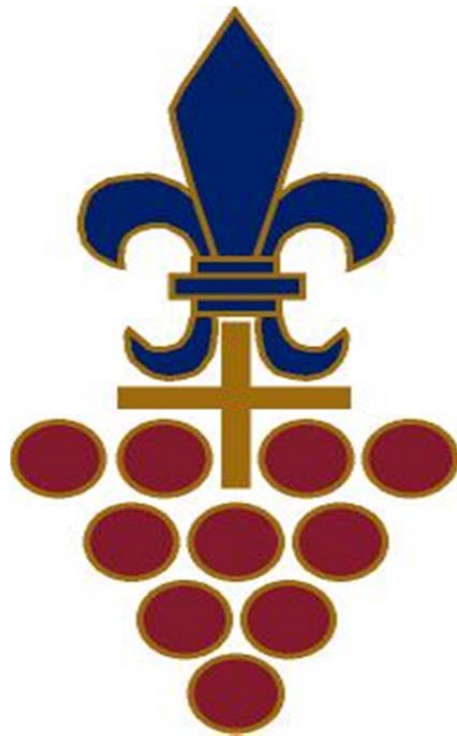


**STELLENBOSCH MUNICIPALITY**



**GRANTS-IN-AID  
POLICY**

**2017/2018**



# STELLENBOSCH MUNICIPALITY

## GRANTS-IN-AID POLICY

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## 1. DEFINITIONS

“**Appendix A**” means the application for grant-in-aid, detailed more fully below, and provided for in clause 5.2.

“**Appendix B**” refers to the memorandum of agreement (MOA), detailed more fully below, and provided for in clause 10.

“**Capacity building**” Capacity building refers to a process which enables human beings to realize their potential, build self-confidence and lead lives of dignity and fulfillment. These Capacity Building programs have to align to the basket of services of the Directorate: Social Development and Early Childhood Development i.e. Early Childhood Development, Youth Development, Substance Abuse, Poverty Alleviation, Vulnerable Groups and Street People.

“**Community Based Organization (CBO)**” are nonprofit groups that work at a local level to improve life for residents. The focus is to build equality across society in all streams – health care, environment, quality of education, access to technology, access to spaces and information.

“**Early Childhood Development (“ECD”) Facility**” means any place, building or premises, including a private residence, maintained or used partly or exclusively, for the reception, protection and temporary or partial care of more than six children that shall be registered, managed and maintained in terms of the Children’s Amendment Act, 41 of 2007.

“**Grant-in-aid**” means a grant-in-aid or allocation, as referred to in Section 17 (3) (j) (iv) of the MFMA, made by the municipality to any organisation or body referred to in Section 67(1) and to be utilised to assist the municipality in fulfilling the Constitutional mandates including social developmental and arts and culture programmes as set out therein.

“**Local Agenda 21**” means the international program, adopted by South Africa to put sustainable development into practice.

“**Memorandum of agreement (MOA)**” means the agreement entered into between the municipality and any organisation or body which receives a grant in- aid in terms of this Policy and Appendix A.

“**Non-governmental organisation (NGO)**” means a non-governmental organisation (NGO) that is a legally constituted non-profit organisation that operates independently from any form of government.

“**Non-profit company (NPC)**” means a company whose Memorandum of Incorporation must set out at least one object of the company and each such object must be either a public benefit object or object relating to one or more cultural or social activities, or communal or group interests as required by Item 1(1) of Schedule 1 of the Companies Act, 71 of 2008.

“**Non-profit organisation (NPO)**” means a non-profit organisation registered in terms of Section 13 of the NPO Act, 71 of 1997, established for public purpose and which income and property thereof is not distributable to its members or office-bearers, except as reasonable compensation for services rendered.

“**Stellenbosch Environmental Management Framework (SEMF)**” means legal and moral obligations of Stellenbosch Municipality as it relates to the environment, and provides a dynamic vision, goals and objectives, and spatial and strategic directives towards giving effect to such obligations.

## **2. PURPOSE, AIMS AND OBJECTIVES**

- 2.1. This policy aims to provide a framework for grant-in-aid to non-governmental organisations (NGOs), community-based organisations (CBOs), non-profit organisations (NPOs) or non-profit companies (NPC) and bodies that are used by government as an agency to serve the poor, marginalised or otherwise vulnerable as envisaged by Sections 12 and 67 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003).
- 2.2. The purpose of the Grant-in-Aid Policy is to complement the goals, objectives, programmes and actions of the Stellenbosch Municipality's Integrated Development Plan (IDP), in order to create a sustainable, credible and caring municipality by empowering and building communities and enhancing growth and sharing through partnerships. Priority ward needs as Identified through Council's IDP MUST be the guiding factor in developing these partnerships.
- 2.3. Grants-in-Aid should not duplicate services already provided for by Council or which falls within the geographical jurisdiction in which Council operates, being WC024.
- 2.4. Grant-in-Aid should improve the opportunity for Council to elicit the support of external organisations to deliver those services to communities which fall within the Council's area of responsibility in a way that allows the Stellenbosch community and town to create an enabling environment for community development.

