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Local Government Digital Transformation

A Practical Guide to Value Realisation

What's Inside

Local government leaders have never been under more pressure to demonstrate the value of every dollar invested and the impact it has on productivity and efficiency.

Foreword

"Every council invests in technology. Far fewer can clearly demonstrate the value it delivers. This report provides a practical framework to help council leaders measure, communicate, and continuously realise value from their digital transformation investments."

Rate capping, growing community expectations, and tightening budgets have made accountability non-negotiable.

Yet a consistent problem remains. Councils invest significantly in digital transformation programs, then struggle to measure and communicate what they actually get for it. The business case is written, the system or phases go live, and the project team moves on, but the question of value goes unanswered.

This is exactly the problem we set out to address in this report.

Authored by Dr Joe Sweeney of Intelligent Business Research Services (IBRS), ***Local Government Digital Transformation: A Practical Guide to Value*** draws on in-depth council case studies and independent research to offer something genuinely practical: a framework councils can use to track, communicate, and continue extracting value from their ERP investment well beyond go-live.

The findings are illuminating, but not unexpected. The councils that show the greatest return are the ones that take ownership of outcomes internally, redesign their processes around the new environment, and build continuous improvement into their day-to-day operations.

The proof is in the results. Clarence Valley Council, for example, completed 12 months of bridge maintenance works in just six months after implementing Enterprise Asset Management – not by working harder, but by working with better information.

I hope this report serves as a useful resource for you and your fellow council leaders at every stage of your digital transformation journey.

Ben Malpass
EXECUTIVE VICE PRESIDENT
LOCAL GOVERNMENT
TechnologyOne

Introduction

This is a practical guide to value realisation for local government digital transformation. Across Australia and New Zealand, councils are modernising core systems, streamlining operations, and improving service delivery.

Yet many struggle to demonstrate the full value of these investments to executives and the communities they serve.

This report bridges that gap, providing a systematic, yet practical approach for getting the most value from technology investments.

Value realisation is a continuous discipline that begins before the first module goes live and persists long after the project team disbands.

This report provides a practical, evidence-based approach: *the Local Government Continuous Digital Transformation (CDT) Framework*, developed by IBRS through engagement with several councils well into their digital transformation processes.

It offers a pragmatic, iterative approach designed for the reality of resource-constrained, politically complex local government organisations.

At a Glance: What Councils Have Achieved

Real councils, using the practices described in this guide, have delivered significant, measurable outcomes:

- Month-end financial close reduced from 22 weeks to 2 weeks
- Certificate turnaround improved by 6 days; bill payment processing reduced by 30%
- Field workforce digitally enabled: absorbed 3 years of population growth with zero additional hires
- Annual technology BAU costs dropped from $2 million to $500,000
- Development approvals processed 47% faster
- Digital public forms saved an estimated 75,000 community hours annually
- Call centre volumes reduced by 12% to 50% through integrated citizen portals

These outcomes did not happen by accident. They were the result of structured, continuous value realisation practices. This guide shows how to replicate them.

The core insight is this: technology delivers no value by itself. Value is realised only through workflow redesign, cross-functional coordination with specific responsibilities over outcomes and continued improvement practices.

To get new value from digital transformations, organisations must first activate all three of the above. Failure to do so may be due to: staff resistance; inability to identify the processes that will return the greatest positive change; misunderstanding of structure; capacity limits; or putting the technology project before the business benefits and change efforts. The CDT Framework directly addresses these critical issues in a reliable, systematic and practical manner.

"The inclusion of AI into core business solutions only expands the opportunities and challenges. It can be viewed as a force multiplier. Councils that have a robust approach to workflow redesign know exactly where and where not to insert AI-powered automations. Councils that have approaches to achieve 'straight through' processes and collaboration can apply AI strategically to service delivery and workplace practices. And councils that are continually innovating in small ways will find more uses for AI. Likewise, councils that lack maturity in any of the above will find AI can actually be a complication. In short, AI needs maturity in value realisation. Local government organisations that can develop strategic value maturity accelerate with AI."

This report is based on deep engagement with a number of councils with interviews across all departments, and additional research and interviews with other councils' ICT executives, drawing on practical council experiences and industry observations, and is structured around a single focus: ongoing value realisation.

