

Chapter 1

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

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The //Khara Hais Municipality annual report for the 2013/2014 financial year was compiled in line with the Local Government Municipal Systems Act 32 of 2000, the Local Government: Municipal Finance Management Act 56 of 2003, as well as as other legislation which governs local government.

The 2013/14 financial year was particularly a challenging year for our administration. We ensured that we appoint competent staff in key positions.

ORGANISATIONAL DEVELOPMENT

During the 2013/2014 financial year a total of 815 permanent employees and a Municipal Manager with 4 directors were employed. The municipality had a turn-over rate of 7.31%. R1.4m was spent on skills development and bursaries for employees. Not all vacancies could be filled due to insufficient funds. The average number of day sick leave per employee were 7.99. The estimated cost of sick leave due to injuries amounts to R3,2 million

The Human Resource Services delivered services to 820 full time employees with a staff complement of 14 employees. Seven employees were awarded study bursaries to complete formal qualifications. A total of 306 employees were sent on short courses. The Local Labour Forum had 4 meetings during the 2013/2014 financial year.

All funded vacancies were filled within the financial year. Two new posts of Senior Managers were approved on 31 January 2014 which will be filled in the new financial year (2014/ 2015).

The municipality complied with the Skill Development Act by submitting its Work Place Skills Plan and Training Report on time.

The workforce expenditure increased by 10.63%. The annual salary increase was 6.84%. To address the demand for basic services at the growing numbers of houses in informal settlements, more workers had to be appointed The workforce expenditure amounted to 34.5%of the total Operational Budget.

All the Directors, Councillors and the other officials declared their financial interests as prescribed in the Local Government: Municipal Performance Regulations for Municipal Regulations and Managers Directly Accountable to Municipal Managers, RN 805 of 2006. More information is provided in Chapter 4 of the Annual Report.

Information on Electrical Services, Development & Planning, Community Services and Civil Engineering can be found in Chapter 3 of the Annual Report.

Municipal Finance

The Municipality's financial position remained unhealthy for the 2013/2014 financial year.

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The revenue collection rate of 99.99% for the year under review, compared to 102.6% in the previous financial year seems to be declining, but this is due to irrecoverable debt of R14 088 906 written off during 2011/2012. Irrecoverable debt to the value of R768 082.98 were written off compared to R14 088 906 in 2011/2012.

Employee costs as a percentage of total operational revenue was 44.52% in 2012/2013 and decreased to 41.2% in 2013/2014. It is still excessive.

A notable achievement was that the Municipality received a qualified audit opinion for the 2012/2013 financial year (2011/2012: disclaimer audit opinion).

Over the next five years we will keep the rates and tariffs at affordable levels for ratepayers. This will be a daunting task and it may necessitate a review of service delivery levels and adjustments if necessary. The financial position of the Municipality is covered extensively in the financial performance section which is in Chapter 5.

I want to take this opportunity to thank the entire Council and staff for contributing to the Annual Report in anticipation for a better 2014/ 2015 financial year.



D.E NGXANGA
MUNICIPAL MANAGER

VISION

To provide an affordable quality service to inhabitants and visitors in //Khara Hais municipal jurisdiction and to execute the policies and programs of the Council.

MISSION

As an authority that delivers municipal services to //Khara Hais municipal jurisdiction, we attempt, by means of a motivated staff, to develop //Khara Hais municipal jurisdiction increasingly as a pleasant, safe and affordable living and workplace for its residents - and a hospitable and relaxed visiting place for its visitors.