

**11.  
GRANTS-IN-AID: RECOMMENDATIONS FOR 2018/19**

**5/16/1/2  
GG Smit  
17 May 2018**

**(028) 313 8935**

**Corporate Head Office**

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**1. Executive Summary**

The purpose of this report is to:

1. inform Council that the Grant-in-Aid allocation process for the 2018/19 financial year has been completed;
2. present the list of provisional beneficiary awards.

**2. Service Delivery and Budget Implementation Plan - IGNITE**

Management Services  
Social Development

**3. Compliance with Strategic Priorities**

Provision of democratic, accountable and ethical governance  
Provision and maintenance of municipal services  
Creation and maintenance of a safe and healthy environment  
The encouragement of structured community participation in the matters of the municipality  
Promotion of tourism, economic and social development

**4. Delegated Authority**

None

**5. Legal Requirements**

Constitution of the Republic of South Africa, 1996 (The Constitution)  
Local Government: Municipal Finance Management Act, No. 56 of 2003 (MFMA)  
Overstrand Grant-in-Aid Policy

**6. Background/Discussion/Evaluation/Conclusion**

**Background**

Section 67 of the MFMA requires a municipality to ensure that certain conditions and criteria are met before funds are transferred to an organisation outside any sphere of government, otherwise than in compliance with a commercial transaction.

The Grant-in-Aid Policy (hereafter the Policy) provides the restrictions, application requirements and the eligible categories. Grants-in-Aid are limited in terms of the Policy to circumstances where it is reasonable and necessary for or incidental to the functions of a municipality as set out in section 156 of the Constitution, read with parts B of Schedules 4 and 5 of same.

The objective of the Policy is to complement the goals, objectives, programmes and actions of the Overstrand Municipality in order to create a sustainable, credible and caring municipality by empowering and building communities and enhancing growth and sharing through partnerships. It should provide the opportunity for the municipality to elicit the support of external organisations to deliver services which fall within the Municipality's area of responsibility and to achieve the objectives of the Municipal business plan as outlined in the Integrated Development Plan.

The Policy applies to all transfers of grants made by the Municipality. The total expenditure on grants may not exceed the budgeted amount of R368 000.00 for the 2018/19 financial year.

### **Discussion**

The Grant-in-Aid applications opened on 1 February 2018 and closed on 1 March 2018. As required by the Policy, an advertisement appeared in the local newspapers (see attached Annexure D) informing interested parties. A total of 31 applications were received.

The applications were processed by the Manager: Social Development. The results were presented to the Donation Adjudication Committee (hereafter the Committee), represented by the Executive Mayor, the Municipal Manager, the Director: Management Services; the Director: Finance and the Mayoral Committee member for Finance. In terms of the Policy, the Adjudication Committee will evaluate the proposals received; has the power to make final awards, and must submit a report to Council of the municipality. Said report must contain particulars of each final award made, including the amount of each award, and the name of the organisation or body to whom the award was made. Accordingly, Annexure A, provides a detailed schedule of all the provisional beneficiaries, whilst Annexure B lists all the unsuccessful applicants, and Annexure C gives an overview of the distribution of allocations per Ward.

Having due regard for the Policy prescriptions and restrictions, the Committee provisionally awarded the beneficiaries with the amounts detailed in Annexure A, based on the merits of their applications. However, there are a number of requirements that applicants must include in their applications, which applied strictly, means that all of these aspects must be included and not some. Annexure A lists all the requirements that needs to be complied with and gives a detailed overview of the completeness of the applications that are being considered for an award.

Whilst the Policy empowers the Committee to make final awards, the Committee cannot deviate from the policy prescripts. As such the Committee requests Council's permission to deviate from the Policy so as to enable the Committee to award the recommended beneficiaries.

The municipality will strive to assist unsuccessful applicants where and when possible through other sources or contributions.

## **7. Financial Implications**

### Source of Funding eg. Operating Budget Provisions

Unique Key	: 20170525078187
Cost Account	: 10010278100000
Item Description	: OperMonetr: Other N-Profit Inst
Budget Provision 2017/2018	: R368, 000.00
Committed	: R369, 000.00
Balance Available	: R368, 000.00
Funds Required (*This report)	: R368, 000.00

## **8. Staff Implications**

None

## **9. Comments from other Departments, Divisions and Administrations**

None

## **10. Annexures**

- Annexure A: Schedule of recommended beneficiaries
- Annexure B: List of unsuccessful applicants
- Annexure C: Grant-in-Aid Allocations per Ward
- Annexure D: Example of advertisement in local paper

## **RECOMMENDATION TO THE COUNCIL:**

1. that the
  - (a) Grants-in-Aid: Schedule of recommended beneficiaries for the 2018/19 financial year; and
  - (b) Grants-in-Aid: Schedule of unsuccessful applicants 2018/19

**be noted.**
2. that the necessary deviations from the Policy **be approved** so as to enable the Committee to award the recommended beneficiaries.

