



**CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD**

ANNEXURE 42

mSCOA ROAD MAP

2026/27 BUDGET (JUNE 2026)

City of Cape Town - 2026/27 mSCOA Road Map						
Issue No.	Issue/Requirement	Description of requirement/issue	Actions	Status	Responsible Team leader or Section	Completion/implementation date
1	mSCOA aligned detailed Balance Sheet and Cash Flow Planning	The current solution requires an upgrade to improve Balance Sheet and Cash Flow planning with automation.	Enhance balance sheet and cash flow planning to include detailed movement accounting	In progress Consultations with Internal Stakeholders have been occurring. However, there remains system challenges which can only be addressed fully with the implementation of SAP S/4 HANA	Budget, Treasury & ERP	Part of the City's implementation of the new Core Application system Timeframe aligned to SAP S/4/HANA implementation rollout January 2028 – December 2030
2	mSCOA aligned Cash Flow (Schedule C7) - To automate mSCOA aligned Cash Flow reporting using SAP ECC6/BW	Movements in the balance sheet with relevant fund sources must be provided with monthly reporting	Enhance balance sheet transacting to include detailed movements and enrich all six segments	Currently short term manual solution implemented; Progress on long term solution • Automation of this solution requires complex program development and testing	Treasury & ERP	Part of the City's implementation of the new Core Application system Timeframe aligned to SAP S/4/HANA implementation rollout January 2028 – December 2030
		To extract the monthly cash flow reporting requirement for mSCOA from the transactional system	This implementation requires multiple system & code configurations including complex program development	Currently short term manual solution implemented; Progress on long term solution • Automation of this solution requires complex program development and testing	Treasury & ERP	Part of the City's implementation of the new Core Application system Timeframe aligned to SAP S/4/HANA implementation rollout January 2028 – December 2030
3	Implementation of regulated functional requirements stemming from the proposed minimum business processes to be promulgated	The prescribed system functionality requirements set out in these Regulations (to be promulgated) which municipalities and municipal entities are required to comply with, including the minimum controls, validations, integrations, classifications, and process capabilities necessary to ensure that all financial, performance and regulatory information is processed, recorded, safeguarded and reported in accordance with the Municipal Finance Management Act, the Standards of GRAP, the mSCOA classification framework, the Division of Revenue Act and Treasury Norms and Standards. Regulated Requirements constitute mandatory national norms and standards which must be implemented, maintained and adhered to by every municipality and municipal entity	Proposed requirements being reviewed based on current system status and CAR BRTM requirements. Continuous consultations with National Treasury.	Awaiting formal promulgation of the regulation	Budgets	TBC
4	SAP S/4HANA Upgrade	Financial Core system upgrades – SAP S/4HANA implementation	Part of the City's CAR programme	In progress	ERP	SAP S/4/HANA implementation rollout January 2028 – December 2030
5	Establishment of a formal mSCOA Steering Committee	With the new regulations and changing systems landscape, there may be a need to establish a formal mSCOA Steering Committee	Establishment of a formal mSCOA Steering Committee with appropriate terms of reference.	In progress	Budgets & ERP	To be in place by end of 3rd Quarter of 2026/27
6	mSCOA aligned virement reporting	New reporting requirements on virements.	A manual virement reporting solution is currently in place. Investigation into developing an automated solution is underway. The solution is dependent on the configuration requirements and the code freeze on new system developments.	In progress	Budgets & ERP	2027/28 FY