

ICT Transformation Project

Executive Summary

This report provides a comprehensive overview of the ICT Transformation Project undertaken by the Borough of Queenscliffe (BoQ). It outlines the rationale for initiating the project, the implementation process, and the outcomes achieved as of July 2025.

The transformation has significantly improved Council's ICT infrastructure, enhanced cybersecurity, streamlined operations, and delivered measurable cost savings and efficiency gains. The collaborative approach with other councils has further amplified the benefits, positioning the Council for continued digital advancement.

Looking back: Prior to 2022

What we had in place

- Collection of disintegrated systems

System	Function	System Host
Technology One Financials	Finance, procurement, accounts payable and payroll system	Council – Server
Ibis Rating Manager	Rating, property, animals, debtors, voters	Council – Server
Confirm CRM	Customer request management	Council – Server
Carelink+	Aged care client management system	Council – Server
Health Manager	Managing premises subject to health regulations	Council – Server
RMS	Booking system for managing caravan park bookings (Without any online services)	Cloud
Telephone System – Avaya Devices	Communication within and outside of Council	Council – Server

- The following critical processes were supported by manual systems, primarily using Microsoft Excel, Microsoft Word or Microsoft Access.
 - Fixed asset accounting including calculation of depreciation
 - Human resources, training and development
 - Planning and building services
 - Local law permits
 - Record management
 - Asset management
 - Tree management
 - Contract management
 - Tender management
 - Project management; and
 - Meeting agenda & minutes management
- Outdated/unsupported systems
 - Lynx (Rates and property system) – Implemented in 1999 and only two councils in Victoria was using the system back in 2022, fast forward to 2025, not a single council
- No Disaster Recovery (DR) site that BoQ can failover if an ICT failure was to occur
- Office 2016 version was being used and no Microsoft 365 in use (Microsoft stops support Office 2016 and Office 2019 in October 2025)
- No in-house ICT expertise, resulting in complete reliance on external service providers for advice and support
- Limited online presence, for example:
 - Planning applications could only be submitted in person or via email
 - Caravan park bookings and payments required a phone call or physical visit

Risk and internal pain points

- Council was not meeting even the basic cybersecurity standards. The legacy infrastructure and systems in use lacked modern security safeguards, significantly increasing the risk of cyber threats and weak system authentication controls.

- Only the system administrator of the Lynx system had the ability to change and reset user passwords (system administrator had visibility of passwords of all users).
- System vulnerability assessment (penetration test) conducted in 2020 resulting in 38 security/control gaps including 2 critical security gaps.
- Council was not meeting PCI (Payment Card Industry) data security standard, for example
 - Council officers were required to take credit card details over the phone for payments such as planning application fees and caravan park bookings.
- Increased risk of system downtime and service disruption;
 - A storm event on 28 October 2021 brought Council operations to a standstill. Except for Council's website, which was hosted in the cloud, all systems hosted on-premises, including the telephone system, were non-operational for the entire day due to a power outage. ([Council services affected by storm damage](#))
- Council continued to incur significant expenses for maintaining unsupported legacy systems.
 - For example, the outdated Lynx system alone cost \$62,000 annually.
- Risk that other agencies may withhold information from Council due to inadequate information security and data protection controls;
 - A compliance audit conducted by VicRoads in 2022, which assessed Council's handling of sensitive data obtained from VicRoads, identified eight key information security gaps.
- Reduced productivity and compromised data accuracy;
 - Reconciling outstanding rates debtor balances was highly time-consuming and difficult to ensure the accuracy of the reconciliation.
- Limited staff mobility and flexibility;
 - Many systems could not be accessed or used effectively off site, which negatively impacted staff morale and operational agility.
- Legal and regulatory compliance risks;

- Manual workarounds in processes such as payroll led to errors, including incorrect superannuation back-pay calculations (since rectified).
- The absence of an Electronic Document and Records Management (EDRM) system compromised data security and record-keeping standards set by the Public Record Office Victoria (PROV).
- Staff experienced varying levels of IT support, with some issues remaining unresolved for extended periods.
- Extremely limited opportunities for online collaboration and working.