If the promised value is not materialised, there is a perceived value gap. This is the systemic inability to measure and communicate the realised benefits of digital transformation efforts, often involving major upgrades to core technology platforms. Everything that follows is designed to close that loop.

Key Findings and Recommendations

The CDT Framework is supported by a consolidated set of practical tools, available as a master workbook with clear guidance on when and how to use each artefact. These are available as downloadable resources alongside this report.

1

Own your strategy & business case

Write internally for local context.
Councils out-perform with local insight.

Own your strategy and business case. Councils whose digital transformation strategies and initial business cases were written internally, by people who understand the specific political and financial context of that council, consistently outperformed those that relied on external parties unfamiliar with the council's specific context.

2

Keep initial business case light

Broad strategy, not upfront spreadsheets.
Introduce specifics iteratively.

Keep the initial business case deliberately light. Start with broad aspirational benefits tied to the council's strategy. Introduce specificity iteratively, in line with each phase of the transformation effort. It is not in a single, fictitious upfront spreadsheet.

3

Assign formal benefit owners from business

Operational managers accountable
for gains. IT is the vehicle.

Assign formal benefit owners from the business, not from IT. Operational managers must be accountable for cycle-time reductions, productivity gains, and service improvements. IT is the vehicle, not the destination.

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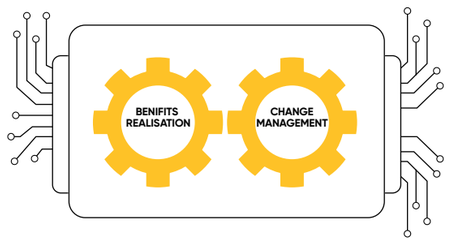

Merge benefits realisation with change management

Designed around benefits, not software schedules. Integrated disciplines.

Merge benefits realisation with change management. These are not separate disciplines. Change programs should be designed around the specific benefits the council is chasing in each phase, not around the software release schedule.

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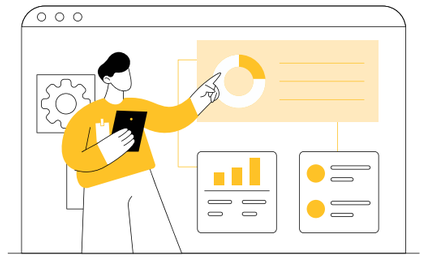
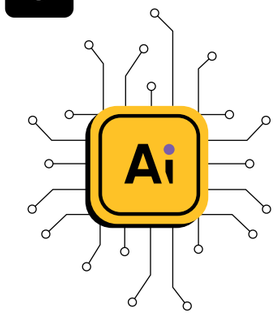


Design for business as usual from day one

Continuous operational cadence.
Go-live is the beginning.

Design for business as usual from day one. Go-live is not the finish line. Councils that treat go-live as the beginning and design a continuous operational cadence for benefits tracking extract significantly more value than those that disband the project team and revert to break-fix IT support.

6



Position AI as value accelerator

Leverage embedded AI in SaaS.
Not a separate procurement item.

Position AI as a value accelerator, not a procurement item. The SaaS platforms councils are investing in are rapidly embedding AI capabilities – intelligent document processing, anomaly detection, predictive maintenance alerts – as part of their standard update cycle. Councils should leverage these capabilities as they arrive rather than building bespoke AI implementations.

Observations From the Field

Local Government and the Value Gap

The case studies consistently showed that when it comes to extracting value from core technology investments, many are unable to consistently measure and communicate the value realised after implementation.

They may be getting value, but identifying, measuring and using data to drive digital transformation efforts is lacking. IBRS calls this the value gap. It is the problem that turns successful transformations into politically fraught, sometimes trust-destroying exercises.

"The original benefits of the project were lost in the first implementation. Success metrics quickly shifted to delivering on time and on budget. Benefit realisation became secondary."

01

The value gap is not caused by a lack of ambition or skills.

