

WC042_HESSEQUA MUNICIPALITY_MSCOA ROADMAP								
Business Process	Sub-Process	Legislative Requirement	Minimum functionality and Action steps	Assigned to	Implementation Date	Status	Comments on Progress	Meeting Date
Corporate Governance	Internal Control							
Ensuring Compliance with the MFMA and MSA, focusing on accountability and transparency	Period control	MFMA	Monthly period closure and certification within the statutory reporting dates	Manager: AFS, Budget & Financial Reporting	Ongoing	Ongoing	All updates and journals are done before closing off for month end.	
			Balancing of sub-systems/ third party systems with the General Ledger	Manager: Revenue	Monthly	Ongoing		
				Manager: Expenditure	Monthly	Ongoing		
				Manager: SCM & Assets	Monthly	Ongoing		
				Manager: AFS, Budget & Financial Reporting	Monthly	Ongoing		
	Municipal Website	MFMA Section 75, MBRR, MscOA Regulations, MSA	The annual budget, adjustments budgets and all budget related documents	Accountant: Budget & Financial Reporting	Monthly	Ongoing	Library Grant Reporting	
			All budget related Policies	Assistant Accountant: Budget & Financial Reporting	Ongoing	Ongoing		26-Mar-26
			Annual Financial Statements	Accountant: Annual Financial Statements	Ongoing	Ongoing		26-Mar-26
			Annual Report and Oversight report	Manager: Strategic Services	Ongoing	Ongoing		02-Apr-26
			All quarterly reports tabled in council i.t.o MFMA Section 52	Assistant Accountant: Budget & Financial Reporting	Ongoing	Ongoing		30-Apr-26
			All Service Delivery Agreements	Senior SCM Practitioner: SCM Contracts Risk and Performance Management	Ongoing	Ongoing		
			All Long Term Borrowing Contracts	Accountant: Budget & Financial Reporting	Ongoing	Ongoing		
			All SCM contracts above a prescribed value	Senior SCM Practitioner: SCM Contracts Risk and Performance Management	Ongoing	Ongoing		
			Performance Management, Supply Chain Management modules	Senior Practitioner: Demand, Acquisition and Tender Management	Ongoing	Ongoing		
			Asset Management modules	Accountant: Assets, Insurance and Disposal Management	Ongoing	Ongoing		
		National Archives of South Africa Act, 1996	An information statement containing a list of assets over a prescribed value that have been disposed of i.t.o MFMA section 14(2) or (4) during the preceding quarter	Accountant: Assets, Insurance and Disposal Management	Ongoing	Ongoing		
			MFMA Section 33(1) Contracts, subject to section 33(3)	Senior SCM Practitioner: SCM Contracts Risk and Performance Management	Ongoing	Ongoing		
			Public-Private partnership agreements envisaged in MFMA section 120	Senior SCM Practitioner: SCM Contracts Risk and Performance Management	Ongoing	Ongoing		
			MBRR Reporting templates (A,B,C Schedules) as generated by the Core Financial System	Assistant Accountant: Budget & Financial Reporting	Ongoing	Ongoing		
			Support Secure and reliable document management including document sharing, dedicated registry for document filing, document tracking, secure access to documents etc.	Manager: Legal & Administration	Ongoing	Ongoing		
			Document management should originate from the lowest level of transaction	Manager: Legal & Administration	Ongoing	Ongoing		
			Scanned documents and images to be linked to the system e.g. the storing and linking of documents related to indigent subsidies to the customer identification numbers	Manager: Legal & Administration				
				Manager: Revenue	Ongoing	Ongoing	Manual Process	
				Manager: SCM & Assets				
				Manager: Expenditure				
	Risk Management	MFMA	The Establishment of a Risk Management Committee to support the Municipal Manager in managing the risk profile of the organisation.	Manager: Strategic Services		Completed		
	The Municipality is required by Section 62 of the Municipal Finance Management Act (No 56 of 2003) to have a risk management system in place		The Establishment of a Disaster Management Committee to oversee the risk management function within the organisation in support of the Municipal Manager.	Manager: Strategic Services		Completed		
			Conduct in depth risk reviews of each directorate	Manager: Strategic Services	Ongoing	Completed	The Barnowl system is used	