Furthermore, the following audit findings highlight the significant level of risk associated with the ICT landscape within which Council was operating.

Review / Test	Period	Number of audit findings				
		Critical	High	Medium	Low	Total
Records Management	May 2018		3	5	1	9
IT Network and Security (including Cyber Security)	Oct 2018			7	2	9
Business Continuity Planning and Disaster Recovery	Nov 2019		3	4		7
System vulnerability assessment (penetration test)	Jan 2020	2	14	14	8	38
Information Protection Agreement Audit – VicRoads (immediate corrective actions required)	2022					8

Cost

The total annual licensing cost for key systems was around \$160,000. Council was also incurring approximately \$50,000 every five years to upgrade its server and firewall infrastructure.

ICT Transformation Project

In October 2020, the Borough of Queenscliffe engaged Votar Partners to develop an ICT Architecture Strategy for the period 2021–2025. The Strategy outlined a comprehensive roadmap to modernise Council’s ICT environment, reduce existing risks, and enable future enhancements as funding allows.

The ICT Transformation Project was established as a direct outcome of this Strategy and comprised three key sub-projects:

- Implementation of Microsoft 365 (M365)
- Implementation of an Electronic Data and Records Management System (EDRMS)
- Replacement of core business systems through the CORE Project

The overarching themes of the ICT Transformation Project were to:

- Modernise BoQ’s ICT environment to enhance operational efficiency and data security (including cyber security).
- Implement cloud-based systems accessible from any device, anywhere.
- Mitigate risks associated with ageing infrastructure and limited business continuity capability.
- Improve business processes to drive internal efficiencies and deliver better customer service outcomes.

How did Council know the proposed Transition Roadmap was the best approach for BoQ?

As part of Council’s due diligence in selecting the most suitable transition pathway for the BoQ, Council proactively sought feedback and insights from other Victorian councils that had recently undertaken similar ICT transformation journeys. This peer engagement process was critical in validating Council’s approach, identifying potential risks, and leveraging lessons learned by others:

- Southern Grampians (SG);
- Northern Grampians (NG);
- West Wimmera (WW);
- Yarriambiak; and
- Pyrenees.

These consultations provided valuable insights into each council's experience with ICT transitions, including what worked well, what challenges were encountered, and what key considerations to keep in mind. Through these discussions, BoQ was able to not only validate the direction of its proposed roadmap but also identify opportunities for collaboration and shared learning. This engagement strengthened our confidence in the selected transition path and allowed us to move forward with a more informed and strategic approach to our ICT transformation project.

Microsoft 365 (M365) Transition

To modernise its computing environment and enhance cybersecurity, Council engaged Logicalis Australia Pty Ltd to develop a transition roadmap for moving from its outdated on-premises systems to the Microsoft 365 (M365) cloud platform. Logicalis worked with Council officers to assess the existing environment and identify a practical and secure path forward. As a result, Council successfully transitioned to M365 in May 2022, marking a significant step toward a more modern, resilient, and cyber-aware operating environment.

Electronic Data and Record Management System (EDRM system)

Building on the M365 platform, Council collaborated with three other councils (SG, NG, and WW) to implement a cloud-based Electronic Data and Records Management System. This solution, built on SharePoint and supported by AvePoint Cloud Governance, aligns with the recordkeeping standards set by the Public Record Office Victoria (PROV). BoQ went live with its new EDRMS in May 2023, ensuring improved data retention, security, and compliance.

Replacement of core business systems

Recognising the need to modernise and integrate its core business systems, Council joined a collaborative project known as CORE – Collaborative Renewal, alongside SG and NG. The goal was to implement a suite of web-based technologies that are user-friendly, compliant, and future-proof. This joint initiative enabled cost-sharing, greater vendor leverage, and collective innovation across the participating councils.