## **3. LEGAL FRAMEWORK**

All transfers of funds in terms of this policy shall comply with the: Constitution of the Republic of South Africa, 1996 as amended (Constitution); Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) as amended (MSA); Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA); and any other applicable legislation, regulations and policies that may govern the transfer of municipal funds and that are not in contradiction to the above.

## **4. RESTRICTIONS**

- 4.1 The Policy applies to all transfers of grants made by the Municipality towards support of services for the poor, marginalized or otherwise vulnerable people. Individuals may not apply for Grant-in-Aid and no payment may be made under this policy to individuals. Council may however set aside a specific amount from which the Municipal Manager, after consultation with the Executive Mayor, may, at his/her discretion, make donations to support individual, meritorious cases in order to assist and/or recognise individual excellence in whichever field. Bursaries to individuals are treated according to the Council's Bursary Policy.
- 4.2 The total expenditure on grants may not exceed 1% of the operational budget of the Municipality.
- 4.3 Grants will only be made for services rendered in the WCO24.
- 4.4 Transfers made to categories A and B
  - 4.4.1 Transfers provided for those listed in Category A below may be made to a maximum of R40 000-00 per organisation or body per annum.

- 4.4.2 Transfers in Category B may exceed this amount where funding relates to night shelters or addresses specific ward priorities identified and specified in the IDP and upon proper motivation contained in a business plan to address said issue. Consideration for grants larger than R 40 000, 00 requires audited financial statements, schedule of estimated annual costs and a business plan as provided for in 6 below. The decision to grant an amount more than R 40 000 is solely at the discretion of council and subject to available funds.
- 4.5 Grant-in-Aid transfers/payments shall be restricted to deserving organisation and bodies serving, especially those working with the poor/aged/youth/disabled/women, as per the eligible categories in 5, provided that such organisations or bodies:
- (i) Operate as a separate legal entity and are recognised as such by South African legislation;
  - (ii) Are governed by their constitutions, have regular meetings with their membership and subscribe to sound accounting practices; and
  - (iii) Are located and serve communities and individuals who are most in need within the jurisdiction of the Municipality.
- 4.6 No Grant-in-Aid may be made to any political body, rate payers association or for any religious purposes.
- 4.7 No grant will be allocated, under this policy, to organisations or bodies in cases where a member of Council, an official of Stellenbosch Municipality or close relatives of said individuals receive any financial or other gain.
- 4.8 Funds may only be transferred to an organisation or body if provision has been made for the expenditure on the budget or appropriations budget.
- 4.9 An organisation or body is only entitled to one allocation per financial year, but disbursements can be made more often.

## **5. PUBLIC ADVERTISEMENT**

- 5.1 The advertisements must meet the following requirements:
- 5.1.1. The Municipal Manager must, place a public advert in local newspapers distributed in the Stellenbosch Municipal area, calling for proposals.
  - 5.1.2. This advert must be placed in time to complete all relevant processes prior to the approval of the annual draft budget or any adjustment budget in order to invite public comment on the proposed donations prior to the approval of the final or adjustment budget.
  - 5.1.3. Advertisements should clearly specify the categories for which proposals are called, the closing date for applications, who the proposal should be addressed to, and where and how to obtain the relevant documentation pertaining to such applications/proposals, including the prescribed forms. 5.1.4 Advertisements should also clearly reflect the Municipality's right not to make an award, as well as the fact that awards will not be made to organisations that have received funds in the previous year but have not submitted a final report on the projects or previous expenditure.

- 5.1.4. The advertisement should also clearly state that final approval is reliant on the approval of the budget and that **no late submissions will be considered.**
- 5.2 Only applications made on the prescribed form, being Appendix A, may be considered.
- 5.3 Funds may not be transferred to any organisation or body that has not submitted a proposal in response to a public advertisement and after the attendance of a compulsory briefing session and that have not signed a Memorandum of Agreement with the Municipality.

## 6. GENERAL GUIDELINES AND CATEGORIES

### 6.1 General Guidelines

Funding of applications shall proceed on the basis listed below in response to an advertisement issued after the expiry of the relevant period associated with the specific category and after a compulsory workshop explaining the policy, application process and the required documentation has been attended by the applicants. Subject to the MOA provided for in clause 10, all funding is unrequited, provided there is compliance with said MOA. Funding of application in –

- 6.1.1. Category A will be considered on an annual basis; and
- 6.1.2. Category B shall be considered on a three year basis subject to a monthly review at the discretion of the Municipality which may result in early termination for unsatisfactory and reckless expenditure.
- 6.1.3. Council in 6.1.1 and 6.1.2 reserve the right not to fund an organisation for two periods in succession and to cancel said funding in accordance with the MOA concluded.
- 6.1.4. Funding however will not be considered in the following instances:
- (i) Where a project or organisation is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding;
  - (ii) Where in Council's opinion, an organisation receives sufficient funds from other sources to sustain its activities or the project applied for. For this purpose, organisations must submit financial statements and a budget for the ensuing financial year;
  - (iii) Where only an individual will benefit;
  - (iv) For political or ratepayers organisations/groupings;
  - (v) Projects outside the boundaries of the Municipality;
  - (vi) Where expenses have already been incurred, and
  - (vii) Where applications were received after the due date and time for submissions.
- 6.1.5. Funding of projects and to organisations shall exclude travel costs, subsistence, accommodation, food or entertainment expenses of any kind, staff salaries, bursaries, payments in lieu of rates or other municipal charges except for where the transport is intended for beneficiaries/participants in the projects in question. The Municipality may also exercise their discretion to allow funding to extend to the

above costs on a needs basis for the organisation or body clearly motivated for in the application.

