



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

REVIEW OF THE CITY OF CAPE TOWN'S RELIEF AND CHARITABLE ALLOCATIONS POLICY (JUNE 2027)

(POLICY NUMBER 68560)

Version: 3
Department: Finance; Budgets
Next review date: Annual review
Date: June 2026

Making progress possible. Together.

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Definitions

Term	Definition
Accounting Officer	Means the municipal manager of the City as defined in section 60 of the MFMA
applicant	means a person or organization that applies for a Relief or Charitable Allocation from the City in terms of this Policy.
beneficiary	means a person or organization that receives a Relief or Charitable allocation from the City in terms of this Policy.
charitable allocation	means the payment and provision of financial assistance by the City to a beneficiary who has a genuine, material and demonstrable need for such financial assistance.
City	means the City of Cape Town, a municipality established by the City of Cape Town Establishment Notice No. 479 of 22 September 2000, issued in terms of the Local Government: Municipal Structures Act, 1998, or any structure or employee of the City acting in terms of delegated authority.
Council	means the Municipal Council of the City.
councilor	means a member of the Council.
Finance Manager	means the official in a directorate who is responsible for the financial management and administration of the directorate.
Mayor	means the Executive Mayor of the City.
Mayco	means the Mayoral Committee established in terms of Part 1 of Chapter 4 of the Municipal Structures Act, 1998 (Act No. 117 of 1998).
Mayoral Fund Co-ordinator	means the person in the Mayor's office responsible for the administration, management and oversight of Relief and Charitable Allocations as per this policy.
MFMA	means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003).
Memorandum of Agreement	means a written agreement between the City and any beneficiary of an approved charitable or relief allocation under this Policy, setting out the material terms of such approved allocation, including any conditions that may apply.
Non-Profit Company (NPC)	means a legally incorporated entity formed for public benefit or social, cultural, and communal interests, rather than to generate profit for owners or shareholders.
Non- Profit Organization (NPO)	means a business or entity, such as a charity or club, that operates for public or social benefit rather than to generate profit for members or owners.
relief allocation	means financial assistance provided by the City in terms of this Policy to a beneficiary in distress due to unforeseen hardship, disaster or urgent social need, and which is intended for immediate, short-term aid without any expectation to receive

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	goods or services in return.
SCM	Means the City's Supply Chain Management Policy, adopted in terms of Section 111 of the MFMA.

1 Problem Statement

The City receives regular relief and charitable requests from members of the public and organisations. Some of these requests can be addressed through the City's Grants-in-Aid Policy, adopted under section 67 of the MFMA. This Relief and Charitable Policy is to ensure that deserving requests are considered in terms of the parameters of this policy.

2 Desired Outcomes.

This Policy provides a framework for the lawful disbursement of relief and charitable allocations in line with section 12 of the MFMA, and any applicable regulations. This policy aims to provide the ambit of discretion and process of recommendation of such allocations by the Mayor and the approval of any relief and charitable allocations by the Accounting Officer under this Policy as well as Council's Systems of Delegations and approved budget.

3. Policy Parameters

3.1. This Policy applies only to allocations made and administered in terms of section 12 of the MFMA in the name of the City.

3.2. Donations received by the City in terms of the *Contributions to the City of Cape Town Policy* do not fall under, nor form part of, this Policy.

3.3. Allocations should address genuine financial need, personal or community hardships or distress, or support the work of charitable causes and NPOs or NPCs in the City.. Allocations should not be for promotional, or marketing purposes, or fall outside the proper scope of "relief and charitable" allocations of financial assistance under this Policy. Expenditure of that nature should be dealt with through the City's ordinary budgeting framework for events or promotional activities.

4 Legislative and Regulatory Context

4.1. Local Government: Municipal Finance Management Act, 2003 (Act 56 no.

56 of 2003.

4.2. Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).

4.3. Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998).

5 Strategic Focus Area

The City's Integrated Development Plan sets out the City's strategic and budget priorities and is adopted by the Council on a five-year cycle. It identifies priorities and foundation areas, which provide guidance for the desired outcomes of any relief or charitable allocations under this Policy and are a solid foundation for the articulation of service delivery.

Budget Provision, Application, and Approval Process

6.1. Budget Provision

- 6.1.1. The budget for any relief and charitable allocations made under this Policy forms part of the City's annual approved budget.