The councils in this study were all genuinely committed to extracting value from their digital transformation investments. The value gap is caused by structural failures that recur with striking consistency across the sector:

- Value tracking is abandoned when project pressure mounts. In all but one of the case studies, formal value realisation activities that were explicitly planned at the start of the program had ceased by the time the first phase of platform delivery reached go-live. Technical implementation pressure systematically crowds out the benefits of work.
- Dedicated resourcing is treated as optional. Value (and benefits) realisation is typically bolted onto an already-stretched project team or business improvement group. When those resources are pulled to address delivery issues, value and benefits tracking disappears.
- The business case does not survive contact with reality. Upfront value projections are almost invariably too ambitious. When the projected savings do not materialise on schedule, executives lose confidence in the framework rather than adapting it.
- Measurement stops at go-live. Even councils that run reasonable benefits management programs and measure the value gains during implementation rarely have a mechanism in place to continue tracking value after the project team disbands.
- Executive turnover breaks continuity. Changes in CEO, CFO, or CIO mid-program routinely reset benefits priorities, and thus fragment the ability to measure the value gained. Without formal governance documents that survive leadership changes, the entire benefits program is vulnerable, and value realisation next to impossible.

The frameworks, principles, and tools in this report are designed specifically to address each of these patterns.

What Closing the Value Gap Looks Like

IBRS extracted concrete, achievable metrics from councils that embedded a structured approach to value realisation. While councils rarely tracked value consistently, there are highlights that are worth noting as they provide insights as to what can be measured and how.

Operational Efficiency and Labour Productivity

- The month-end financial closing process in a Victorian council's project management area was reduced from 22 weeks to just 2 weeks. The platform's error-catching capabilities at the point of submission eliminated the costly cycle of identifying, communicating, and correcting incorrect invoicing entries — a process that had previously consumed 6 to 10 times the effort of processing a correct entry.
- One council consolidated six disparate legacy asset management systems into a single source of truth, enabling 70 field staff to complete approximately 10 jobs per day without returning to the depot. The mobile Field App replaced manual timesheets entirely. This was not a technology deployment. It was an operating model change.
- A council in New South Wales achieved a 6-day improvement in certificate turnaround times and a 30% reduction in bill payment processing times after deploying a modern SaaS platform.
- One council in West Australia digitally enabled its entire field workforce with tablets integrated into the core system, absorbing three years of population growth and increased workload without hiring a single additional staff member.

Lessons: These operational efficiency results are impressive. However, they did not emerge solely from software configuration. The councils had assigned formal benefit owners from the business who were accountable for cycle-time reductions and productivity gains - in effect, the value realisation. The New South Wales council established a formal program team with a dedicated program manager and governance control group to oversee its migration, treating the effort as a digital transformation rather than an IT project. In another example, a New Zealand council adopted a "digital by default" principle, embedding digital processes as the starting point and using system-driven validation to automatically enforce compliance.

Operational efficiency gains require workflow redesign that standardises processes to fit the platform, rather than bending the platform to legacy behaviour. Councils that pursued heavy customisation or allowed business units to adapt the platform to existing spreadsheets and paper trails saw these benefits stall.

Put simply: the platform is the vehicle. The journey changes behaviour. The destination is new value.

Financial Optimisation and Total Cost of Ownership Wins

- Migrating from fragmented legacy applications to a unified SaaS platform delivers measurable Total Cost of Ownership savings over a ten-year horizon: 8.5% for large councils and 13.3% for small to mid-sized councils (National Economic Impact of SaaS, 2021).
- One organisation dropped its annual technology BAU costs from AUD$2 million to AUD$500,000 following migration, though this figure included the consolidation of numerous legacy applications and the closure of an on-premise data centre.
- A Queensland council that de-amalgamated from a larger regional council had four months to stand up new systems with zero IT infrastructure and zero IT staff. It chose a preconfigured solution, reducing implementation time from the typical 12 to 18 months to 4 months. The initial investment was approximately AUD$1.2 million in licensing and services, with roughly AUD$1 million per annum in ongoing costs.
- A New Zealand council that was the first in its jurisdiction to move to SaaS in 2017 saw a 38% reduction in total cost of ownership and achieved a 22% return on investment within four years.
- One South Australian council saved the equivalent of two full-time employees by moving to SaaS, redirecting those resources into customer-facing digital service delivery rather than infrastructure maintenance.

Lessons: Councils must acknowledge what this report terms the maturity paradox: if a council has been sweating its assets by running legacy systems without proper maintenance, the new SaaS subscription will appear as a significant cost increase on paper. Reframing this issue is essential. The council is not buying software. It is buying outsourced risk, automated security, and continuous innovation.