6.1.6. Subsequent requests from applicants to cover overspending on projects will not be considered.

## **6.2 Categories Eligible for Grant-in-Aid**

The following categories currently apply. Cognisance should be taken that these categories are not exhaustive. Other than the general guidelines and conditions set out above, categories now indicated may require specific criteria applicable to its projects/programmes:

### **Category A**

#### **6.2.1. Health**

Projects/programmes include the following but are not limited to:

- (i) Public Health interventions inclusive of TB, STDs and HIV/Aids;
- (ii) Preventable lifestyle diseases e.g. drug/alcohol abuse, tobacco related illnesses; and
- (iii) Promotive and preventative services to infants, children and women.

#### **6.2.2. Environment**

**Purpose:** To stimulate the development of sustainable leisure, aesthetic and environmental projects within the municipal area; to increase the awareness of the environment by promoting “Greening of the City”; to promote swimming skills and water safety.

Projects/programmes include the following but are not limited to:

- (i) Voluntary rescue organisations;
- (ii) Lifesaving clubs and swimming organisations;
- (iii) Environmental groups/organisations; and
- (iv) Organisations promoting community involvement as a means of sustaining leisure, aesthetic or environmental projects.
- (v) Projects which further the Council's aims and the strategies of SEMF (Strategic Environmental Management Framework) and including but not limited to the sustainable management of:
  - o Riverine corridors;
  - o Biodiversity;
  - o Natural and built environment;
  - o Heritage resources;
  - o Quality urban spaces;
  - o Ecological conservation areas;
  - o Urban agricultural complexes;
  - o Bioregional planning;
  - o Nature area management;
  - o Wetlands;
  - o Local Agenda 21 projects;

#### **6.2.3. Solid Waste (Cleansing)**

**Purpose:** Waste Reduction and awareness.

Projects/programmes include the following but are not limited to:

- (i) Waste reduction and awareness;
- (ii) Educational programmes/projects addressing litter and waste handling; and
- (iii) Waste minimisation solutions.

#### **6.2.4. Social Development**

**Purpose:** The promotion of projects/programmes which stimulates the Stellenbosch Municipality's Integrated Development Plan (IDP) focusing especially on the needs of the most marginalised sectors in the greater Stellenbosch as identified in the ward priorities.

Projects/programmes include the following but are not limited to:

- (i) Poverty alleviation;
- (ii) Urban renewal;
- (iii) Capacity building of communities;
- (iv) Youth development;
- (v) Women and gender development;
- (vi) Early childhood development;
- (vii) Street people programmes;
- (viii) Arts and culture programmes
- (ix) Facilitation of public participation processes; arts and culture programmes
- (x) Development of disabled persons, and
- (xi) Development of elderly people

#### **6.2.5. Sports and Recreation**

**Purpose:** To stimulate the development of sustainable Sport and Recreation infrastructure and programmes within the municipal area especially targeting disadvantaged communities; encourage creativity and self-reliance on the part of grassroots sport and recreation bodies or groups; to increase participation in sport and recreation programmes and activities.

Projects/programmes include the following but are not limited to:

- (i) Local sport and recreation clubs;
- (ii) School sport teams
- (iii) Local sport and recreation councils or associations
- (iv) Informal sport and recreation groups; and
- (v) Community and non-government organisations.

### **Category B**

#### **6.2.6. Night Shelters**

**Purpose:** Provision of shelter for vulnerable individuals living on the street, without homes, in the need of shelter at night. Shelter is provided on a temporary basis and residency should not be provided for on a permanent basis nor should it be construed as the provision of emergency housing. The Municipality aims to reduce the number of people living on the streets of Stellenbosch and as such the organisation or body's goals should align with this vision. Further the Municipality aims to reduce the socio-economic effects of poverty on the community of Stellenbosch. The organisation or body must therefore present to Council a clear business plan with a comprehensive response to the prevention, reduction, outreach and stabilisation of street



people. Organisations or bodies that provide a continuum of services and that collaborate with businesses, government departments and other organisations are preferred. Street people programmes listed in Category A shall fall under this category if provision is made for overnight stay.

Projects/programmes must include the following but are not limited to:

- (i) Provision of basic services (overnight facility, shower, morning and evening meals)
- (ii) Provision of social work services inclusive of referrals
- (iii) Family re-integration services
- (iv) Social support
- (v) Community work programme
- (vi) Facility maintenance (Infrastructure and operational equipment)

#### **6.2.7. Projects aligned to the strategic objectives of the municipality as described in the IDP**

**Purpose:** The promotion of projects/programmes which stimulates the Stellenbosch Municipality's Integrated Development Plan (IDP) focusing on the strategic objectives of the Municipality and identified ward priorities. The organisation must therefore present to Council not only a clear business plan detailing how they intend to address the specific issue but how they intend to partner with other organisations to achieve a unified approach to that particular challenge. Organisations or bodies that provide a continuum of services and that collaborate with businesses, government departments and other organisations are preferred.

