

**8.  
GRANTS-IN-AID: RECOMMENDATIONS FOR 2017/18**

**5/16/1/2  
GG Smit  
27 March 2017**

**(028) 3138935**

**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 2017/18 financial year has been completed; and
2. present the list of recommended beneficiaries.

**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 for Grants-in-Aid. For the 2017/18 financial year an amount of R278, 378.00 has been budgeted for Grants-in-Aid. No transfer may exceed R50, 000.00 with certain exceptions which is not applicable to this report.

### **Discussion**

As required by the Policy, an advertisement appeared in the local newspapers distributed from 26 January 2017 in the Overstrand Municipal area to call for applications. Applications closed on 17 February 2017. A total of 41(58% more than the 26 received in 2016) applications were received requesting assistance to the value of R2, 272,329.00.

The applications were processed by the Manager: Social Development. The results were presented to the Donation Adjudication Committee, represented by the Executive Mayor, the Municipal Manager, the Director: Management Services; the Director: Finance and the Mayoral Committee member for Economic Development and Tourism.

Due to the large number of applications received the Committee decided to focus on applicants that included their latest audited financial statements with their applications as required in terms of the Policy. This requirement is stipulated in Paragraph 9 Section (h), Clause 3 of the Memorandum of Agreement (MOA) (Annexure B of the Policy), and in Section F of the application form where the required documentation that must accompany the application is listed. In addition to this: Clause 4 of the MOA requires an undertaking from beneficiaries to prepare financial statements in respect of the financial year for which the agreement is in force and to have these financial statements audited; and Clause 5 beneficiaries agree to submit audited financial statements, which disclose the total allocation of funds from the Municipality, total interest earned and total expenditure within three months of the end of the Beneficiary's financial year in respect of the financial year for

which the MOA is in force. A total of 18 applicants attached audited financial statements to their applications.

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

In terms of the Policy the Donation Adjudication Committee has the authority to make final awards.

### **Conclusion**

Please see attached annexures for a table of the recommended beneficiaries for 2017/18 and the unsuccessful applicants, a table and a graph showing the distribution of Grants per ward.

## **7. Financial Implications**

### Source of Funding eg. Operating Budget Provisions

|                               |                                   |
|-------------------------------|-----------------------------------|
| Unique Key                    | : 20150216122122                  |
| Cost Account                  | : 10010254240000                  |
| Item Description              | : OperMonetr: Other N-Profit Inst |
| Budget Provision 2017/2018    | : R278, 378.00                    |
| Committed                     | : R278, 378.00                    |
| Balance Available             | : R278, 378.00                    |
| Funds Required (*This report) | : R278, 378.00                    |

## **8. Staff Implications**

None

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

None

## **10. Annexures**

- Annexure A: List of recommended beneficiaries
- Annexure B: List of unsuccessful beneficiaries
- Annexure C: Grant-in-Aid Allocations per Ward

**RECOMMENDATION TO THE COUNCIL:**

that the

- (a) Grants-in-Aid: Schedule of recommended beneficiaries for the 2017/18 financial year; and
- (b) Grants-in-Aid: Schedule of unsuccessful applicants 2017/18

**be noted.**

**RESPONSIBLE OFFICIAL:**

**GG SMIT**

**TARGET DATE FOR IMPLEMENTATION:**

**JULY 2017**

| <b>2017-18 RECOMMENDED GRANT-IN-AID BENEFICIARIES</b> |   |                |                            |
|---|---|----------------|----------------------------|
| <b>NAME OF BENEFICIARY</b>                            | <b>PROJECT</b>  | <b>REQUEST</b> | <b>ALLOCATION</b>          |
| Child Welfare South Africa Kleinmond                  | Primary Prevention: Education through Stories   | R 10,680.00    | R 10,680.00                |
| Overstrand Association for Persons with Disabilities  | Stimulation programme for intellectually challenged   | R 25,000.00    | R 25,000.00                |
| Grootbos Green Futures Foundation                     | Stanford Canoe Club Development Project   | R 49,000.00    | R 25,000.00                |
| Gansbaai day care for children                        | Early Childhood Education   | R 50,000.00    | R 30,000.00                |
| Overstrand Hospice                                    | Palliative Care Service to patients and families diagnosed with life threatening illness (end-phase)                    |                | R 25,378.00                |
| Sustainable Futures Trust                             | An Intervention & Substance Abuse Treatment programme for youth: in Hawston, Mount Pleasant and Zweihle Primary Schools | R 61,220.00    | R 13,720.00                |
| Camphill School                                       | Education and care for intellectually disabled children and young adults  | R 50,000.00    | R 30,000.00                |
| Narrative Foundation                                  | Identify and develop talent among youths in the Hangklip Kleinmond area   | R 41,050.00    | R 25,000.00                |
| Hermanus Rainbow Trust                                | The Livelihood, Nutrition and "Food Security" Project   | R 136,832.00   | R 17,600.00                |
| Whale Coast Conservation                              | Environmental Education   | R 47,000.00    | R 26,000.00                |
| Hermanus, Stanford en Gansbaai Maatskapike Dienste    | Projek Hande-vat  | R 66,000.00    | R 25,000.00                |
| Hermanus Botanical Society                            | To bring and involve primary school learners from disadvantaged communities to the flower Festival                      | R 7,000.00     | R 7,000.00                 |
| Camphill Farm Community                               | Alien clearing programme  | R 18,000.00    | R 18,000.00                |
|   |   | <b>TOTALS:</b> | <b><u>R 561,782.00</u></b> |
|   |   |                | <b><u>R 278,378.00</u></b> |

