



CAPE WINELANDS DISTRICT
MUNICIPALITY • MUNISIPALITEIT • UMASIPALA

BENEVOLENT FUND POLICY

TABLE OF CONTENTS

	Page
1. DEFINITIONS	3
2. OBJECTIVES OF THE POLICY	3
3. LEGAL COMPLIANCE	4
4. ROLE OF MUNICIPAL MANAGER	5
5. ROLE OF CHIEF FINANCIAL OFFICER	5
6. FRAMEWORK OF BENEVOLENT FUND POLICY	5
7. SHORT TITLE	7

1. DEFINITIONS

- 1.1 **Accounting Officer** – means the Municipal Manager appointed in terms of Section 82 of the *Municipal Structures Act, 1998 (Act No. 117 of 1998)*.
- 1.2 **Chief Financial Officer** – means an officer of a municipality designated by the Municipal Manager to be administratively in charge of the budgetary and treasury functions in terms of Section 80(2)(a) of the *MFMA*.
- 1.3 **Inventory** – shall refer to more expensive moveable items which will, due to usage and nature, be subject to wear, loss in durability and loss in value and thereby have a life expectancy of 5 years or less. These costs are not included in the balance sheet and accounting records but are recorded on an inventory list to facilitate control and accountability in respect thereof. The purchase price of any such assets shall be regarded as expenditure and not capitalized.
- 1.4 **MFMA** – shall mean the *Local Government: Financial Management Act, 2003 (Act No. 56 of 2003)*.
- 1.5 **Structures Act** - shall mean the *Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998)*.

2. OBJECTIVES OF THE POLICY

- 2.1 The objective of the Benevolent Fund Policy of the Cape Winelands District Municipality is to allocate benevolent grants for purposes of assisting the poorest of the poor within the district of the Cape Winelands District in deserving cases only.

- 2.2 The Policy will provide a framework for the circumstances under which payments from the Fund Vote for purposes as contemplated in Clause 2.1 shall be made.
- 2.3 This Policy furthermore sets out the procedures to be followed with regard to the management of the Cape Winelands District Municipality's Benevolent Fund.

3. LEGAL COMPLIANCE

- 3.1 In terms of Section 117 of the *MFMA*, no councillor of a municipality may be a member of a municipal bid committee or any other committee evaluating or approving tenders, quotations, contracts and other bids, nor attend any such meeting as an observer.
- 3.2 The procurement of any goods and/or of services related to the Benevolent Fund Policy of the Cape Winelands District Municipality shall, in view of Clause 3.1, at all times be managed by the Administration strictly in accordance with the Supply Chain Management Regulations and the Supply Chain Management Policy of the Municipality, as well as the prescribed procurement processes and conduct in compliance with the provisions of and any further prescriptions made by the Minister of Finance in terms of the *MFMA*.
- 3.3 This policy shall be applied within the ambit of Section 60(3) of the *Structures Act*, which determines that the Executive Mayor's powers and functions as may be designated by the Municipal Council, must be exercised and performed by the Executive Mayor together with the members of the Mayoral Committee.
- 3.4 A report on all transactions effected within the Benevolent Fund Policy must be submitted to Council on a regular basis.

4. ROLE OF MUNICIPAL MANAGER

As Accounting Officer of the Municipality, the Municipal Manager shall be responsible for ensuring that the Benevolent Fund Policy is scrupulously applied and adhered to.

5. ROLE OF CHIEF FINANCIAL OFFICER

The Chief Financial Officer shall be responsible for the preparation and submission of comprehensive reports to Council as contemplated in Clause 3.3 on a regular basis, with regard to all goods or services procured and funded from the Benevolent Fund Vote.

6. FRAMEWORK OF BENEVOLENT FUND POLICY

6.1 Applications

Written application for benevolent grants must be made to the Executive Mayor, where after a formal application form must be completed by the applicant.

6.2 Prerequisite

A prerequisite for the allocation of grants to (a) person(s) shall be that such (a) person(s) shall in total earn less than R1 500-00 per month and not be a member of medical aid: Provided that proof of monthly income must be submitted together with an application for a grant, e.g. where the only source of income is -

6.2.1 Government disability or pension grants;

6.2.2 In cases where a person earns less than R1, 500 per month and the source of income is not a government grant, proof of income as may be approved in the discretion of the Municipal Manager.

6.3 Procurement

6.3.1 Procurement of such goods or services related to the Benevolent Fund may only be performed by the Supply Chain Management Unit of the municipality.

6.3.2 In terms of Council's Asset Management Policy, all goods procured but not yet donated to the designated parties, will be recorded on the applicable inventory list as contemplated in Clause 1.3.

6.4 List of instances where benevolent grant contributions are allowed:

6.4.1 Contributions towards a dignified burial of veterans / needy members of the public in the district. Such contributions will be deposited directly into the bank account of the funeral undertaker for services to be rendered.

6.4.2 Contributions for Medical appliances.

6.4.3 Contributions in the form of learning materials to learners / students who perform extraordinary academically.

6.4.4 Contributions in the form of sports equipment to sportsmen and women who perform extraordinary in sports, e.g representing the district, province or national.

6.4.5 Contributions towards medical costs in cases where medical procedures are required beyond what government health services cover, e.g. organ transplants, reconstructive surgery.

6.4.6 A once-off food hamper to terminally ill individuals awaiting or receiving social grants on condition that proof from the Department of Social Services is produced.

6.4.7 Other contributions which are based on the discretion of the Executive Mayor.

7. SHORT TITLE

This policy is the Benevolent Fund Policy of the Cape Winelands District Municipality.