Projects/programmes include the following strategic objectives but are not limited to:

Those listed in Category A that address specific ward priorities identified and specified in the IDP and upon proper motivation contained in a potential plan to address said issue.

- (i) Preferred Investment Destination
- (ii) Greenest Municipality
- (iii) Dignified Living
- (iv) Safest Valley
- (v) Good governance and Compliance

## **7. APPLICATION PROCEDURE**

Applications and proposal for Grant-in-Aid must be on the prescribed form stated in 5.2 above, a copy of which is attached hereto as **Annexure A and B for Category A and B respectively**. Applications must be accompanied by a covering letter on the letterhead of the organisation or body, signed by the head of the organisation or body and must include the following information:

- 7.1 The applicant's legal name and a brief description of the applicant organisation's or body's business;
- 7.2 if the applicant claims to be a non-profit organisation, the registration number and the certificate;
- 7.3 the date of establishment, details of the applicant's member founding documents, including constitution and certificates of incorporation;

- 7.4 a contact name, full street address, telephone number and an e-mail address;
- 7.5 if funding is required for a specific project, a brief description of the project what it aims to achieve, as well as the detailed budget for and duration of the project;
- 7.6 a description on how the project aligns with the needs identified in the community through the IDP process and which ward priorities will be addressed through the project;
- 7.7 if the request is for general support, the organisation's or body's overall budget must be included;
- 7.8 references, independent of the applicant and its executive;
- 7.9 most recent audited financial statements (subject to MFMA, section 67(4)) statements; or at least statements signed off by the treasurer and chairperson of the organization in the case of small emerging organizations;
- 7.10 a summary of past achievements;
- 7.11 a declaration by the head of the organization to the satisfaction of the Municipal Manager, that the organisation or body implements effective, efficient and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfers of funds; and
- 7.12 notwithstanding the above requirements, the CFO after considering the merits of an application not complying with the minimum application criteria and after consulting the Municipal Manager, may for the purpose of this policy approve a deviation from the norm;
- 7.13 Applications for Category B **must** include a schedule of annual costs, business plan and audited financial statements.

## **8. OBLIGATIONS OF THE APPLICANT**

- 8.1 The head of the organisation or body must acknowledge in writing to the Municipal Manager that the money was received in its bank account and that the amount is/will be utilised to the benefit and in accordance with the role of the organisation or body in society. The funds should be used as outlined in the application form.
- 8.2 The organisation or body shall regularly report, if and when required but at least once a year, to the Municipal Manager regarding the activities conducted, the ward within which activities are conducted, as well as the number of people benefiting from the activities.
- 8.3 If funding is required for a specific project, a brief description of the project and what it aims to achieve, as well as the detailed budget for and duration of the project.
- 8.4 The applicant must attend a compulsory workshop on the Grant-in-Aid policy and application procedure prior to submission of the application

- 8.5 If successful with the application, the applicant must spend funds according to the approved Grant-in-Aid funding request. Should the need change over the funding period, written consent needs to be obtained from the municipality prior to spending the funds on alternative needs. Failure to spend funding on approved projects can result in the applicant being required to return the funding and/or the applicant being excluded from future applications for a period of 5 years.

## **9. RIGHTS OF THE MUNICIPALITY**

- 9.1 The Municipality shall be entitled, from time-to-time, to verify and inspect the existence and activities of the organisation or body. The municipality will therefore have the right to physically visit the premises where the organisation, or the funded project, is based; to peruse the budgets and any progress reports related to the project (in contract).
- 9.2 The Municipality shall manage contracts entered into with organisations or bodies by receiving reports and doing the necessary site visits and inspections to ensure that this policy and contract are being complied with.
- 9.3 The Municipality has the right not to give a Grant-in-Aid to any or all organisations applying for grants. Having been awarded a grant previously does not give an applicant the right to receive a grant again.
- 9.4 The Municipality will run proposed donations through a public participation process before final awards are made.

## **10. AGREEMENT**

Before any funds are transferred to an organisation an agreement (Annexure B) must be concluded by the Municipal Manager with the beneficiary to protect the interest of the Municipality.

## **11. DEVIATION**

This policy constitutes the entire framework for Grant-in-Aid and no deviation will be entertained.

## **12. COMMENCEMENT**

This Policy takes effect on the date on which it is adopted by the Council of Stellenbosch Municipality.



