



# **CENTRAL KAROO DISTRICT MUNICIPALITY**

## **RELIEF FUND POLICY**

**2023/2024**

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**1. INTRODUCTION:**

1.1 The Mayor receives regular requests for grants, donations and financial assistance. Most of these are dealt with through the Central Karoo District Municipality's allocation of Section 67 Grants Policy, but some deserving requests fall outside of the ambit of the Policy.

1.2 A special fund has been established by the Central Karoo District Municipality and subjected to the guidelines set out below, the Mayor, in consultation with and with the consent of the Municipal Manager, is authorised to decide on the use of the Fund for grants to such exceptional beneficiaries.

**2. APPLICABLE LEGISLATION:**

2.1 Local Government: Municipal Finance Management Act, 56 of 2003;

2.2 Grants-in-Aid Policy.

**3. LEGAL FRAMEWORK:**

3.1 Section 12 of the Local Government: Municipal Finance Management Act, 56 of 2003, permits the establishment of a "relief, charitable, trust or other fund" in the name of the Central Karoo District Municipality.

3.2 The Central Karoo District Municipality may open a separate bank account and any money received for the purpose of the fund must be paid into the funds bank account.

3.3 Money paid into the separate bank account may be withdrawn from the account without appropriation in terms of an approved budget but only by or on the written authority of the accounting officer acting in accordance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

**4. PURPOSE OF FUND:**

4.1 The Fund is created for the purpose of allocating grants by the Mayor, and Municipal Manager, at their discretion in respect of applications made or at the initiative of the Mayor, and in consultation with the Municipal Manager, and in respect of cases set out in the Fund guidelines.

**5. FUND GUIDELINES:**

5.1 The fund may be used for:

5.1.1 Causes that will promote the profile of the Central Karoo District Municipality both Nationally and Internationally;

5.1.2 Causes of hardship;

5.1.3 Emergency/ disaster situations where the Central Karoo District Municipality has no other provisions to cater for the event;

5.1.4 The specific use and conditions as may be set out by a donor to the Fund;

5.1.5 Grants may be paid directly to any individual only on such conditions the Mayor and Municipal Manager will approve;

5.1.6 Grants may be used for travelling, accommodation or subsistence of individuals or teams participating in events such as sport or cultural activities only when the Mayor is satisfied that it is a real need as a result of historical disadvantage.

5.2 A written agreement must be entered into with the recipient of the grant funding to ensure that the funds are used for the purpose intended.

**6. PROHIBITED USES:**

6.1 The Fund may not be used for any purpose that benefits a political party.

6.2 Appropriations may not benefit any member of the Council or a family member or relative of any member of the Council.

- 6.3 Appropriations may not benefit any employee of the Central Karoo District Municipality or a family member or relative of any employee of the Central Karoo District Municipality.
- 6.4 Only in exceptional cases may grants be made for activities occurring outside the boundaries of the Central Karoo District Municipality, and only after approval by the Mayor and Municipal Manager, in consultation with the Mayoral Committee.
- 6.5 Any grant from the fund shall not result in repeat commitments, nor may any expectation be created that funding will automatically be made available in future.
- 6.6 Grants may not be used in conjunction with other Central Karoo District Municipality funding or grants.

**7. PROCESS FOR RELEASE OF FUNDS:**

- 7.1 The Mayor identifies an appropriate use and determines the amount as well as the beneficiary and forwards the request to the Accounting Officer of the Central Karoo District Municipality.
- 7.2 The Mayor may impose conditions in respect of any grant made from the Fund.
- 7.3 The Accounting Officer, or his/her nominee, must assess the request and determine whether it meets the Guidelines set out above as is required by Section 12(4) of the Local Government: Municipal Finance Management Act, 56 of 2003.
- 7.4 Provided that sufficient funds are available, the Accounting Officer or his/her nominee will withdraw the amount from the Fund.

**8. REPORTING REQUIREMENTS:**

- 8.1 The Mayor, together with the Municipal Manager, 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.

8.2 Any donations received must also be reported.

**9. DONATIONS TO THE FUND:**

9.1 Any member of the public or organisation may donate money to the Fund.

9.2 The Central Karoo District Municipality may actively canvass for donations to the Fund.

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

9.4 The Mayor and Municipal Manager may refuse any donation where the conditions attached are unacceptable to them.

9.5 The Central Karoo District Municipality may not make available any of its funds in terms of its budget, and towards donations and/or to supplement shortfalls in the Relief Fund.

**10. GRANT LIMITS:**

10.1 Grants are subject to availability, as per the quarterly limit set in the budget of the Central Karoo District Municipality;

10.2 The following specific limits are set:

	<b><u>Grant Event</u></b>	<b><u>PER</u></b>	<b><u>Amount</u></b>
10.2.1	Funerals	Per Funeral	R1500-00
10.2.2	Sport	Per Event	R5 000-00
10.2.3	School Activities:		
•	Outside CKDM Borders	Per Child	R3 000-00
•	Within borders of CKDM	Per Child	R500-00
•	General: i.e. medals, matric farewell cards etc.	Per School	R2000-00

10.2.4	NGO's	Per NGO	R5000-00
10.2.5	Church Functions	Per Function	R2000-00
10.2.6	Disasters	Per Family	R2000-00
10.2.7	Soup Kitchens	Per Soup Kitchen per year	R2000-00

10.3 In the case of a grant as contemplated in 9.2.2 *supra*, the grant will not be given to any individual team, but to the event organiser whom will be responsible to distribute the grant evenly between all needy teams. It will also be the responsibility of the event organiser to report to the Central Karoo District Municipality regarding the use of funds.

10.4 The limits as set in 9.2 *supra* will be maximum amounts payable and will no deviation be granted in this regard.