

**MANGAUNG  
METROPOLITAN MUNICIPALITY**



**GRANT IN AID POLICY  
FOR IMPLEMENTATION: 1 JULY 2026**

## Contents

i)	ABBREVIATIONS AND DEFINITIONS .....	3
1.	PURPOSE OF THE POLICY .....	4
2.	LEGISLATIVE FRAMEWORK .....	4
4.	POLICY OBJECTIVES .....	5
5.	CATEGORIES OF GRANTS IN AID.....	5
5.1	Once off Grants in Aid .....	5
5.2	Annual Grants in Aid .....	6
6.	SPECIAL PROVISIONS .....	6
7.	APPLICATION REQUIREMENTS .....	6
8.	PROCESS .....	8
9.	ADJUDICATION CRITERIA .....	10
10.	PERCENTAGE DIVISION OF FUNDING.....	11
11.	EXTENDED POLICY PROVISIONS ON BURSARIES .....	11
12.	POLICY IMPLEMENTATION.....	12
13.	SOURCE OF FUNDING .....	13
14.	MONITORING AND EVALUATION .....	13
15.	POLICY REVIEW.....	13
16.	AUDITING .....	13

## i) **ABBREVIATIONS AND DEFINITIONS**

For the purpose of this policy, the following abbreviations and definitions shall apply:

**MMM:** Mangaung Metropolitan Municipality

**MUNICIPALITY:** Mangaung Metro Municipality

**POLICY:** GRANT-IN-AID POLICY OF MANGAUNG METRO

**NGO:** Non-Governmental Organization

**CBO: Community Based Organization**

**NPO:** Non-Profit Organization

**MFMA:** Municipal Finance Management Act

**IDP:** Integrated Development Plan

**Grant in Aid:** Refers to the allocation of Municipal funds to organizations, bodies or individuals assisting the Municipality in the exercise of its powers and functions.

**Aid:** Provide support to organizations or individuals to improve and achieve their intended objective to develop others.

**Applicant:** Refers to the organization/individual applying for Grants in Aid

**Beneficiary:** An organization or individual to whom the Municipality has allocated Grant in Aid.

**Organization:** An organized group that serves the community in pursuit of educational, cultural social and economic development objectives.

**Municipal official:** An employee of Mangaung Metro Municipality who is duly mandated by the Municipality to conduct an assessment of the Grant in Aid Applicant.

## 1. PURPOSE OF THE POLICY

This policy seeks to provide a standardized framework for the disbursement of Grant in Aid to all prospective beneficiaries and develop requisite qualifying criteria that are linked to the Municipality's priority areas.

## 2. LEGISLATIVE FRAMEWORK

Sections 152 (1), (c) and (e) of Chapter 7 of The Constitution of the Republic Of South Africa outline some of the objectives of Local Government as 'to promote social and economic development' as well as 'to encourage the involvement of communities and community organizations in the matters of local government'. The implication hereof is that financial and administrative resources at local government should be channelled towards the development and support of local communities.

The provision of section 67 of the Municipal Finance Management Act (Act no. 56 of 2003) provides guidelines relevant to the allocation of the Grants in Aid.

## 3. PRIORITY AREAS

Within Mangaung Metro and in line with the Social Development IDP priorities, the following are priority areas:-

1. Special focus groups – women, children, youth, people with disabilities, the aged. Early Childhood Development applicants must provide a copy of a Health permit to be considered.
2. HIV/AIDS
3. Poverty alleviation
4. Job creation/SMME development and Cooperatives development
5. Tourism Development
6. Arts, Culture & Heritage (*including education*)
7. Environmental stability
8. Crime prevention and Victim Empowerment
9. People empowerment through training and skills development
10. Assistance to individuals participating in sport, recreation, arts, culture and SMME activities, Cooperatives activities based on need and the maximum amount stipulated by the Policy.
11. Sport Development
12. Free use of municipal facilities

The above priority areas will therefore locally influence the trend in the grants-in-aid allocation process and should be linked to locally-based projects.

