



Mogale City Social Development and CSR Funding Financing Model & Policy

1. Purpose

The purpose of this framework is to regulate the **allocation, transfer, monitoring and reporting of municipal funds** provided to organisations outside government for the implementation of social development programmes within the municipality.

The framework ensures that all transfers of funds are:

- **Transparent**
- **Accountable**
- **Compliant with legislation**
- **Directed toward measurable community development outcomes**

2. Funding Objectives

The Municipality will support programmes that promote **socio-economic development and community well-being** within its jurisdiction.

Priority areas include:

1. **Health and Medical Support**
 - Assistance for individuals with serious medical conditions or bodily deformities.
 - Community health awareness programmes.
2. **Promotion of Job Creation**
 - Skills development initiatives.
 - Youth employment programmes.
 - Local enterprise development support.
3. **Poverty Eradication**
 - Community upliftment initiatives.
 - Food security programmes.
 - Social relief initiatives targeting vulnerable households.
4. **Community Safety**
 - Crime prevention awareness.
 - Community safety partnerships.
 - Youth crime prevention initiatives.

These programmes may be implemented through partnerships with organisations such as Non-Profit Organisations (NPOs), Non-Governmental Organisations (NGOs), and community-based organisations.

3. Eligibility Criteria for Organisations

To qualify for municipal funding, organisations must:

1. Be a **registered organisation**, such as:
 - A registered NPO
 - A Non-Governmental Organisation (NGO)
 - A Community-Based Organisation (CBO)
2. Provide proof of:
 - Registration with the **Department of Social Development** (for NPOs where applicable)
 - A valid constitution
 - Active bank account in the organisation's name
 - Governance structure (board or management committee)
3. Demonstrate:
 - Experience in community development programmes
 - Capacity to implement the proposed project
 - Financial management capability
4. Operate within the jurisdiction of Mogale City Local Municipality.

4. Application Process

4.1 Call for Applications

The Municipality shall issue a **public call for proposals** annually through:

- Municipal website
- Local media
- Municipal notice boards
- Community outreach platforms

4.2 Required Documentation

Applicants must submit:

- Completed funding application form
- Organisation registration documents
- Constitution of the organisation
- Project proposal
- Budget breakdown
- Proof of bank account
- Latest financial statements (if available)

Incomplete applications will **not be considered**.

5. Evaluation and Approval Process

Applications will be evaluated based on the following criteria:

Evaluation Criteria	Weight
Alignment with municipal socio-economic priorities	30%
Community impact and number of beneficiaries	25%
Organisational capacity	20%
Financial feasibility and budget justification	15%
Sustainability of the programme	10%

Funding Evaluation Committee shall review all applications and make recommendations to the **2% CSR Committee, Municipal Manager and Executive Mayor for approval.**

6. Funding Evaluation Committee

- Office of the Executive Mayor
- Municipal Manager's Office
- Corporate Services Department: Legal Services
- Community Development Services: Social Development
- Finance Department: SCM and Expenditure

7. Funding Agreements

Before funds are transferred, the Municipality must enter into a **formal funding agreement** with the beneficiary organisation.

The agreement must specify:

- Amount of funding approved
- Purpose of funding
- Payment schedule
- Reporting obligations
- Monitoring requirements
- Conditions for termination or recovery of funds

Funds will **be transferred in instalments**, subject to satisfactory progress reports.

8. Monitoring and Reporting

Beneficiary organisations must submit:

- **Quarterly progress reports**
- **Financial expenditure reports**
- **Proof of programme implementation**
- **Final project report**

The Municipality will conduct **site visits and audits** to verify programme implementation.

9. Financial Controls

The Finance Department must ensure:

- Funds are transferred **only to verified organisations**.
- Proper **financial records and documentation** are maintained.
- Compliance with MFMA Circular 131.
- All payments are captured in municipal financial systems.

10. Misuse of Funds

If funds are misused:

- The Municipality may **terminate the funding agreement**.
 - Funds may be **recovered from the organisation**.
 - The organisation may be **blacklisted from future municipal funding**.
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11. Reporting to Council

The Office of Executive Mayor must submit an **annual report to Council** detailing:

- Organisations funded.
- Amounts allocated.
- Programme outcomes.
- Beneficiary communities.

This ensures oversight and accountability in the use of public funds.

12. GOVERNANCE TOOLS SCHEDULES:

4. Due diligence checklist for NGO's /NPO's
5. Standard Funding Agreement Template
6. Monitoring & Evaluation Scorecard