**APPLICATION FOR GRANT-IN-AID: 2017/18**

**NOTE: ATTENDANCE OF THE GRANT-IN-AID WORKSHOP IS COMPULSORY**

PLEASE COMPLETE THE FOLLOWING					
<b>A</b>	<b>REGISTERED NAME OF ORGANISATION</b>				
<b>B</b>	<b>DATE AND YEAR IN WHICH THE ORGANISATION WAS FOUNDED:</b> (include a brief description of the business or activities of the organization)				
<b>C</b>	<b>ADDRESS OF REGISTERED ORGANISATION</b>				
	<b>PHYSICAL ADDRESS</b>			<b>POSTAL ADDRESS</b>	
	<b>CODE:</b>			<b>CODE:</b>	
<b>D</b>	<b>CONTACT DETAILS</b> (Details of the person to contact regarding this GIA application)				
	<b>NAME &amp; SURNAME:</b>				
	<b>POSITION:</b>				
	<b>TEL:</b>	( )		<b>FAX:</b>	( )
	<b>MOBILE:</b>		<b>ALTERNATIVE:</b>		
	<b>EMAIL ADDRESS:</b>				

<b>E REGISTRATION:</b>					
	<b>Is the organization a NP/NG Organisation?</b>	<b>YES</b>		<b>NO</b>	
	<b>If YES, please provide the Registration Number:</b> (Attach a copy of the registration certificate or proof of other affiliation where applicable)				
<b>F BOARD/COMMITTEE MEMBERS OF THE ORGANISATION:</b> (List ALL Board/Committee Members of the Organisation) Insert a separate page if the space is not enough).					
<b>1</b>	<b>NAME &amp; SURNAME:</b>				
	<b>POSITION:</b>				
	<b>ADDRESS:</b>				
	<b>CONTACT NUMBER:</b>				
<b>2</b>	<b>NAME &amp; SURNAME:</b>				
	<b>POSITION:</b>				
	<b>ADDRESS:</b>				
	<b>CONTACT NUMBER:</b>				
<b>3</b>	<b>NAME &amp; SURNAME:</b>				
	<b>POSITION:</b>				
	<b>ADDRESS:</b>				
	<b>CONTACT NUMBER:</b>				
<b>4</b>	<b>NAME &amp; SURNAME:</b>				
	<b>POSITION:</b>				
	<b>ADDRESS:</b>				

	<b>CONTACT NUMBER:</b>	
5	<b>NAME &amp; SURNAME:</b>	
	<b>POSITION:</b>	
	<b>ADDRESS:</b>	
	<b>CONTACT NUMBER:</b>	
6	<b>NAME &amp; SURNAME:</b>	
	<b>POSITION:</b>	
	<b>ADDRESS:</b>	
	<b>CONTACT NUMBER:</b>	
7	<b>NAME &amp; SURNAME:</b>	
	<b>POSITION:</b>	
	<b>ADDRESS:</b>	
	<b>CONTACT NUMBER:</b>	
8	<b>NAME &amp; SURNAME:</b>	
	<b>POSITION:</b>	
	<b>ADDRESS:</b>	

	<b>CONTACT NUMBER:</b>	
9	<b>NAME &amp; SURNAME:</b>	
	<b>POSITION:</b>	
	<b>ADDRESS:</b>	
		<b>CONTACT NUMBER:</b>
10	<b>NAME &amp; SURNAME:</b>	
	<b>POSITION:</b>	
	<b>ADDRESS:</b>	
		<b>CONTACT NUMBER:</b>
<b>G</b>	<b>PREVIOUS FUNDING:</b>	
	<b>Have you successfully applied and received Stellenbosch Municipal Grant-In-Aid funding previously?</b>	
	<b>If yes for which financial year?</b>	
	<b>What amount was received?</b>	
	<b>Did you submit Financial Reports for the funds received?</b>	
	<b>Do you receive any other sources of funding?</b> (If YES please provide details)	

<b>H</b>	<b>CATEGORY A:</b> For more information refer to the Grant-In-Aid Policy for general guidelines and categories (Please categorize your application by marking the appropriate category with X)				
	<b>HEALTH</b>				
	<b>ENVIRONMENT</b>				
	<b>SOLID WASTE</b>				
	<b>SOCIAL DEVELOPMENT</b>				
	<b>SPORTS &amp; RECREATION</b>				
	<b>CATEGORY B:</b> For more information refer to the Grant-In-Aid Policy for general guidelines and categories (Please categorize your application by marking the appropriate category with X)				
	<b>NIGHT SHELTER</b>				
	<b>OTHER</b> (Please specify)				
<b>I</b>	<b>REQUEST FOR FUNDING:</b>				
	<b>Is funding required for the ensuing year?</b>	<b>YES</b>		<b>NO</b>	
	<b>Is funding required for a specific project?</b> (If YES attach details separately)	<b>YES</b>		<b>NO</b>	
	<b>Is funding required for General Support?</b> (If YES, attach a copy of the Organisation's Overall Budget)	<b>YES</b>		<b>NO</b>	
	<b>Budgeted amount requested</b>				
	<b>Duration of project?</b>				
<b>J</b>	<b>SERVICE FOCUS</b>				
	<b>Ward number in which services are delivered</b>				
	<b>Which Ward Priority/ies are addressed through the service:</b> (Please provide details below)				
	<b>Which Municipal Strategic Goal/s is linked to the services:</b> (Please mark with a X)				
	Preferred Investment Destination				
	Greenest Municipality				
	Dignified Living				
	Safest Valley				
	Good governance and Compliance				
<b>K</b>	<b>THE FOLLOWING MUST BE ATTACHED TO THIS APPLICATION:</b> (Please use this form as a check-list, to ensure that you comply to the specified requirements)				
<b>1</b>	<b>AUDITED FINANCIAL STATEMENTS</b> (A copy of the latest audited financial statements. Should the organization be classified as an emerging organization, the financial statements MUST be dated and signed by the Treasurer and Chairperson and MUST include a monthly income and expense statement for the months that the organization has been in existence or for the last 12 months)				
<b>2</b>	<b>ORGANISATIONAL CONSTITUTION</b> (A signed and dated copy of the Organisation's Constitution, as well as a signed copy of the Minutes of the AGM, to verify the acceptance of the Constitution.)				
<b>3</b>	<b>PROJECT PROGRAMME/BUSINESS PLAN</b> (A copy of the project/program description and/or a business plan for the ensuing financial year. Please ensure that the following is included in the project/program and or business plan, by using the below mentioned bullet points as a guide). ❖ Full details of the proposal/project/business plan including objectives;				