Technology Simplification and Technical Debt Elimination

- A Victorian council replaced all legacy billing, revenue, asset management, and payroll systems with a unified SaaS platform. The result was a single source of truth, which enabled a subsequent digital experience platform rollout in three months, giving residents a unified self-service portal and consolidating knowledge that had previously been scattered across websites, SharePoint, and records systems.
- A Queensland council replaced a custom-built Power Automate and Azure API integration with a native, vendor-supported content management connector. The new solution automates document movement without coding, is scalable, and requires no ongoing IT maintenance. Project and engineering staff reclaimed 5 to 10 hours per week, while IT staff reclaimed 2 to 5 hours per week from support tickets.
- A South Australian council migrated 30 years of ratepayer details, property addresses, and valuations from a legacy authority rating system to a modern platform over a single weekend cutover. According to the team responsible, "The old systems were turned off on Friday, migration work was completed over the weekend, and the new platform was online by Monday morning."

Lessons: The platform simplification benefit is the permanent elimination of technical debt. When combined with the platform principle of the CDT, it enabled councils to begin incrementally and continuously extracting value from the technology. In contrast, councils that customised heavily or integrated every legacy system simultaneously created catastrophic bottlenecks.

Risk, Compliance and Governance Excellence

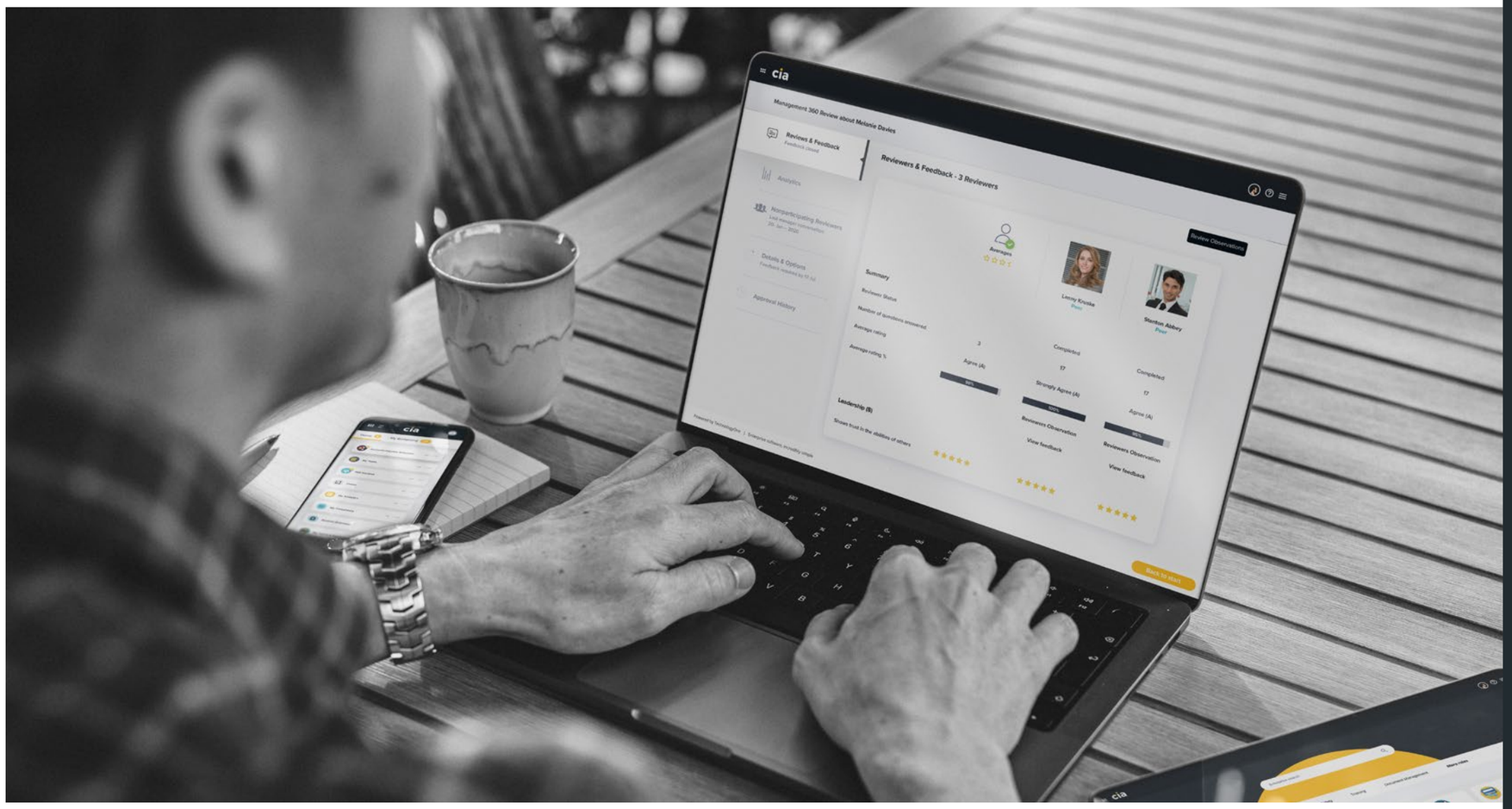
- A New Zealand council that automated its finance processes introduced system-level checks that previously relied on staff intervention, ensuring that tax details, coding, and regulatory requirements were automatically met. This reduced compliance risk while freeing staff for higher-value work. Over 12 months, 85% of invoices were processed without any finance team intervention, and 95% were automatically matched to purchase orders.
- A New South Wales council established its content management system as the system of record, improving transparency across procurement and development applications. Targeted training and workshops supported staff adoption, and the records team shifted from manual processing to quality control and compliance oversight, strengthening adherence to the NSW State Records Act.
- A New Zealand regional council implemented enterprise asset management and supply chain management after a false start with another vendor. It achieved consistent asset data across all business units, breaking down silos. Field staff now use a mobile app to create defects, log assets, and track time in real time, eliminating double-handling. A proactive change management strategy — user groups, town halls, hands-on training — ensured adoption. The council moved from reactive to proactive maintenance.