Budget

Council formally endorsed its commitment to the ICT Transformation project at its Ordinary Meeting held on 14 December 2022, approving a Council contribution of \$364,088 as part of the broader tender process. The following details are extracted from the Council report:

Capital Cost	Proposed Budget (\$)	Notes
Exchange online / office 365	143,200	
Core systems (ERP)	362,000	1
Electronic records management system (EDRM)*	100,954	2
Project management system	10,000	
Contract management system	10,000	
ICT Project management / support	80,000	
ProMap (process mapping tool)	32,250	3
DocAssembler (Agenda & minutes mgt system)		4
Others	20,000	
Total	758,404	

Funding	Proposed Budget (\$)
Grant	
Rural Councils Transformation Program (RCTP)	
- EDRM *	100,954
- ERP	250,000
Rural Councils ICT Infrastructure Program	43,362
Total grant	394,315
Council Contribution	364,088
Total	758,404

Notes

1. Building and Planning module was not considered/included in the current budget (implementation cost of \$35,000).
2. \$175,000 RCTP grant is confirmed for the EDRM system. BoQ will explore the possibility of using the balance grant funding for future work of the office 365 project
3. BoQ will contribute to ProMap only for 3 years (considered as a part of the 3-year ICT project not as an ongoing commitment).
4. No implementation cost associated with DocAssembler.
5. Council has not considered an asset management system in above cost estimates.

Fast forward to 2025

- Collection of best-of-breed systems

System	Function	System Host
Microsoft Business Central	Finance, procurement, accounts payable, accounts receivable, and fixed assets	Cloud – vendor hosted
Pay Cat	Payroll	Cloud – vendor hosted
Council Wise	Rating, property, animals, permits, voters	Cloud – vendor hosted
Green light	Building and planning	Cloud – vendor hosted
RMS	Booking system for managing caravan park bookings, including online booking and payment functionalities	Cloud – vendor hosted
ELMO	HR, training and development	Cloud – vendor hosted
Microsoft Teams Calling (Telephone System)	Communication within and outside of Council	Cloud – vendor hosted
Konnect	Tree management system including GIS functionalities (expanding to cover other assets categorise)	Cloud – vendor hosted
Doc Assembler / Doc on Taps	Management of meeting agendas and minutes	Cloud – vendor hosted
Modelve	Asset modelling system (work in progress)	Cloud – vendor hosted
Pozi	Council's main GIS system	Cloud – vendor hosted
eProcure System	Tender management system	Cloud – vendor hosted
Merit	Customer request management	Cloud – vendor hosted, partially on Council – Server
Carelink+	Aged care client management system	Council – Server
Health Manager	Managing premises subject to health regulations	Council – Server

- Only two critical processes are currently managed using manual systems, primarily based in Microsoft Excel:
 - Project management; and
 - Contract management.
- Council utilises the Microsoft 365 cloud-based user interface for broader ICT functions.
- The ICT function is supported by 1.8 FTE in-house resources.

Cost

As of 30 June 2025, Council has spent \$543,008 on the ICT Transformation Project, of which \$355,018 (65%) has been funded through external grant funding.

Of the \$364,088 originally allocated as Council's contribution to the project, \$187,990 has been spent to date (for context, Council spent \$153,000 in 2016–17 to implement its previous on-premises finance and payroll system alone). From the remaining balance of \$176,098, Council expects to spend approximately \$25,000 on final works related to the implementation of a bespoke asset management system. As a result of efficiencies achieved through joint procurement and shared project management of core system implementation, it is anticipated that around \$150,000 of Council's initial contribution will remain unspent (savings).

In addition to the \$355,018 in grant funding already used, Council is currently holding an unspent grant balance of \$99,600 related to the EDRM project. Discussions are underway with the Department of Government Services regarding the potential use of part of this funding for other associated components of the EDRM implementation, such as the rollout of Microsoft 365. Furthermore, councils involved in the joint EDRM implementation are exploring options to utilise a portion of the remaining grant funds for ICT security enhancements.

As anticipated, there has been an anticipated increase in the annual licencing expenses. Currently, Council has spent approximately \$265,000 annually for the above key systems including Microsoft365.

Value additions

- Council is on track to deliver total savings of 3.1 FTEs by the end of 2025–26, as a result of process improvements stemming from the ICT Transformation Project.

