

	<ul style="list-style-type: none"> • All salaries and allowance relating to staff have been disclosed in Note 29 of the Annual Financial Statements. • This is also reported for the CEO and Board Members of both entities and the Audit Committee and Council further engages the reports to ensure accurate disclosure.
4. Municipal Performance (Section 46 of MSA)	RESPONSES/ COMMENTS
The annual performance reports of the municipality and entities.	<ul style="list-style-type: none"> • The Annual Performance Report is included in the annual report with all the KPI's achieved and not achieved. Comparison between 2015/2016 and 2014/2015 has been included in the Annual performance Report. The Council is satisfied with the performance of the municipality during 2015/2016 even though there is a high concern with some of the areas, in particular the interruption in the delivery of water to communities. • No customer satisfaction survey was done during the 2015/2016 financial year however the municipality has learned from the statistics SA's community survey done in 2015 that as much as there is a level of satisfaction with municipal services in the community, an outcry still exists with the interruption of water provision. • The targets set in the budget and SDBIP were in line with the S54 and 56 managers performance contracts. • Taking into account the audit report and opinion and the views of the audit committee the municipal performance is considered to be efficient and

	<p>effective. KPIs that were not achieved in the 2015/2016 financial year were carried over to the new year and were approved by Council.</p>
Audit reports on performance (Section 45 of MSA)	<ul style="list-style-type: none"> The municipality developed a corrective action plan to ensure that internal audit and audit committee findings are addressed and this plan is monitored on a quarterly bases.
Performance of municipal entities and municipal service providers.	<ul style="list-style-type: none"> Ugu District Municipality assesses the performance of its entities, South Coast Tourism Agency and South Coast Development Agency. Based on the 2015/2016 SDBIP performance report, the entities achieved 100% and 90% respectively. As much as the entities performed well but the municipality feels there is still a lot to be done to enable the entities to make meaning contribution in the changing of the people's lives.
5. General information (Disclosure on municipal entities)	RESPONSES/ COMMENTS
Relevant information on municipal entities.	<ul style="list-style-type: none"> Details of functions and services of the entities have been provided in the Annual Report. The two entities are, Ugu Tourism South Coast Tourism Association, which is for tourism and Ugu South Coast Development Agency, for economic development.
The use of any donor funding support.	<ul style="list-style-type: none"> No donor funding was received during the year under review
Agreements, contracts and projects under Private-Public-Partnerships.	<ul style="list-style-type: none"> No Private -Public Partnership was secured during the year under review.
Service delivery performance on key services provided.	<ul style="list-style-type: none"> According to the SDBIP reports, the municipality's performance has improved from 78% during

	<p>2014/2015 financial year to 84% in 2015/2016 financial year.</p> <ul style="list-style-type: none"> There is a concerted effort for Tourism development in rural areas as can be referred to the 2016/2017 financial year's service delivery and budget implementation plan of the Ugu South Coast tourism Agency.
Information on long-term contracts.	<ul style="list-style-type: none"> All contracts are disclosed in the 2015/ 2016 Annual Financial Statements. Amongst others, banking facilities was concluded during the year under review.
Information technology and systems purchases and the effectiveness of these systems in the delivery of services and for ensuring compliance with statutory obligations.	<ul style="list-style-type: none"> ICT reached a critical state during Q4 of the 2014/15 financial year and thus, immediate intervention plans were put in place to turn the situation around. The status of ICT remained an Agenda item at the Executive Committee and MANCO meetings to monitor the status of the intervention plans and operations. In February 2016, an ICT Service Desk was launched and over the period the internal support done within the Municipality was recorded monthly, resulting in between 400 to 500 logs being recorded on a monthly basis
Three year capital plan for addressing infrastructure backlogs in terms of the Municipal Infrastructure Grant (MIG) framework.	<ul style="list-style-type: none"> The municipality is currently in the process of developing a Water Services and Sanitation Development Plan, which shall have all the details in terms of backlog, projections and future capital investment objectives
Timing of reports.	<ul style="list-style-type: none"> The annual report was tabled to Council on 26 January 2017, which is within the legislative timeframe.
MPAC or other mechanism.	<ul style="list-style-type: none"> The annual report consideration process plan was developed and adopted by the management committee and also presented to MPAC. The set timelines were adhered to.

Payment of performance bonuses to municipal officials (Section 57 of MSA)	<ul style="list-style-type: none"> The evaluation/ assessments of Section 57 employees is scheduled for 04 April 2017, following the tabling of the 2015/2016 Annual report and the Auditor General's Report in January 2017.
Public Consultative	RESPONSES/ COMMENTS
Public consultation	<ul style="list-style-type: none"> Public representations into the Annual Report were sought and no comments were received. The availability of the Annual Report shall also be advertised within 14 days after the adoption of the oversight report on 30 March 2017.

4. ANNEXURES

2015/2016 Annual Report

5. CONCLUSION

The MPAC commends Council, the Municipal Manager, the Senior Managers and all staff of Ugu District Municipality on the strides made towards good governance. However, much needs to be done in planning and reporting on performance information, in particular the tangible projects and the 2016/2017 financial year must focus much attention in this area.

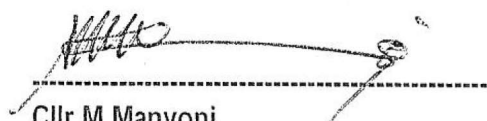
Having performed the following tasks:

- ✓ Reviewed and analysed of the Annual Report;
- ✓ Invited, received, and considered inputs from Councillors and Portfolio Committees, on the Annual Report;
- ✓ Considered that no written comments were received on the Annual Report from the public consultation process;
- ✓ Conducted Public Hearings to allow the local community or any organs of state to make representations on the Annual Report;
- ✓ Received and considered Council's Audit Committee views and comments on the annual financial statements and the performance report; and
- ✓ Prepared the draft Oversight Report, taking into consideration, the views and inputs of the public, representatives of the Auditor-General, organs of state, Council's Audit Committee and Councillors;

The MPAC has pleasure in presenting the Oversight Report to Council to consider one of the following resolutions and then to be forwarded to the relevant Departments and Provincial Legislature:

RESOLVED TO RECOMMEND

1. That Council having fully considered the Annual Report of the Ugu District Municipality for the 2015/2016 Financial Year, adopts the Oversight Report for the 2015/2016 Financial Year.
2. That Council approves the Annual Reports of the Ugu District Municipality and its Entities for the 2015/2016 Financial Year.
3. That the Oversight Report together with the annual reports be submitted to the Provincial Legislature and other relevant government departments and institutions in accordance with Section 132(2) of the Municipal Finance Management Act 56 of 2003.



Cllr M Manyoni

Chairperson: Municipal Public Accounts Committee (MPAC)

UGU DISTRICT MUNICIPALITY

**EXTRACT FROM THE DRAFT MINUTES OF THE MEETING OF THE
UGU DISTRICT MUNICIPAL COUNCIL HELD ON 29 MARCH 2017**

4.6 2015/2016 Draft Annual Report and Oversight Report

The Chairperson of the Municipal Public Accounts Committee (MPAC) took members through the item.

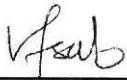
Following which,

It was

RESOLVED:

- (a) That the 2015/2016 Oversight Report be and is hereby **NOTED**.
- (b) That the 2016/2016 Ugu District Municipality's, Ugu South Coast Tourism Entity and the Ugu South Coast Development Agency Annual Report be and are hereby **ADOPTED**.

CERTIFIED A TRUE COPY OF THE ORIGINAL



VP TSAKO

GENERAL MANAGER: CORPORATE SERVICES

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