



**CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD**

RELIEF AND CHARITABLE ALLOCATIONS POLICY (MAYORAL PROJECTS)

(POLICY NUMBER 68560)

Approved by Council: 30 October 2024

C 14/10/24

Note: The Policies mentioned below, pertaining to the Mayoral Fund or charitable and relief funding, from the Office of the Executive Mayor, will be replaced by the Relief and Charitable Allocations Policy (Mayoral Projects):

- Mayoral Fund Policy, 29 April 2021
- Mayor's Special Fund, 28 September 2011
- Relief Fund Policy



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Relief and Charitable Allocations Policy (Mayoral Projects)

[Reference Codes] (The reference code will be allocated by Executive Support on submission of the policy)

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Definitions

Beneficiary	means a person or organisation in respect of which the Executive Mayor and Mayco have approved the payment of an allocation, after receipt of an application under this policy, and who may also have been the applicant for such allocation;
City	means the City of Cape Town, a municipality established by the City of Cape Town Establishment Notice No. 479 of 22 September 2000, issued in terms of the Local Government: Municipal Structures Act, 1998, or any structure or employee of the City acting in terms of delegated authority;
Council	means the Municipal Council of the City;
Councillor	means a member of the Municipal Council of the City;
IDP	means the City's Integrated Development Plan;
Mayor	means the Executive Mayor of the City;
Mayco	means the Mayoral Committee of the City;
MFMA	means the Local Government: Municipal Finance Management Act, 2003 (Act No.56 of 2003);
'Memorandum of Agreement' ("MoA")	means a written agreement between the City and any beneficiary of an approved allocation to be paid by the City under this policy, setting out the material terms of such approved allocation, including any conditions that may apply.

1. Problem Statement

- 1.1 The Mayor receives regular requests for relief, charity and other forms of financial assistance from members of the public and organisations. Most of these requests are dealt with through the City's allocations under its *Section 67 Grants-in-Aid Policy*, but some deserving requests fall outside of the ambit of that Policy.

2. Desired Outcomes

- 2.1 The establishment of streamlined policy direction for the effective allocation of funds approved by Council for the purposes of supporting charitable or relief allocations, as recommended by the Mayor, and allocated on the approval of the Mayco.

3. Scope

- 3.1 The policy is applicable to projects that are supported by Council approved funds made available to the Mayor. To this end, the policy is utilised by the Mayor and their direct office in allocating funds to projects that meet the criteria of this policy.
- 3.2 The *Contributions to the City of Cape Town Policy (policy number 41636)*, which entail ad-hoc donations made by organisations or members of the public to the City of Cape Town, do not fall under nor form part of this policy.

4. Strategic Alignment

- 4.1 All allocations made hereunder must support the City's strategic objectives as set out in the Integrated Development Plan (IDP), specifically "The City of Hope".

5. Application, Allocation and Administration Process

5.1 Budget

- 5.1.1 The budget for any annual charitable or relief allocations made under this Policy forms part of the City's annual approved budget. It is allocated against

a cost centre, once approved by Council each year from within the Rates account.

- 5.1.2 Once approved, these funds remain on this cost centre and approved allocations are then disbursed as payments against that cost centre directly each year.

5.2 Application Process

- 5.2.1 Applications for financial assistance or charitable relief under this Policy must be in writing and submitted to the Mayor's Office.

- 5.2.2 All applications must include the following information:

- 5.2.2.1 the applicant's legal name and capacity as well as that of the proposed Beneficiary (if the applicant is making application on behalf of a third party);
- 5.2.2.2 a brief description of the relief sought;
- 5.2.2.3 the circumstances that give rise to the request;
- 5.2.2.4 the following details of the proposed Beneficiary:
 - i) contact details, including a full name, telephone number and e-mail address; and
 - ii) proof of residence or place of business;
- 5.2.2.5 the estimated value of financial assistance required, which must be supported with quotations, where appropriate;
- 5.2.2.6 an indication of financial commitments from other funders or fundraising initiatives;
- 5.2.2.7 in the case of an event, confirmation/invitation from the international or local body confirming participation and a list of participants/players;
- 5.2.2.8 full banking details; and
- 5.2.2.9 in the case of burial assistance, the following additional information:
 - i) a certified copy of the original death certificate;
 - ii) certified copies of IDs of parent(s) or legal guardian(s) for minors;
 - iii) a declaration under oath that there is no funeral policy in place; and
 - iv) a reasonable quotation from an undertaker, to whom the funds will be paid directly, if approved.