| <b>2017/18 UNSUCCESSFUL GRANT-IN-AID APPLICANTS</b>  |                                 |
|--|---------------------------------|
| <b>NAME OF APPLICANT</b>                             | <b>MAIN REASON</b>              |
| Pearly Beach Conservancy                             | No audited financial statements |
| Herberg aan See Old Age Home                         | Multiple Applications           |
| Stanford Conservation Trust                          | No audited financial statements |
| Ngqungqushe Primary Cooperative                      | Not a non-profit                |
| Overbot Conservancy                                  | No audited financial statements |
| Botanical Society of South Africa - Kogelberg Branch | No audited financial statements |
| Grootbos Green Futures Foundation                    | Multiple project applications   |
| Nika Trust   | No audited financial statements |
| Hermanus Hacking Group                               | No audited financial statements |
| Cool Kidz Day care and aftercare                     | Not a non-profit                |
| Whale Coast 96FM                                     | No audited financial statements |
| Laerskool Gansbaai Ouermaatskappy                    | School                          |
| Hermanus Passiespel                                  | No audited financial statements |
| Vermond Conservation Trust                           | No audited financial statements |
| Overstrand Arts / Kunste (OAK)                       | No audited financial statements |
| Silverjare en OAK Grove Care Centre                  | No audited financial statements |
| Huis Lettie Theron                                   | Multiple Projects               |
| Onverwag   | No audited financial statements |
| N1 City  | Incomplete application          |
| Kogelberg Biosphere Reserve                          | No audited financial statements |
| Flower Valley Conservation Trust                     | No audited financial statements |
| Takalani Baby Care                                   | No audited financial statements |
| Hermanus Waldorf School                              | School                          |
| Fisherhaven Ratepayers Association                   | No audited financial statements |
| Overberg Wheelchair Association                      | No audited financial statements |
| Dyer Island Conservation Trust                       | No audited financial statements |
| Art-i-Kapa   | No audited financial statements |

**2017 / 18 GRANT-IN-AID ALLOCATIONS BY WARD**

| ORGANISATION NAME                                    | WARD 1 | WARD 2 | WARD 3 | WARD 4 | WARD 5 | WARD 6 | WARD 7 | WARD 8 | WARD 9 | WARD 10 | WARD 11 | WARD 12 | WARD 13 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|---------|---------|
| Child Welfare South Africa Kleinmond                 |        |        |        |        |        |        |        |        |        |         |         |         |         |
| Overstrand Association for Persons with Disabilities | •      |        |        |        | •      |        |        | •      |        |         |         |         |         |
| Grootbos Green Futures Foundation                    |        | •      |        |        |        |        |        |        |        |         |         |         |         |
| Gansbaai day care for children                       |        | •      |        |        |        |        |        |        |        |         |         |         |         |
| Overstrand Hospice                                   | •      | •      | •      | •      | •      | •      | •      | •      | •      | •       | •       | •       | •       |
| Sustainable Futures Trust                            |        |        |        |        |        |        |        |        |        |         |         |         |         |
| Camphill School                                      |        |        |        |        |        |        |        |        |        |         |         |         |         |
| Narrative Foundation                                 |        |        |        |        |        |        |        |        |        |         |         |         |         |
| Hermanus Rainbow Trust                               |        | •      |        |        |        |        |        |        | •      |         |         |         |         |
| Whale Coast Conservation                             | •      | •      | •      | •      | •      | •      | •      | •      | •      | •       | •       | •       | •       |
| Hermanus, Stanford en Gansbaai Maatskaplike Dienste  | •      | •      | •      | •      | •      | •      | •      | •      | •      | •       | •       | •       | •       |
| Hermanus Botanical Society                           | •      | •      | •      | •      | •      | •      | •      | •      | •      | •       | •       | •       | •       |
| Camphill Farm Community                              |        |        |        |        |        |        |        |        |        |         |         |         |         |
|  | 5      | 7      | 5      | 7      | 7      | 7      | 2      | 6      | 4      | 5       | 3       | 7       | 2       |