**RESPONSIBLE OFFICIAL:****GG SMIT****TARGET DATE FOR IMPLEMENTATION:****JULY 2018**

SCHEDULE OF PROVISIONAL GRANT-IN-AID BENEFICIARY REWARDS FOR 2018/19

Name of Applicant:	NSRI	Hermanus Night Shelter	Recycle Swap Shop	Franskrans Bowling Club	Child Welfare Klammand	Sustainable Future Trust	Oxstrand Hospice	Campbell Farm Community	Stanford Conservation	Overberg Aquatic Club	Hermanus Bot Soc	Child Welfare Hermanus	Pearly Beach Conservancy	BADSA	OAPD	Maritime Foundation	Hermanus Fishing Group	Overberg Wheelchair Association	Kids at the Centre
PROJECT	See below: various	To provide blankets to street sleepers	Recycling - provision of basic needs	To promote lawn bowls as a school sport	Equipping cerebral palsy care room	Substance abuse treatment for children and youth	Hospice clinic	Investive plant cleaning	SCORE Community Recycling Project	Aquatic sport and water safety	Facilitate attendance of paid learners at flower festival	Therapeutic and development services to children and parents	2 workers for the maintenance of the fynbos garden	Food parcels for the young, sick and aid	Day care stimulation programme	Youth development	Allen clearing & promoting fynbos diversity	Food security / Vreë Tuisse 34	Shading play area, table equipment, sand box
ALLOCATION	R 30 000.00	R 12 000.00	R 20 000.00	R 10 000.00	R 20 000.00	R 30 000.00	R 18 000.00	R 18 000.00	R 20 000.00	R 25 000.00	R 7 000.00	R 30 000.00	R 16 000.00	R 25 000.00	R 20 000.00	R 20 000.00	R 12 000.00	R 15 000.00	R 20 000.00
Documentation Score (14)	11.5	10	11.5	12	11.5	13	11.5	13	13	10.5	14	12	14	13	10	13	12	11.5	10.5
Other (4)	4	4	4	3	4	4	4	4	3	4	4	4	4	4	4	4	4	4	4
Total %	86	78	86	89	86	94	86	94	89	75	100	89	100	94	78	89	89	86	81
APPLICATION ON TIME	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
Date Received	2018/02/16	2018/02/23	2018/02/26	2018/02/26	2018/02/27	2018/02/28	2018/02/28	2018/02/28	2018/02/28	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01
Closing date:	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01	2018/03/01
All required documentation is Attached / APPLICATION																			
COMPLETE																			
1. Cover letter signed by the head of the Organisation	1	1	1	1	1	1	0.5	1	1	1	1	0.5	1	1	0.5	1	1	0	1
2. Copy of latest AUDITED financial statements	1	0	0	1	1	1	1	1	0	0	1	1	1	1	1	1	0	0	0
3. Copy of Organisations Constitution / Articles / Memorandum	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
4. Project Description / Business Plan for the ensuing fin year	0.5	0.5	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
5. Detailed project proposal	0.5	1	1	1	1	0.5	1	1	1	0.5	1	0.5	1	1	0	1	0.5	1	0.5
a) Includes: Project Description	1	0.5	1	1	1	0.5	1	1	1	1	1	1	1	1	1	1	1	1	1
b) Includes: Location / Area	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
c) Includes: Beneficiaries / target group	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
d) Includes: Motivation	1	1	1	1	1	1	1	1	1	1	1	0.5	1	1	0	1	1	1	1
e) Impact: What you hope to achieve with the project and how it will be measured	0.5	0.5	1	0.5	0.5	1	0.5	1	1	0.5	1	0.5	1	0.5	0.5	1	0.5	1	0.5
6. Commencement and completion dates of the project	0.5	1	0.5	0.5	0	1	0	1	1	0.5	1	1	1	1	0	1	1	1	0.5
7. Detailed project budget including breakdown of costs and other contributions	0.5	0.5	1	1	1	1	1	0.5	1	1	1	1	1	1	1	1	1	1	1
8. List of other anticipated income sources	1	0	1	1	0	1	0.5	0.5	1	1	1	1	1	0.5	1	0.5	1	1	1
9. Details of the applicant and its executive	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0.5	1	0.5	0
OTHER																			
10. Organisation is registered	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
11. Proof of Registration	1	1	1	1	1	1	1	1	0	0	1	1	1	1	1	0	1	1	1
12. Organisation complies with other relevant legislation	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
13. The application is on the prescribed form	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1

NOTE (1) Organisations received 0.5 points when the a particular requirement was included in the application, but the requirement was not complete or 100%. FOR EXAMPLE: 7. Detailed project budget including breakdown of costs and other contributions. Unless a detailed project budget, a cost breakdown, AND other contributions were provided, the applicant would score 0.5

(2) In terms of the Grant-in-Aid Policy, an application must be accompanied by the applicant's latest audited financial statements. Importantly, Section 67 of the Local Government: Municipal Finance Management Act, No. 56 of 2003 states that before transferring funds the accounting officer must be satisfied that the organisation or body has the capacity and has agreed to, amongst others, comply with auditing requirements. These requirements are clearly stipulated in the Memorandum of Agreement signed between the Municipality and Beneficiaries.

**ANNEXURE:B**

<b>2018/19 UNSUCCESSFUL APPLICANTS</b>
<b>APPLICANT</b>
Herberg-aan-See
Camphill School
Whale Coast Conservation
Hermanus Rainbow Trust
Overstrand Arts / Kunste
Kogelberg Botanical Society
Learn to Earn
Silverjare Dienssentrum
Hermanus Bowling Club
Careeer Path
Onrus River Estuary Forum