5.3 Approval Process

- 5.3.1 Any recommendation for an allocation of financial assistance under this policy, which the Mayor recommends, must then be provided to Mayco for its approval prior to allocation.
- 5.3.2 Upon approval of financial assistance as recommended by the Mayor and approved by Mayco, a Memorandum of Agreement (MoA) must be concluded with the Beneficiary, setting out the terms of the financial assistance, including any conditions applicable thereto, prior to payment being made.
- 5.3.3 All recommendations by the Mayor for financial assistance allocations under this policy, including the quantum and conditions that Mayco approves, must then be forwarded to the City Manager for processing and the payment of such approved allocation.
- 5.3.4 On receipt of any approved allocation in terms of clause 5.3.3 above, the City Manager or his/her nominee must assess the request and determine whether it meets the Guidelines set out in clause 6, and ensure there are sufficient funds available to make the allocation. Once so satisfied, the City Manager or his/her nominee must process the allocation request as expeditiously as possible.

6. Role-players and Stakeholders

- 6.1 **Applicants** seeking relief, charity or financial assistance, for which no provision has been made by the City elsewhere, for example through the City's Grants-in-Aid Policy, may apply to the Mayor's office and in doing so, furnish the information referred to in clause 5.2.2, in order to facilitate the proper consideration of the application.
- 6.2 **The Mayor** considers the request and determines whether to recommend same. If he does, he then recommends the amount to be paid, as well as the Beneficiary, and provides such recommendation to Mayco for its approval, including any conditions he/she may determine should apply in this regard. Any recommendation to Mayco by the Mayor must include confirmation of budget availability i.e. funding being available for the recommended allocation. This information is forwarded to the City Manager, once approved by Mayco.

- 6.3 **The City Manager** or his/her nominee must assess the request for the allocation, as approved by Mayco and confirm that sufficient funds are available to make payment of the allocation. The City Manager or his/her nominee must ensure the allocation payment is then made.

7. Guidelines in the determination of any application for the allocation of charity, relief or financial assistance

- 7.1 **Allocations** for financial assistance under this policy **may be considered for:**
- 7.1.1 causes that will promote the profile of the City, both nationally and internationally;
 - 7.1.2 cases of personal hardship;
 - 7.1.3 emergency or disaster situations where the City has no other provisions that can be utilised to provide relief;
 - 7.1.4 payment directly to any deserving individual on such conditions as the Mayor recommends;
 - 7.1.5 travelling, accommodation or subsistence of individuals or teams participating in significant events, such as sport or cultural activities, only when the Mayor is satisfied that the inability to do so is as a result of being financially disadvantaged; and
 - 7.1.6 any other charitable or relief cause, which reasonably and directly supports the City's strategic objectives as set out in its IDP from time to time, and in respect of which no other charitable relief exists.
- 7.2 **Allocations may not be used for:**
- 7.2.1 for any purpose that benefits a political party;
 - 7.2.2 for the benefit of any Councillor or a family member or relative of any Councillor;
 - 7.2.3 for the redress of hardship being experienced or occurring outside the geographical jurisdiction of the City, except in exceptional cases which are to be duly motivated; or
 - 7.2.4 in conjunction with any other funding or grant by the City to the applicant, provided that indigent relief, by the City to the proposed beneficiary, is not considered to be funding or a grant.

8. Memorandum of Agreement

- 8.1 A written MoA must be entered into with the Beneficiary of any allocation approved under this Policy, which must include an undertaking by the Beneficiary that the funds will be used for the purpose intended.
- 8.2 Any conditions that apply to the approval of the allocation must be included in the MoA referred to above.
- 8.3 Any allocation may be repeated. The Executive Mayor is however not obliged to consider recommending a repeat allocation.

9. Process for payment of allocations

- 9.1 Payment of allocations are to be processed in terms of the City's Accounts Payable Policy.
- 9.2 A signed MoA, banking details, Mayco resolution and relevant invoices, quotations, and supporting documents, where relevant, must accompany any request to make payment by the cost centre.

10. Reporting Requirements

- 10.1. The Mayor must report to Council on a quarterly basis in respect of the allocations that have been approved by Mayco.
- 10.2. The report must include amounts disbursed against the cost centre, and paid to Beneficiaries and any material conditions applicable to said allocations.
- 10.3. Records of all allocations paid under this policy must be kept by the Mayor's office, for audit purposes,

11. Implementation

- 11.1. This Policy must be implemented by the aforementioned stakeholders upon adoption by Council.

12. Monitoring, Evaluation, and Review

- 12.1. Monitoring of compliance with this Policy must be undertaken by Council upon submission of the quarterly reports.

12.2. **The Mayor -**

- a. may review this policy at any stage when its provisions are no longer effective in achieving its objectives ; and
- b. must present any amendments to Council for approval.