

## THE LOCAL GOVERNMENT ACT 2020 AND TECHNOLOGY STRATEGY

---

### **Background**

2020 is likely to be a pivotal year for technology strategy within the Victorian Local Government sector. The sudden shock of the COVID-19 crisis coincides with the implementation of new planning requirements in the Local Government Act 2020. This paper sets out our understanding of the impact on technology strategies, digital approaches and ICT teams - highlighting the need to move quickly.

### **Our understanding of the Act**

The Local Government Act 2020 sets out a new, principle based<sup>1</sup> planning framework for Councils. Being principles based, the framework is not prescriptive and allows autonomous decision making. The requirement is, however, more comprehensive than the 1989 Act.

Overall, the new Local Government Act 2020 is designed to “...revitalise local democracy, boost council innovation and efficiency and establish a clear, simple and accessible Act.”<sup>2</sup>

### **Timings**

Implementation of the Act is staged and LGAs have until 31 October 2021 to complete their Council and Financial plans.

While this allows time to prepare the supporting plans needed for input to the overarching Council Plan, the timeline has been made significantly more challenging by COVID-19.

### **Impact on Technology planning**

Councils must have considered and made plans for many *contributory elements* before an overall plan can be prepared.

- Council infrastructure increasingly depends on integrated technology solutions, which are central to the ICT Strategy.
- Strategic decisions about whether to host core applications on-site or in the Cloud will significantly affect the asset profile and both capital and operational expenditure.
- Changes to staff and office arrangements will require ongoing technology support, which in turn affects future staffing numbers and skill profiles.
- System decisions and information frameworks underpin reporting and data management so will be affected by the technology strategy.
- Emerging digital technologies will affect the shape and cost of both service delivery and back office functions.

In addition, the COVID-19 crisis has fast-tracked the implementation of some technology solutions, without there being an opportunity to evaluate and assess the long-term implications.

---

<sup>1</sup> The 2020 Act specifies Strategic Planning Principles (s. 89) along with principles and timelines for the Council Plan, Financial Plan and Asset Plan (s. 90-92).

<sup>2</sup> <https://www.localgovernment.vic.gov.au/our-programs/local-government-act-2020>

The strategy for technology will therefore affect and be affected by plans for all business areas.

Councils will need to develop an ICT strategy or update the existing one in preparation for the development of the overarching Council and Financial plans, while business areas will need it to prepare their own contributory plans.

### ***The underlying risk***

At a time when technology teams have significant unplanned and unbudgeted tasks to support remote working, finding time and resource to undertake strategic planning will be extremely difficult. Smart approaches will be needed to ensure that the Council plans signed off by 2021 are not jeopardised by a lack of technology planning.

### ***Conclusions***

We draw four conclusions from this:

1. A technology strategy must underpin the overall Council strategy.
2. ICT must be involved throughout the Council planning activities.
3. The technology strategy must be produced either in parallel with other contributory plans, or prior to their preparation.
4. To meet the deadlines in the Act, strategic planning for technology should be starting soon.

### ***About the authors:***

*Robert Eames is a management scientist with four decades of experience in senior corporate management and strategic consulting. He has developed business and ICT strategies across public, private and not-for-profit sectors.*

*Wendy Geraghty is a business reform specialist grounded in technology, and has both an MBA and a Masters in Information Systems Management (MISM). She also has broad experience as a manager of complex business environments and in consulting in a variety of sectors. Wendy specialises in strategy development, organisational change, process reform, and information systems management.*

© Fivenines Consulting Pty Ltd 2020