These savings equate to a minimum of \$230,000 in ongoing annual cost reductions.

- Council has already recouped its financial contribution to the project through realised efficiency gains. The current level of ongoing savings is sufficient to fully offset the additional annual licensing costs, while still delivering a net efficiency benefit.
- The ICT Transformation has facilitated the implementation of vendor-hosted systems to manage several key functions that were previously handled through manual processes. This transition has enhanced data security, business continuity, customer experience, and operational efficiency. These systems support:
 - Fixed asset accounting, including depreciation calculations
 - Human resources, training, and development
 - Planning and building services
 - Local law permits
 - Records management
 - Asset and tree management
 - Meeting agenda and minutes management
- Council now complies with Payment Card Industry (PCI) Data Security Standards.
- The risk of system downtime and service disruption is very low, as all key systems are hosted in certified Tier 2 (or higher) data centres, with an expected uptime of 99.741%.
- The transformation has significantly improved mobility and flexibility, enabling staff to access systems and receive calls from any location with internet access, even in scenarios where the Council office is inaccessible.
- There are greater opportunities for online collaboration and remote work, reducing travel costs while boosting productivity, efficiency, and staff satisfaction.
- Customer experience has improved through enhanced online service capabilities, some examples:
 - Online submission of planning and building applications
 - Secure online payment options
 - Online bookings for the Tourist Park

- External agencies are confident in Council's data security and information protection measures. For example, a 2025 VicRoads compliance audit found no gaps in the way Council manages sensitive VicRoads data.
- Legal and regulatory compliance has improved, with:
 - Virtually no manual workarounds in payroll and superannuation processing.
 - A records management system that complies with the Public Record Office Victoria (PROV) standards.
- A portion of the efficiency savings has been reinvested to upskill internal staff with prior ICT backgrounds, reducing reliance on external contractors and building internal capability.
- Cybersecurity standards have been significantly strengthened, and Council has made measurable progress in addressing process and control gaps identified in previous audits.
 - Only 4 control gaps identified in 2024 System vulnerability assessment (penetration test) compared to 38 in 2022 which included 2 critical vulnerabilities.
 - Council reported the following maturity levels (as at August 2024) based on the Australian Cyber Security Centre's Essential Eight Maturity Model. Organisations of Council's size are not required to meet all maturity levels; however, a minimum baseline is recommended.)
 - Level 1 – 58.3%
 - Level 2 – 29%
 - Level 3 – 28%

The results of recent audits, combined with the successful resolution of previous findings, highlight the significant progress Council has made in strengthening its ICT landscape since the commencement of the ICT Transformation Project.

Review / Test	Period	Number of audit findings				
		Critical	High	Medium	Low	Total
System vulnerability assessment (penetration test)	Jan 2024		1	2	1	4
Information Protection Agreement Audit – VicRoads (immediate corrective actions)	Oct 2024					2

Review / Test	Period	Number of audit findings				
		Critical	High	Medium	Low	Total
required)						

Review / Test	Period	Number of outstanding audit findings				
		Critical	High	Medium	Low	Total
Records Management	May 2018					0
IT Network and Security (including Cyber Security)	Oct 2018					0
Business Continuity Planning and Disaster Recovery	Nov 2019					0
System vulnerability assessment (penetration test)	Jan 2024			1	1	2
Information Protection Agreement Audit – VicRoads (immediate corrective actions required)	Oct 2024					1

Conclusion

In 2022, the Council was significantly behind in establishing an appropriate ICT landscape, considering the evolving opportunities and risks associated with technological advancements and developments in the cyber landscape.

The Council had no choice but to invest in modernising its ICT infrastructure. Without this investment, only luck would have prevented a serious data breach. Additionally, other organisations would have refused to share data with the Council due to the lack of accepted data protection protocols.

The opportunity to collaborate with three other like-minded councils on the ICT transformation project provided immense benefits. These included cost-sharing, greater vendor leverage, and collective innovation across the participating councils. This collaboration significantly reduced the project's risk.

The net efficiency gains have already repaid the Council's investment in the project, and there have been significant qualitative improvements to Council processes as a result.