	❖ The number of people who will benefit and how the project/program will contribute or enhance the strategic objectives of Stellenbosch Municipality;	
	❖ The project/program commencement and completion dates;	
	❖ Information on the total costs of the project/program budget;	
	❖ A breakdown of costs and an outline of any contributions by fundraising and / or own contributions;	
	❖ A list of all other sources of funding together with the assessments;	
	❖ A summary of past achievements;	
	❖ Reference independent of the applicant and its executive/board or committee members.	
<b>4</b>	<b>SIGNED AND STAMPED CREDITOR CONTROL FORM</b> (An original signed copy of a correctly completed Creditors Control form of the Stellenbosch Municipality)	
<b>5</b>	<b>ACCOUNT ON EXPENDITURE FOR PRECEDING FUNDING</b> (If you have received funding from Stellenbosch Municipality in the preceding financial year, expenditure of the funds received needs to be accounted for with this new application). Please refer to Section K for the format.	
<b>6</b>	<b>PROOF OF REGISTRATION/AFFILIATION</b> (Attach a copy of the organisation's Registration Certificate of Affiliation)	
<b>L</b>	<b>FORMAT FOR FEEDBACK REPORT</b> (Please ensure that your feedback of previous funding received, includes the following)	
<b>1</b>	Narrative report on the project including numbers reached, outcomes reached, outcomes reached, evaluation of the project indicating successes and failures/lessons learned.	
<b>2</b>	Pictures of the project/program.	
<b>3</b>	Financial report on expenditure regarding previous donation separate from the annual financial statements. (Attach proof of expenditure).	
<b>M</b>	<b>THE FOLLOWING SHALL APPLY:</b>	
<b>1</b>	The allocation of Grant-In-Aid will only be considered if the application document has been fully completed and signed and is accompanied by the required and supporting documentation referred to therein.	
<b>2</b>	An applicant who has been registered as a non-profit organization in terms of Section 13 of the Non-Profit Organisation Act, 1997, and the necessary proof thereof is submitted together with this application.	
<b>3</b>	Applicants must in their submission clearly indicate/specify and motivate what the funds will be utilized for.	
<b>4</b>	The Grant-In-Aid must be exclusively utilized for the purpose defined and the successful applicant must submit the necessary undertaking to this effect.	
<b>5</b>	Applicants must in their submission satisfy the Council of their ability to execute the project successfully.	
<b>6</b>	Organisations who have already received financial or other assistance from the Council during the previous financial year <b>MUST</b> specify same in their application.	
<b>7</b>	No funding will be considered for political groupings, churches or ratepayers organisations.	
<b>8</b>	No funding will be considered where only an individual will benefit or where a member of Council or an official of Stellenbosch Municipality will receive any financial or other gain.	
<b>9</b>	Projects outside the boundaries of the Council will not be considered.	
<b>10</b>	Expenditure that will not be funded includes: travel costs (unless it is for the transport of beneficiaries), subsistence, accommodation, food (unless intended for the beneficiaries) or entertainment expenses of any kind, staff salaries including bonuses, bursaries and payments in lieu of rates or other municipal charges.	
<b>11</b>	Subsequent requests from the applicants to cover overspending on projects will not be considered.	
<b>12</b>	Successful applicants must at all times comply with the provisions of Section 67(1) of the Municipal Finance management Act no. 56 of 2003 which inter alia stipulates that the organization or body has to:-	

