

HUNDREDS OF MILLIONS IN LOST REVENUE

A LEAN YEAR FOR CITY HALL

The local authority is RM1 billion short of initial revenue projection for the year

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A LEAN year may be on the cards for Kuala Lumpur City Hall after it registered RM700 to RM800 million in lost revenue so far.

The council is also RM1 billion short of its initial revenue projection for 2020.

Kuala Lumpur Mayor Datuk Nor Hisham Ahmad Dahlan said this, among others, was due to the six-month rental relief programme for residents in its public housing flats and traders operating in the authority's premises, as well as a major drop in the collection of assessment taxes.

The RM700-RM800 million losses were mostly captured from March to now. As of August 31, we have collected RM1.5 billion. This is a major reduction from what we projected earlier."

In 2019, while announcing the budget, Nor Hisham said that a revenue collection of RM2.523 billion was projected, including RM1.24 billion (49.1 per cent) from assessment taxes.

The projection was a 2.3 per cent increase from 2019's budget of RM2.466 billion, excluding funds from the government and others, while the total allocation for the 2020 budget was RM2.972 billion.

Nor Hisham said the council has not terminated any of its staff but management expenditure has been slashed extensively.

"At the beginning of the year, we had planned to hire around 1,000 people to fill up vacancies of those who have retired and so on, but we only recruited 500. While we are understaffed, the work needs to continue so the staff now have additional duties and roles."

He said City Hall had also hired those who had been retrenched to fill in critical vacancies.

In his 2019 budget speech, Nor Hisham had said that the 2020 spending was divided into management expenditure at RM1.826 billion and development expenditure at RM1.146 billion.

The management expenditure was further divided into five components — services and supplies at RM1.142 billion (62.5 per cent), salary, allowances and staff benefits at RM504.8 million (27.6 per



Datuk Nor Hisham Ahmad Dahlan looking at developments taking shape in the city centre. PIC BY SAIFULIZAN TAMADI

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cent), fixed expenditure RM103.2 million (5.7 per cent), overtime payment at RM67.4 million (3.7 per cent) and other expenditures at RM9.5 million (0.5 per cent).

Nor Hisham, however, said City Hall was still looking to help out people down on their luck in the city, such as out-of-work contractors, by offering them more contracts and tenders.

In the beginning of the year, RM50 million worth of contracts were allocated to 250 G1 contractors, through a lot-drawing system.

During the Movement Control Order (MCO), Federal Territories Minister Tan Sri Annuar Musa had announced an additional RM40 million through jobs within the Housing Maintenance Fund for City Hall flats.

This was meant to benefit 500 to 600 G1 to G4 contractors.

Nor Hisham said their projects were also retained, but new ones that were not budgeted for were kept on the backburner.

"Recently we proposed that Kampung Periuk in Kampung Baru be relocated and its valley-

like land flattened but all that costs money."

He said that annually, RM30 million was spent on the maintenance of 28 rivers and drains for the purpose of flood mitigation.

However, he noted that the rainfall issue has become a concern, based on the damage done by the Sept 10 flash floods in the city centre.

"We have a flood task force meeting every one to two weeks, and we are integrated with agencies such as the Department of Irrigation and Drainage. The system has been engineered to be integrated, but for more to be done to tackle the problem, we need expertise and money to do studies and find a solution. We

have to sit with all council heads and *wakil rakyat* in the rain source areas in Selangor and work together.

"We can't just single out climate change, or the cutting of trees, or overdevelopment."

Nor Hisham said this while confirming experts' views that the widespread rain from the

source to the city had caused the flood.

"Development is a factor but developers such as the Tun Razak Exchange and Permodalan Nasional Bhd's Merdeka 118 have their own flood-mitigation systems such as retention ponds. What we can do is increase on-the-ground monitoring to ensure that developers build retention ponds according to specifications and MASMA (urban storm water management) guidelines."

"These have been part of our development order requirements for sometime now, but we will be stepping up checks to ensure that it's done according to the specs we have ordered."

He added that there were 45-60 flood hotspots; however, this time there was an anomaly as the Segambut area, which was a hotspot, did not flood.

"Others have also been taken down from the list such as Universiti Malaya as it doesn't flood any more after we spent millions to upgrade their Padang C into an underwater retention facility."