



# **The Msunduzi Municipality**

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### **MEDIA STATEMENT –LATE PAYMENT OF SALARIES FOR STAFF**

The Municipality refers to the articles published by various media houses that concern late payment of salaries and wages to municipal employees.

It is necessary for the Municipality to correct several inaccuracies and misconceptions that appear in these articles in order to set the record straight.

The Municipality dispels any notion that it is in financial difficulty or that it is insolvent. In this regard, it is important to note that the Municipality's cash coverage and liquidity ratio are sound and, furthermore, both exceed the industry norm.

It is correct that not all workers were paid timeously. Payment of salaries and wages are scheduled to occur on a specific date and time. This is attended to by a third party service provider who executes payments of salaries and wages to municipal employees on behalf of the Municipality.

In this instance, there are indications that a technical glitch may have triggered the late payment, which resulted in municipal employees being paid a few hours later than usual. At this point in time, the Municipality confirms that all of its employees have been paid.

The Municipality also wishes to make it clear that the matter is in the process of being investigated and that the Municipality has drawn no conclusions as to what, precisely, may have triggered the late payment. Accordingly, the insinuations in the abovementioned articles that the late payment may have been triggered by the hacking of the Municipality's service provider's system is incorrect because there is no clear identified cause of what transpired.

Notwithstanding that the matter is still under investigation, the Municipality is able to categorically state, at this stage, that the late payment was not triggered by the implementation of SAP financial system.

The Municipality would like to extend an apology to all employees; the community as well as the business people for any inconvenience that may have been caused as results of this, it is deeply regretted. The Municipality does, however, condemn the vandalism and destruction of municipal property that has resulted and the behaviour of those employees who chose not to follow the proper channels in order to resolve this unfortunate matter.

Issued by  
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