6.2. Application Process

- 6.2.1. Applications for financial assistance under this Policy must be in writing and submitted to the Mayoral Fund Co-ordinator for recommendation to the Mayor together with Mayco.
- 6.2.2. All applications must include the following information:
 - a. the applicant's legal name and capacity as well as that of the proposed beneficiary (if the applicant is making an application on behalf of a third party);
 - b. a brief description of the relief sought;
 - c. the circumstances that give/ gave rise to the request;
 - d. the following details of the proposed beneficiary:
 - i. contact details, including full name, telephone number and e-mail address; and
 - ii. proof of residence or place of business;
 - e. the estimated value of financial assistance required, which must be supported with quotations, where appropriate;
 - f. an indication of financial commitments from other funders or

- fundraising initiatives;
- g. in the case of an event, confirmation/invitation from the international or local body confirming participation and a list of participants/players;
- h. full banking details; and
- i. in the case of burial assistance, the following additional information:
 - i. a certified copy of the original death certificate;
 - ii. certified copies of IDs of parent(s) or legal guardian(s) for minors;
 - iii. a declaration under oath that there is no funeral policy in place; and
 - iv. a reasonable quotation from an undertaker, to whom the funds will be paid directly, if approved.

6.3. **Approval Process**

- 6.3.1. Any recommendation for an allocation under this Policy must be provided to the Mayor together with Mayco for approval.
- 6.3.2. After approval by the Mayor together with Mayco the Directorate Finance Manager must confirm that sufficient funds are available to make payment of the recommended and supported allocation, before it is submitted to the Accounting Officer for assessment and written authority for withdrawals
- 6.3.3. After approval of the allocation by the Mayor together with Mayco and the Accounting Officer's assessment, a Memorandum of Agreement must be concluded with the approved beneficiary, setting out the terms of the approved relief or charitable allocation, including any conditions applicable thereto, prior to payment being made.
- 6.3.4. After conclusion of the MoA, the Mayoral Fund Co- Ordinator will submit a payment request for processing of the payment.
- 6.3.5. Neither the Mayor nor the City are obliged to support repeat applications per financial year but may do so.

6 7. Role-players and Stakeholders

- 7.1. **Applicants** seeking financial assistance in the form of relief or charitable allocations under the terms of this Policy may submit an application to the Mayoral Fund Co Ordinator and in doing so, provide the information referred to in clause 6.2.2, in order to facilitate the proper consideration of the application.
- 7.2. **The Mayoral Fund Co-ordinator** considers the request and determines whether to recommend the request for approval and if so on what terms and in what amount.
- 7.3. **Mayor assesses** and together with Mayco approves the recommended applications..
- 7.4. **The Directorate Finance Manager** confirms that sufficient funds are available to make payment of any recommended and supported allocation prior to written authority for withdrawals by the Accounting Officer.
- 7.5. **The Accounting Officer** assesses all approved relief and charitable applications and provide written authority for withdrawals

7 Guidelines In The Determination Of Any Application For Charitable or Relief Allocation under this Policy

- 8.1. **Relief and Charitable Allocations** under this Policy **may be considered for:**
 - 8.1.1. cases of personal hardship;
 - 8.1.2. emergency or disaster situations where applicants have experienced demonstrable or patent loss or hardship and where no other municipal funding provision exists to provide immediate, short-term relief. Assistance under this subclause may only be granted directly to a beneficiary;
 - 8.1.3. Furthering the work or services of NPOs or NPCs s in respect of "relief" or "charitable" outcome or intent, as defined by this policy;
 - 8.1.4. travelling, accommodation or subsistence or any other associated costs of individuals or teams participating in significant events, such as sport or cultural activities, only when the Mayor is

satisfied that the inability to cover these costs is as a result of being financially disadvantaged; and

- 8.1.5. other forms of assistance which are requested to meet a genuine, material and demonstrable need, where no alternative funding exists and the payment of which will meet the basic needs of a beneficiary.

8.2. **Allocations may not be used:**

- 8.2.1. for any purpose that benefits a political party;
- 8.2.2. for the benefit of any City official, councillor or a family member or relative of any City official or councillor;
- 8.2.3. for the redress of hardship being experienced or occurring outside the geographical jurisdiction of the City, except in exceptional cases which are to be duly motivated;
- 8.2.4. in conjunction with any other funding or grant by the City to the applicant, provided that indigent relief provided by the City to the proposed beneficiary is not considered to be funding or a grant; or
- 8.2.5. for payment in respect of outsourced municipal services, where a supply chain process must be followed.

8 Reporting Requirements

- 9.1. The Mayor must report to Council on a quarterly basis in respect of the allocations made in terms of this Policy.
- 9.2. The report must include amounts disbursed and paid to beneficiaries and any material conditions applicable to said allocations.
- 9.3. Records of all allocations paid under this Policy must be kept by the Mayoral Fund Co-Ordinator, for audit purposes.

9 Implementation

- 10.1. This Policy must be implemented by the abovementioned role-players upon adoption by Council.

10 Evaluation and Review

- 11.1. This Policy shall be implemented once approved by Council.
- 11.2. This Policy must be reviewed on an annual basis.
- 11.3. Changes in legislation must be considered for future amendments to this Policy.
- 11.4. Any amendments to the Policy must be submitted to Council for approval.