#### **4. POLICY OBJECTIVES**

- 4.1 To regulate the grants-in-aid allocation to projects and individual initiatives supporting the Municipal IDP and Service Delivery and Budget Implementation Plans (SDBIPs).
- 4.2 To move Grants-in-aid from a Social Development focus to a more integrated focus, including areas like rural development and environmental management.
- 4.3 To provide a framework for approval and disapproval of grants-in-aid application.
- 4.4 To define the priority areas for Mangaung Metro so as to create a focus for the allocation process.
- 4.5 To complement the goals , objectives and programmes of Mangaung Metro in order to create a sustainable, credible and caring city by empowering and building communities.

#### **5. CATEGORIES OF GRANTS IN AID**

##### **5.1 *Once off Grants in Aid***

- 5.1.1 These applications take the form of requests to host events, activities and projects that have specific dates and/or purpose.
- 5.1.2 These applications are considered once each month by the Grants in Aid Committee. Applications must reach the Social Development Office ten (10) working days prior to the event; to allow for consideration by the Grants in Aid Committee and processing by various departments where applications have been approved.
- 5.1.3 Applicants are required to complete an application form and submit it with all relevant documentation, as stipulated on the application form, before they can be considered for funding.

The committee will determine the amount of aid having taken consideration the need and the impact the grant is intended to make. Individuals or organizations

approved for once-off will not be considered for annual funding in the same financial year.

## **5.2 Annual Grants in Aid**

- 5.2.1 Applicants will submit the applications/proposals for the attention of the HoD responsible for Community Services through the year.
- 5.2.2 Applicants are required to complete an application form and submit it with all relevant documents.
- 5.2.3 Approval of grant in aid will be subject to availability of funds and the impact that the requested support will have in the community.
- 5.2.4 The committee shall determine the amount of grant to be approved per application considering the expected number of applications, but also ensuring that the funds cover almost every targeted area as per the policy.

## **6. SPECIAL PROVISIONS**

Special provisions shall be made in the allocation of Grant in Aid funds for the following:

- 6.1 Grading and cleaning of community facilities, including parks, cemeteries and stormwater channels.
- 6.2 Emergency and disaster relief.
- 6.3 Tokens of appreciation/recognition for individuals and organizations.
- 6.4 Capacity building workshops for funded and unfunded organizations
- 6.5 Grants in Aid community awareness presentations.
- 6.6 Housing Transfer Costs for orphaned children.

## **7. APPLICATION REQUIREMENTS**

Applicants must meet the following requirements. Mangaung Metro Municipality reserves the right of adjudication over applications

- a) All applications for grant-in-aid must be submitted on the prescribed application form, available from the Department Community Services and Ward Offices.
- b) Proof of utilization of grant funding to be submitted by previous beneficiaries.
- c) Proof of residential address of 2 members of the project committee (e.g. Chairperson & Treasurer), signatories to the project bank account, or a letter from the Ward Councillor.
- d) Signed letter of recommendation from the ward councillor.
- e) In a case of CBO, NPO and similar organisations, proof of registration with CIPC and SARS will serve as a prerequisite
- f) Allow for inspection of the Project and related records by Municipal Officials, Ward Councillors and Members of the respective Portfolio Committees for purposes of monitoring.
- g) Declare any other funding received from the Private Sector or other levels of Government.
- h) In the case of individual applications, declare and submit proof of total household income per annum.
- i) The applicant must indicate/declare any previous benefits from MMM grant in aid and the date thereof.
- j) An applicant will not benefit as part of an organization and on an individual capacity separately at any given period.
- k) In case of individual applicants, the committee will not fund everything but use own discretion on what to fund.
- l) Applicants who own properties and are not paying Municipal services will not be eligible for funding or must first settle the debt.
- m) When an application comes with incomplete documents as per checklist attached to the application form, it will be disapproved.
- n) In case of IT requirements by the applicants, laptops will not be approved except for students who are already being funded by MMM.

- o) Mangaung Metro will only fund organizations that have been in operation for 24 months and above.
- p) Applications for overseas trips must be accompanied by certified copies of pay slips and 3 months bank statements of either applicant or both parents/guardians in cases of minors.(Household income should not exceed R360 000.00 per annum).
- q) All the successful applicants will be expected to attend a workshop, post the grants-in-aid allocation process.
- r) The Grant in Aid Committee will not fund applications for structural repairs or upgrade of buildings not owned by the Mangaung Metro.