	<ul style="list-style-type: none"> <li>❖ Enter into and comply with a Memorandum of Agreement with the Municipality as well as with all reporting financial management and auditing requirements as may be contained in such an agreement. This memorandum of agreement will bind the successful applicant to deliver on what the application speaks to, but also to commit to become involved with municipal programs of the community where it functions. The Memorandum of Agreement will be made available to successful applicants for completion.</li> </ul>
	<ul style="list-style-type: none"> <li>❖ Report monthly on the actual expenditure of the amount allocated to it. Should monthly allocations be made.</li> </ul>
<b>13</b>	The Council reserves the right not to give a Grant-In-Aid to any organization applying for grants. Having been awarded a grant previously does not give an applicant the right to receive a grant again.
<b>14</b>	Funding will not be considered where a project or organization is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding, failing which such applicant will be disqualified.
<b>15</b>	Funding will not be considered where in Council's opinion, an organization received sufficient funds from other sources to sustain its activities or the project applied for. For this purpose, organisations must submit financial statements and budget for the ensuing financial year.
<b>16</b>	Organisations having received funding from Stellenbosch Municipality during the previous financial year, are required to attach to any new application, a copy of the financial statements relating to the year in which the funding was received from Council, as required in terms of Section 17 of the Non-profit Organisation Act, 1997 and Section 67(1) of the Municipal Finance Management Act, 2003 (MFMA).
<b>17</b>	Funding will not be considered where expenses have already been incurred on a project by the applicant. (The Council's Grant-In-Aid Policy must be consulted for the sake of completeness).
<b>N DECLARATION OF INTEREST:</b>	
The beneficiary declares that the following municipal employees and/or councillors have a vested interest in the business of the beneficiary. However, they do not benefit directly from this donation and were not part of the decision making process in the allocation of the donations:	
<b>Name &amp; Surname:</b>	
<b>Designation:</b>	
<b>Name &amp; Surname:</b>	
<b>Designation:</b>	
<b>O UNDERTAKING:</b>	
	<p>I/We hereby verify that the information provided in this application is true and correct and that the conditions applicable to the allocation of a grant-in-aid as set out above and in the GIA Policy have been read and is understood and will be complied with.</p> <p>I/We also declare that the organization implements effective, efficient and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfer(s) of funds.</p>

Thus completed and signed at Stellenbosch on this \_\_\_\_ day of \_\_\_\_\_  
20\_\_\_\_.

\_\_\_\_\_  
**Chairperson/Authorised Representative**

\_\_\_\_\_  
**Secretary/Duly Authorised Signatory**

**P**

**PLEASE TAKE NOTE:**

(Completed application forms, together with all the required supporting documentation must be posted to):

**The Director: Planning & Economic Development**

**P O Box 17  
Stellenbosch  
7599**

**Or hand delivered to:**

**The Manager: Community Development  
58 Andringa Street  
Stellenbosch  
7600**

**The submission of applications closes at 13H00 on the closing date as per the advertisement.**

**PLEASE NOTE: Neither LATE nor INCOMPLETE applications shall be considered.**



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK

**APPENDIX B**

**MUNICIPALITY • UMASIPALA • MUNISIPALITEIT**  
**MEMORANDUM OF AGREEMENT**

Entered into and between

**STELLENBOSCH MUNICIPALITY**

(hereafter called the "**MUNICIPALITY**")

Herein represented by **Geraldine Mettler**, in her capacity as **Municipal Manager**, being duly authorised

and

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(hereafter called the "**BENEFICIARY**")

Herein represented by \_\_\_\_\_ in his/her capacity as \_\_\_\_\_,  
being duly authorised.

**WHEREAS** Section 67(1) of the Local Government: Municipal Finance Management Act, Act 56 of 2003 (MFMA) oblige the Accounting Officer of a **MUNICIPALITY** to satisfy himself that, before transferring funds of the **MUNICIPALITY** to an organisation or body outside any sphere of government otherwise than in compliance with a commercial or other business transaction, that such organisation or body:-

- (a) has the capacity and has agreed-
  - (i) to comply with any agreement with the **MUNICIPALITY**;
  - (ii) for the period of the agreement to comply with all reporting, financial management and auditing requirements as may be stipulated in the agreement;
  - (iii) to report at least monthly to the Accounting Officer on actual expenditure against such transfer (should transfers be done on a monthly basis); and
- (b) implements effective, efficient and transparent financial management and internal control systems to guard against fraud, theft and financial mismanagement; and

- (c) has in respect of previous similar transfers complied with all the requirements as set out above; and
- (d) give permission to site visits done by the **MUNICIPALITY**.

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**WHEREAS** the **MUNICIPALITY** has approved a Grants-in-Aid Policy, in terms whereof applications are considered;

**WHEREAS** the **BENEFICIARY** has applied for a grant-in-aid as per the official grant-in-aid application form; and

**WHEREAS** the **MUNICIPALITY** has approved such application, subject to certain conditions;

**NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:**

**1. TRANSFER OF FUNDS**

1.1 The **MUNICIPALITY** hereby undertakes to transfer an all-inclusive amount of

**R40 000.00 (Forty thousand, rand only)**, being a donation for the period **01 July 2017 to 30 June 2018** to the **BENEFICIARY**.

1.2 Bank Account details: (The following are confirmed through a correctly completed Creditors Control Form.)

Account number : \_\_\_\_\_  
Name of financial institution : \_\_\_\_\_  
Name of account holder : \_\_\_\_\_  
Branch code : \_\_\_\_\_  
Type of account : \_\_\_\_\_

1.3 The all inclusive amount will be transferred in equal amounts on the following dates (if applicable):

\_\_\_\_\_

**2. OBLIGATIONS OF BENEFICIARY**

2.1 The **BENEFICIARY** must acknowledge in writing to the Municipal Manager that the amount(s) was(were) received in it's bank account.

2.2 The **BENEFICIARY** hereby certifies that the money will be utilised in accordance with the role of the organisation or society, to the benefit of the community and in accordance with the project(s) / programme(s) as indicated in the application form.

