

# SCOA Integrated Consultative Forum 18 and 19 September 2014 (Cape Town)

**eThekweni Municipality**



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

# 1) Piloting Project Plan

## 1.1) High level project plan – Metros

### ➤ Milestones leading up to 1 July 2015

Contained in the Summarised High Level Project Plan (Under Technical)

### ➤ Milestones subsequent to 1 July 2015

Focus will be on 3<sup>rd</sup> Party Systems and the implementation of a fully integrated ERP System

### ➤ Significant amendments and changes to milestones

Will be identified as the project evolves

# 1) Piloting Project Plan....contd

## 1.2) Challenges and inhibiting factors

### ➤ Summary of challenges and inhibiting factors

- Secondment of experienced staff to SCOA Project on full time basis leaves significant gaps in vacated posts, which have to be filled by acting appointments.
- Limited IT resources having JDE skills together with knowledge of business processes.
- Possible resistance from Electricity Executive for transfer to JDE
- Change Management and Training
- Lack of flexibility of certain stand alone IT systems.

### ➤ Proposed remedial measures

- Sourcing appropriate staff from within Council with the necessary experience to act in these posts.
- Engaging additional JDE IT resources from the Company providing JDE support.
- Intervention of City Manager and IT Head together with CFO to resolve.
- Prepare relevant training Material/procedure manuals. Undertake change management process and training.
- Engage with relevant IT Vendors to invest in their systems to make them SCOA compliant

# 1) **Piloting Project Plan** ....contd

## 1.3) **Progress to date; such as:**

- SCOA Project Report submitted to Council
- Presentation made to Strategic Management Team (DCM's Forum)
- Draft Project Plan completed, Final Project Plan will be tabled at Council once technical issues resolved
- Establishment of Technical Team
- Analysing current systems capabilities (GL)
- Discussions continuing with Vendor (Oracle)
- Commencement of comparison of existing COA to SCOA.

# 1) Piloting Project Plan ...contd

<u>SCOA – PROJECT PLAN</u>	2014						2015					
	JULY	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MA	JUN
<b><u>Preliminary</u></b>												
1. Attend Workshop with National Treasury of all Metros and High Capacity Municipalities.	xxx											
2. Undertake assessment of all objectives of the SCOA Regulations	xxx											
<b><u>B. Administrative</u></b>												
1. Establish Steering Committee and identify members . (refer Annexure A).		xxx										
2. Establish Working Group forum and identify members (refer Annexure B).		xxx										
3. Identify members of the Project Team who will Be working full time on projects. (Refer Annexure C)		xxx										
4. Complete necessary HR processes to effect secondment of full time staff.		xxx	xxx									
5. Identify suitable office accommodation to staff working full time on projects and equip with furniture / computers etc.		xxx	xxx									
<b><u>C. Technical</u></b>												
1. Meet with system vendor (Oracle) and apprise Vendor of SCOA requirements and timelines.	xxx											
2. Report to DCM forum on implications of the Project.		xxx										
3. Establish what resources vendor will allocate to the project to provide IT support.		xxx	xxx									
4. Clean up of JDE G/L COA.		xxx	xxx	xxx								
5. Assessment of JDE System and possible constraints.		xxx	xxx	xxx								
6. Undertake Workshops with all D/A staff.			xxx	xxx	xxx							
7. Undertake Workshops with all Line Departments.				xxx	xxx	xxx						
8. Undertake assesment of all stand alone systems integrating with the general Ledger and identify any constraints for tranfers of data at the appropriate level to the G/L			xxx	xxx	xxx							
9. Draw up Project Plan for Electricity Unit to be brought onto JDE.			xxx	xxx								
10. Undertake assessment of Entity General Ledger systems and identify any constraints for tranfer of data at the appropriate level of the General Ledger.				xxx	xxx	xxx						
11. Implement changes to budget process to ensure budget information is submitted in an appropriate format for SCOA compliance.			xxx	xxx								
12. Comparison of National Treasury COA with JDE COA by Line item.			xxx	xxx	xxx							

# 1) Piloting Project Plan ...contd

	2014						2015					
	JULY	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
13. Report to council with detailed Project Plan, Estimated Costs and Challenges.					xxx							
14. Implement changes to JDE to ensure compliance with SCOA requirements.			xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
15. Implement action plan for any changes to stand alone IT systems.				xxx	xxx	xxx	xxx					
16. Implement action plan for Electricity Unit to be brought onto JDE.					xxx	xxx	xxx	xxx	xxx	xxx		
17. Identify changes in business processes and draw up plan for implementation				xxx	xxx	xxx						
18. Draw up plan for Change Management.					xxx	xxx						
19. Implement plan for Change Management and change in business processes.							xxx	xxx	xxx	xxx	xxx	

## 2) Risk Management

### 2.1) High level project plan – Piloting

- General risks and responses in mitigating against the risk covered in previous slides.
- Need for an additional meeting with NT outside SCOA ICF. What is the purpose and objective of the additional engagement.

As the project unfolds, assistance and clarity on issues will be required

## 3) SCOA Elements

### 3.1) SCOA classification framework, segments and project documentation

- Any specific matters identified in setting up SCOA classification framework not raised with NT SCOA Project Team

Will be identified as the project evolves

- What is expected from the NT SCOA Project Team and PT

Clarity and guidance on issues to be raised

## 5) Technical Matters

### 5.1) Municipal accountability cycle – Matters of importance

- Budgeting and In-year reporting framework– Current system compliant with MBRR
- Annual financial statements – Utilising Caseware for formatting and notes

### 5.2) Matters raised with NT SCOA Project Team

- Matters raised with NT SCOA Project Team: Resolved/Unresolved
  - Main items resolved included : Access to data and format  
: Integration with 3<sup>rd</sup> Party Systems

### 5.3) Data / SQL Update

Liaison with vendor still continuing

## 6) Lessons Learnt

**6.1) Vendors are requested to share any valuable lessons learnt with the SCOA ICF as part of the SCOA implementation plan**

Vendor will present at next ICF