***The city reserves the right to require the amalgamation of groups where activities are similar and occur in a common area.***

## **8. PROCESS**

1. The grants-in-aid program will be co-ordinated by a committee that will be appointed by the Executive Mayor, safe to say, that the Head of Department for Community Services is a permanent member of the Committee, with 3 (three) Members of Mayoral Committee that will be nominated as and when necessary.
2. The quorum of the committee will be HoD for Community Services and two MMCs from the three nominated by the Executive Mayor.
3. All applications shall be formally registered, highlighting the applicant's name and date of submission.
4. Registered Grants-in-aid applications will be adjudicated by the grants-in-aid committee as indicated in point 1 above.

Through the Mayoral Committee, the Grant-in-aid Committee may co-opt additional team members from departments as may be necessary for investigations, advice, support and input.

Where for reasons beyond their control, the members cannot attend, they should appoint a manager or senior official who will always attend and not miss committee meetings. The HoD, Community Services as the custodian of the

Policy, must attend all Grant in Aid meetings. In the event that one of the listed Portfolio Head is unable to attend a grants in aid meeting, the chairperson may co-opt any other member of the Executive to participate in the meeting.

If a member of the Grant-in-aid Committee has personal interest in a particular application, they should declare their interest and recuse themselves from decision-making on the particular application.

Meetings of the grants-in-aid committee shall be scheduled to take place monthly, recorded in minutes and filed for future reference and auditing purposes. A quorum for the Grant in Aid committee meeting shall be formed when 50% +1 members are present, five (5) of whom must be councillors.

Payment of grants-in-aid will occur post approval by the Mayoral Committee or executively by the Executive Mayor, except for once-off grants-in-aid received during the course of the financial year. An update on once-off allocations by the Grants-in-aid committee will be addressed through a separate report to the Mayoral Committee.

When disbursing the approved amount, the municipality reserves the right to pay the grant in cash via EFT to the nominated and verified bank account in the name of the applicant or buy equipment and the necessary resources on behalf of the applicant.

In the unfortunate situation where the organization disband or is no more fulfilling its intended objectives, the municipality has a right to repossess the assets and re-allocate them to another organization with similar objectives.

Previous applicants will only be considered after every two years provided there is accountability of the previous allocation and subject to budget availability.

### **Phase 1: Preparation for the application process**

1. Briefing of Portfolio Committees;
2. Information sessions for Ward Committees and/or Ward Councillors.
3. Print Media Publication/notice boards.
4. Application process.

### **Phase 2: Management of Applications**

1. Completion of application forms by individual or group applicants.
2. Ward Councillor's signed letter of recommendation.

3. Assistant Manager's comment and signature; (Social Worker, Sport, Arts, Culture & Heritage, SMMEs, Tourism, Environment Management).

### **Phase 3: Adjudication and allocation of grants in aid**

1. Adjudication of applications in line with the criteria.
2. Allocation of grants in line with the criteria.
3. Submission of adjudicated annual grant in aid to the Mayoral Committee or the Executive Mayor for approval.

### **Phase 4 Training**

1. Workshop for the successful applicants on *Project related* and finance management skills.

### **Phase 5: Monitoring and Evaluation (quarterly on a financial year cycle)**

2. Monitoring and evaluation on the usage of funding, financial statements and the impact of the project/programme – Grant-in-Aid committee, Project managers and Assistant Managers
3. Quarterly Progress reports to the Mayoral Committee, via the Portfolio Committees

## **9. ADJUDICATION CRITERIA**

1. Organizations based in Mangaung Metro and serving the needs and interests of the communities in MMM.
2. Organizations whose activities are supporting the IDP's and SDBIPs of MMM.
3. Consideration of the merits of each case in the light of the availability of funds.
4. Sustainability of the organization and projects specified for grant funding.
5. Performance record in relation to funds previously allocated.
6. Compliance to application requirements in terms of:-
  - a. completion of an application form, with necessary supporting documents;
  - b. recommendation by the Ward Councillor and the Specialist in the respective field;
7. Individuals participating in school or club sport, arts, culture, heritage or recreation activities, accompanied by documentation from the official body verifying the authenticity of the request.

8. Priority consideration will be given to 1st time applications, taking into account compliance to all Policy requirements.

