



EXECUTIVE MAYORAL FUND POLICY

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APPROVED

1 INTRODUCTION/PROBLEM STATEMENT

The Executive Mayor receives regular requests for grants, donations and financial assistance from members of the public and organisations. Most of these requests are dealt with through the Bitou Local Municipality's allocation of Section 67 Grants-in-aid Policy, but some deserving requests fall outside of the ambit of the Policy.

2 DESIRED OUTCOMES

The establishment and effective administration of an Executive Mayoral Fund ("Fund") for the purpose of allocating grants by the Executive Mayor at his/her discretion in respect of applications made or at the Executive Mayor's initiative in respect of cases set out in the Fund guidelines.

3 STRATEGIC INTENT/ALIGNMENT

It is intended that the Executive Mayoral Fund supports the Municipality's strategic objectives as set out in the Integrated Development Plan, specifically:

- Facilitate growth, jobs, and empowerment of the people of Bitou;
- To ensure the safety of residents and visitors of Bitou Municipality;

4 REGULATORY CONTENT

Section 12 of the MFMA regulates the establishment of "relief, charitable, trust or other funds":

Section 12(1) permits the establishment of a charitable, trust or other fund in the name of the Municipality, with the municipal manager being the account officer of such a fund;

Section 12(2) allows for the Municipality to open a separate bank account in the name of the Municipality for the purpose of such a fund;

Section 12(3) determines that money received by the Municipality for the purpose of such a fund must be paid into the bank account of the municipality, or if a separate bank account has been opened in terms of subsection (2), into that account; and

Section 12(4) determines that money in a separate account opened in terms of subsection (2) may be withdrawn from the account without appropriation in terms of an approved budget, but only –

a. by or on the written authority of the accounting officer acting in accordance with decisions of the municipal council; and

b. for the purposes for which, and subject to any conditions on which, the fund was established or the money in the fund was donated

5 ROLE PLAYERS AND STAKEHOLDERS

In order to give effect to the policy, the following role players including their respective powers, duties and responsibilities are listed below:

Organisations seeking assistance for which no provision has been made through the Section 67 Grants-in-aid Policy need to furnish information as may be requested to facilitate the consideration and possible release of grants from the fund.

The Executive Mayor identifies an appropriate use and determines the amount as well as the beneficiary and forwards the request to the Municipal Manager.

The Executive Mayor may impose conditions in respect of any grant made from the Fund. The Executive Mayor must also 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.

The Municipality Manager or his nominee must assess the request and determine whether it meets the Guidelines set out above as is required by section 12(4) of the MFMA. Provided that

Sufficient funds are available, the Municipality Manager or his nominee will withdraw the amount from the Fund.

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

6 POLICY DIRECTIVES

6.1 The fund may be used for:-

- a. *causes that will promote the profile of the Municipality both nationally and internationally;*
- b. *cases of hardship;*
- c. *emergency or disaster situations where the Municipality has no other provisions that can be utilised;*
- d. *the specific use and conditions as may be set out by a donor to the Fund;*
- e. *payment directly to any individual only on such condition as the Executive Mayor will approve; and*
- f. *Travelling, accommodation or subsistence of individuals or teams participating in events such as sport or cultural activities only when the Executive Mayor is satisfied that it is a real need as a result of being disadvantaged.*

6.2 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.

6.3 A grant to an organisation for aiding communities in Bitou Municipality in instances of individual or group hardship may not be repeated.

The fund may not be used for:-

- a. *any purpose that benefits a political party;*
- b. *the benefit of any Councillor; or*
- c. *activities occurring outside the boundaries of the Municipality, except in exceptional cases and only after approval by the Executive Mayor in consultation with the Executive Deputy Mayor.*

Subject to 6.1 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. A *family member or relative of any Councillor must complete a declaration form.*

Grants from the Fund may not be used in conjunction with other *Municipality* funding or grants

Process for release of funds

- a. The Executive Mayor identifies an appropriate use and determines the quantum of the grant, within any limitations set by Council, as well as the beneficiary and forwards the request to the Municipality Manager.
- b. The Executive Mayor may impose, in writing, conditions in respect of any grant made from the Fund.

Reporting Requirements

- a. The Executive 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.
- b. Any donations received into the Fund must also be reported.

Donations to the Fund

- a. Any member of the public or organisation may donate money to the Fund. The Municipality may actively canvass for donations to the Fund.
- b. If a donor specifies conditions in respect of any donation, the donated amount may only be utilised in terms of those conditions.
- c. The Executive Mayor may refuse any donation where the conditions attached are unacceptable to the Executive Mayor.
- d. The Municipality may appropriate to the Fund from its annual budget.
- e. Grant Limits

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

7 IMPLEMENTATION PROGRAMME

The policy shall be implemented by the aforementioned stakeholders upon adoption by Council.

8 MONITORING, EVALUATION AND REVIEW

- a. Monitoring of compliance with this policy and the status of the Fund shall be undertaken by Council upon submission of the quarterly reports which it shall receive.
- b. The Executive Mayor will consider a review of this policy when it becomes apparent that any of the provisions within it are no longer effective in achieving its objectives. Following such review, any amendments to the policy will be presented to Council for consideration of their adoption.