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2.3 The **BENEFICIARY** undertakes to regularly report on a monthly basis to the Municipal Manager regarding the activities conducted, actual expenditure against such transferred funds, as well as the number of people benefiting from the activities should monthly payments be made. If not, an annual report on the expenditure will be provided.

2.4 The **BENEFICIARY** further undertakes to submit an audited financial statement for its financial year to the Municipal Manager by not later than **30 June 2017**

### **3. SPECIFIC CONDITIONS**

3.1 The parties specifically agree on the following:

That the organization will commit to active involvement in any programme run by the municipality in the area of operation of the organization when such a programme is active in the community.

**Other conditions:**

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### **4. DECLARATION OF INTEREST**

The beneficiary declares that the following municipal employees and/or councillors have a vested interest in the business of the beneficiary. However, they do not benefit directly from this donation and were not part of the decision making process in the allocation of the donations: (Name and designation)

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### **5. ACQUISITION OF ASSETS**

- 5.1 Should the **BENEFICIARY** wish to acquire any moveable or immovable assets with the money donated in terms of this Agreement, the **BENEFICIARY** hereby undertakes to:-
- 5.1.1 adhere to the principles as per the **MUNICIPALITY'S** Supply Chain Management Policy, and
- 5.1.2 take all reasonable steps to ensure that such assets are maintained and that a system of internal control of such assets is in place.

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## **6. RIGHTS OF THE MUNICIPALITY**

- 6.1 The **MUNICIPALITY** shall be entitled, from time to time, to verify the existence and to inspect the activities of the **BENEFICIARY**, having regards for its right to privacy as entrenched in terms of the Constitution of the Republic of South Africa..
- 6.2 The **MUNICIPALITY** shall further be entitled to peruse the budgets and any progress reports related to the project / programme as per this Agreement.

## **7. FAILURE TO COMPLY**

- 7.1 Failure by the **BENEFICIARY** to comply with the obligations as set out in Clause 2 of this Agreement, may lead to the cancellation of this Agreement, in which case the **MUNICIPALITY** may demand that the organisation pays back any unspent funds as per this Agreement. The **MUNICIPALITY** may even, depending on the circumstances leading to the non-compliance by the **BENEFICIARY**, demand that the organisation pays back the full amount paid to the **BENEFICIARY**.

## **8. INDEMNIFICATION**

- 8.1 The **BENEFICIARY** hereby acknowledges that it receives the grant voluntarily and that it shall keep the **MUNICIPALITY** indemnified at all times against any loss, cost, damage, injury or liability suffered by the **MUNICIPALITY** resulting from any action, proceeding or claim made by any person (including themselves) against the **MUNICIPALITY** caused directly or indirectly by the use/spending of the grant.

## **9. DISPUTE RESOLUTION**

9.1 Any dispute arising from this Agreement shall be mediated between the Parties by a mutually agreed upon and suitably skilled mediator. Should the mediator be unsuccessful and the Parties fail to reach agreement, the dispute may be referred by the aggrieved Party to the arbitration of a single arbitrator, to be agreed upon between the Parties, or failing agreement, to be nominated on the application of any Party, by the President for the time being of the South African Association of Arbitrators. The decision of the single arbitrator shall be final and binding on the Parties.

**10. NOTICES AND DOMICILIA**

10.1 The parties choose as their *domicilia citandi et executandi* their respective addresses as set out in this clause for all purposes arising out of or in connection with the agreement at which addresses all processes and notices arising out of or in connection with this Agreement, its breach or termination, may validly be served upon or delivered to the Parties.

10.2 For purposes of this Agreement the Parties' respective addresses shall be:

10.2.1 The **MUNICIPALITY:**

Town House  
Plein Street  
Stellenbosch  
7600  
Fax: 021 – 808 8025

10.2.2 The **BENEFICIARY:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**email address:** \_\_\_\_\_



or at such other address of which the Party concerned may notify the other(s) in writing provided that no street address mentioned in this sub-clause shall be changed to a post office box or poste restante.

10.3 Any notice given in terms of this Agreement shall be in writing and shall-

10.3.1 if delivered by hand be deemed to have been duly received by the addressee on the date of delivery;

10.3.2 if posted by prepaid registered post be deemed to have been received by the addressee on the 8<sup>th</sup> (eighth) day following the date of such posting;

10.3.3 if transmitted by facsimile be deemed to have been received by the addressee on the day following the date of despatch;

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10.4 Notwithstanding anything to the contrary contained or implied in this Agreement, a written notice or communication actually received by one of the Parties from another, including by way of facsimile transmission, shall be adequate written notice or communication to such party.

## 11. ENTIRE AGREEMENT

This Agreement, including the **Grant-in-Aid policy and application form**, reflects the entire Agreement between the Parties and no variation, amendment or addendum shall be of any force and effect between the Parties unless contained in writing, signed and agreed on by both Parties.

Signed at Stellenbosch on this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

.....  
for the **MUNICIPALITY**

WITNESS: 1. ....  
2. ....

Signed at Stellenbosch on this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

.....

for the **BENEFICIARY**

WITNESS: 1. ....

2. ....