## **10. PERCENTAGE DIVISION OF FUNDING**

***Percentage division of funding is subject to the socio-economic and political imperatives of the particular period. Priority areas and percentage division are therefore subject to change as determined and approved by the Grant in Aid Committee.***

Priority allocations will be as follows:

- a) A 30% towards Annual applications.
- b) 10% towards Grading and cleaning of informal community sport fields.
- c) 50% towards Once –off grants for individuals and group qualifying according to the Criteria and not funded from the annual grants in aid (mid-year, post annual allocations). This will include Bursaries for tertiary students whose combined, gross household income does not exceed R360 000, 00 per annum.
- d) 10% towards Training of organizations both funded and not funded through Grants in Aid.

It should be noted however, that, of the total allocations, attention will be given to the proportional allocation per area, taking into consideration the population size plus the number of wards. Mangaung Metro reserves the right to procure equipment/goods in lieu of the cash awarded.

Organizations found to effect name changes in order to manipulate the grants-in-aid system, will not be funded.

It remains the prerogative of the Municipality to allocate funding outside the stipulations of the funding criteria, provided the deviation applied will benefit the Municipality and/or local communities and will be reported to the Mayoral Committee.

## **11. EXTENDED POLICY PROVISIONS ON BURSARIES**

- a) Financial support towards bursaries will be focused on tertiary education; that is in lieu of government support programmes already in place. Students studying at private institutions will not qualify for assistance under this Policy.

- b) The municipal account where the applicant resides must be up to date, or at least a valid arrangement with no defaults.
- c) The Grants in Aid Policy confines itself to funding undergraduate studies only and first time post matric qualifications.
- d) Allocations will be made in a way that will sustain a student's stay at the tertiary institution and receipt of the year-end results. In other words, allocation will cover the main tertiary costs in the form of tuition, books and accommodation.
- e) Students applying for accommodation must submit three (3) quotations for consideration.
- f) Assistance for second and further years of study will be considered subject to the student passing and being accepted for the following year of study.
- g) The Municipality's Grants in Aid programme shall not cover fees of subjects to be repeated.
- h) A home circumstances report from a social worker shall accompany all applications for bursaries.
- i) ***The Municipality reserves the right to assess professional skills highly in demand, scarce or in line with the strategic objectives of the Municipality within its jurisdiction, at any given point in time; and therefore channel funding for professional studies towards the prioritized areas of study. This Clause is included taking into consideration that the definition of scarce skills may change from time to time.***

## **12. POLICY IMPLEMENTATION**

The following departments will be responsible for Policy Implementation:

### **12.1 Community Services:**

- a. Coordinate and guide the implementation of the policy.
- b. Develop administrative guidelines that will guide the implementation of the policy.

- c. Receives applications and coordinate relevant Municipal officials to conduct assessment and verification of information provided by the applicants.
- d. Submit the applications together with supporting documents and /or reports to the Grant in Aid Committee for consideration.
- e. Prepare requisitions and submit such to the Department-Financial Services for payment.
- f. Send communication to applicants informing them about the outcome of their application.

#### **12.2 Financial Services:**

- a. Allocate an official to participate in the Grants in Aid Committee for purposes of guidance on budget and expenditure.
- b. Pay grants in aid as approved by the Grants in Aid committee

### **13. SOURCE OF FUNDING**

Mangaung Metro Municipality will serve as the source of funding, as per the approved, annual Operational budget for grants-in-aid, approved by the Mayoral Committee and the Council.

### **14. MONITORING AND EVALUATION**

The Grant in Aid Committee shall guide the implementation of the policy. Approved organizations are expected to submit reports on the utilization of allocated funds. The Department Community Development Services will conduct site visits to the organizations to monitor, identify challenges and provide support and training. Quarterly progress reports on the implementation of the Grant in Aid Programme will be submitted by the Department Community Development Services to the Mayoral Committee.

### **15. POLICY REVIEW**

The Department, Community Services shall coordinate and submit proposed Policy changes to the Executive Management Committee, the relevant Portfolio Committees and Mayoral Committee.

The guidelines provided in MFMA Circular 131 shall be followed.

### **16. AUDITING**

Auditing will be conducted as per the audit plan of the Internal Audit Section.