			Review controls linked to each risk and identify new controls	Manager: Strategic Services	Ongoing	Completed	The Barnowl system is used	
			Evaluate all controls	Manager: Strategic Services	Ongoing	Completed	The Barnowl system is used	
			Registration of new risks identified	Manager: Strategic Services	Ongoing	Completed	The Barnowl system is used	
	Internal Audit		To be scoped during Business process Reviews					
	Performance Reporting		Have an electronic PMS	Manager: Strategic Services	Ongoing	Ongoing	Using the web-based Ignite System (Action-assist)	
	Servers	Mscosa Regulations	Ability to run the relevant municipal focused Finance Management System	ICT Manager	Ongoing	Completed	Servers installed. Upgrades and Renewal forms part of the ICT Replacement Plan	
	Hardware	Mscosa Regulations	Ability to run the relevant municipal focused Finance Management System	ICT Manager	Ongoing	Completed	Hardware installed and in use. Upgrades and renewals forms part of the ICT Replacement Plan	
	Software/Licences	Mscosa Regulations	Ability to run the relevant municipal focused Finance Management System	ICT Manager	Ongoing	Completed	The relevant licences are renewed annually	
	Municipal Budgeting, Planning, and Financial Modelling							
	IDP Planning & Budgeting	Section 25 of the MSA, 2000	The system should be able to link budgeting to final IDP priorities	Manager: Strategic Services and Manager: AFS, Budget & Financial Reporting	Ongoing	Completed	New projects are linked to the OSO codes of the IDP. Reviewed annually and populated automatically in the A,B and C schedules	
			The system must have budgeting capabilities in that the budget are informed from the IDP and budget capturing occur across all the Mscosa segments as per the Mscosa regulations, 2014.	Accountant: Budget & Financial Reporting	Ongoing	Partial	Project: Complete. Improvements are still being made on utilising Typical Work Streams more instead of a majority Municipal Running Cost	
							Function: Completed	
							Item: Completed	
							Funding: Completed	
							Costing: Not yet started. Still making use of default costing.	
							Region: Partially compliant. Capital budget still has some votenumbers allocated to the Whole Municipality. The operating budget is still largely allocated to Whole Municipality. In progress	

Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (IDP) for the development of the municipality which must inform the municipal budget to be mutually credible and reliable

		The system must support budgeting cycles across the MTREF of the municipality	Accountant: Budget & Financial Reporting	Ongoing	In progress	There are still gaps on the Budget Management Module. The requirement is that the balance sheet automatically populates when the posting votenumbers are populated. The municipality is thus not making full use of it yet. Testing and communicating with the Service Provider.	
		The system should enable users with budget and management information to determine funding adequacy of the budget to ensure the budget is funded (MBRR, 2009)	Accountant: Budget & Financial Reporting	Not yet started	Not yet started	The financial system does not currently have functionality to determine if the budget is funded. This is currently checked when running the A Schedules.	
Strategy Formulation	Msoa Regulations	The IDP determines the strategic direction of the Municipality and drives the budget which is implemented in the ERP system.	Manager: Strategic Services	Ongoing	Completed	The process starts with the approval of the annual IDP and Budget Time Schedule during August each year	
		Every project must be classified to reflect its funding source, function, and impact on the municipality's financial position	Manager: AFS, Budget & Financial Reporting	Ongoing	Completed	In the process to develop advanced reports to extract the required information	
		Formulate strategies based on accurate data that is extracted from the ERP system	Directors	Ongoing	Ongoing		
Revenue Generation		Setting Cost-Reflective tariffs and submitting a cost-reflective tariff tool with the budget	Manager: Revenue	Ongoing	Completed	The previous version of the cost-reflective tariff tool was submitted with the budget. The new version must still be populated	26-Mar-26
		Have integrated revenue management process in place (e.g. valuation roll reconciliation in the system, customer care, customer queries history, audit trail, billing etc.)	Manager: Revenue	Ongoing	In process		

