the City Manager or his delegate will withdraw the amount from the Fund.

### **Reporting Requirements**

The Mayor must report to Council on a quarterly basis in respect of the status of the Fund including amounts withdrawn, and the names of the beneficiaries. Any donations received must also be reported.

### **Donations to the Fund**

Any member of the public or organisation may donate money to the Fund. The City may actively canvass for donations to the fund.

If a donor specifies conditions in respect of any donation, the donated amount may only be utilised in terms of those conditions.

The Mayor may refuse any donation where the conditions attached are unacceptable to the Mayor.

The City may appropriate to the fund from its annual budget.

### **Grant Limits**

The Council may determine the maximum limit of any grant from time to time.