			Workshop revenue policies with council and table it as part of the draft budget	Manager: Revenue	Ongoing	Completed	The revenue-related policies are reviewed and workshopped annually. This is then tabled to council with the draft budget during March, after which the public can comment on the policies. The comments are taken into account and the final revenue policies are tabled to council for approval in May each year.	18-Mar-26
			Implementation of a revenue management module to calculate and account monthly for the provision of bad debt	Manager: Revenue	Not yet started	Not yet started	The calculation of bad debt is currently a manual exercise	
			Implementation of a revenue management module to produce monthly invoices to debtor accounts	Manager: Revenue	Ongoing	Completed	Invoices are sent to consumers on a monthly basis	
	Long-term financial forecasting							
			To be scoped during Business process Reviews	Manager: BTO	Ongoing	Ongoing	Currently have a Long-term Financial Planning web-based tool.	
	Financial Accounting							
	Focuses on daily financial transactions	Accounts Receivable	Mscosa Regulations	Implementation of a revenue management module that enables the extraction of a debtor file containing the different debtor classes and discount categories that will ensure correct billing and rebates	Manager: Revenue		Information available on the Solar System	
				Implementation of a revenue management module that enables the extraction of a debtor file containing debtor levies in Mscosa segmentation to the Accounts Receivable	Manager: Revenue		Information available on the Solar System	
				Implementation of a revenue management module that enables the extraction of a debtor file containing the receipt allocation to the Accounts Receivable in the correct Mscosa segments	Manager: Revenue		Information available on the Solar System	
				Implementation of a revenue management module that enables in system month-end and year-end procedures	Manager: Revenue		Done with the billing run with all transactions included for that particular month. The debtors age analysis is generated and submitted as part of the monthly reporting.	
		General Ledger Maintenance						
				Manager: BTO	Ongoing	Ongoing	Part of BCX Solar ERP System	
		Cash Management						

	Bank Reconciliation		Automated receipting of debtor payments and other monies received	Manager: Revenue	Ongoing	Ongoing	The revenue department performs day- and month-end procedures	
			Automated passing of journals for interest and other bank charges	Manager: AFS, Budget & Financial Reporting	Ongoing	Ongoing	Journals are processed manually on a monthly basis	
	Annual Financial Statements Reporting		To be scoped during Business process Reviews				Currently done on in AFS Software tool and based on excel mapping.	
Project Accounting								
Tracks project progress against milestones and financial performance	Project Planning and Budgeting		To be scoped during Business process Reviews				Currently done on excel, in the process of developing a Capital Expenditure Framework.	
	Asset Management and Maintenance		To be scoped during Business process Reviews				Currently done on excel, in the process of developing a Capital Expenditure Framework.	
Treasury and Cash Management								
Managing Cash Flow and Financial Sustainability	Cash Management & Reporting		To be scoped during Business process Reviews				Currently done manually with Office 365	
	Investments & Borrowings		To be scoped during Business process Reviews				Currently done manually with Office 365	
Grant Management								
	Grant Reporting							
	Grant management includes all the activities, processes and procedures to register and reconcile all the grants allowed, received and spent according to the conditions in the Annual Division of Revenue Act.		Maintain a grant register that is linked to the ledger accounts	Manager: Expenditure	Ongoing	Completed	A manual grant register in excel is maintained by the expenditure department	

Tracking Receipt and expenditure of conditional grants							A manual grant register in excel is maintained by the expenditure department. When the conditions of a grant is met, a manual journal is processed to do the revenue recognition.	
			Maintain a grant register that enables reporting in accordance with the Mscoa regulation and internal control	Manager: Expenditure	Ongoing	Completed		
Full Asset Life Cycle Management								
Focuses on the entire lifespan of municipal assets	Asset Register Maintenance							
	Recording, Valuation, Depreciation, Disposal		To be scoped during Business process Reviews				Currently done manually with Office 365	
	Maintenance Management							
	Tracking Preventative and corrective maintenance		To be scoped during Business process Reviews				Currently done manually with Office 365	