Lessons: Risk and compliance gains are soft benefits measured through proxies: reduced audit findings, improved statutory reporting accuracy, and resolved compliance deficiencies. In these cases, value may not be presented as fiscal information, but other gains. But these gains are still value, and as digital transformation efforts evolve, increasingly valuable.

Capability Uplift and Data Quality

- A New South Wales council that digitised its payroll and accounts payable gained real-time visibility into operational costs. Managers now have a real-time view of hours spent against work performed, making it easy to accurately allocate costs. The council estimates that moving from paper-based to electronic timesheets alone saves approximately 12 tonnes of paper and the cost and environmental impact, annually.
- A New Zealand regional council achieved consistent asset data and processes across all business units, enabling management to shift from a reactive to a proactive planning approach.
- A West Australian council that deployed a digital experience platform captures 97% of emails and 100% of phone calls in the system automatically, giving teams a complete view of service activity. Staff access a single source of truth through a unified knowledge base, and real-time dashboards provide visibility into service trends that were previously invisible.

Lessons: The capability domain is often underestimated. The data quality improvements, reporting capabilities, and analytical foundations that a well-executed SaaS platform establishes are the direct preconditions for process improvements, data-driven decisions, and AI-enablement.



Customer and Community Value

- A Victorian council reduced request call misrouting from 27% to 4%, not because the software was superior, but because the council invested in voice-of-customer research before deployment and redesigned service workflows accordingly.
- Digitising public forms for common requests, such as bin pickups, licence requests, and permits, saved one large city council an estimated 75,000 community hours annually.
- General development approvals were processed 47% faster in one council following the deployment of automated digital workflows and document quality screening.
- A West Australian council that achieved an 87,000+ guest user base and 1,800 registered users on its digital platform did so by integrating the new channel with its existing customer service knowledge base and back-end systems. Staff gained real-time dashboards and a single source of truth for service data. The council emphasised co-design, testing the platform in a controlled environment before go-live and embedding feedback loops after every interaction.
- A North Island New Zealand council, already recognised for digital innovation, moved from a council-led to a customer-led conversation by adopting a digital experience platform that let residents see their relationship with the council "through their own eyes". Customer service teams now access integrated property and rating data alongside the knowledge base. Managers approve tasks on mobile devices rather than waiting to log in at their desks.
- A Queensland council that implemented a knowledge base and customer service portal established a single source of truth for staff and residents. Staff found the system intuitive with minimal training. The next phase will extend AI-powered search and quick links to external residents.

Lessons: These citizen-facing benefits are the most politically valuable outcomes a council can demonstrate. Yet they are also the most fragile. Improving customer experience requires understanding customer pain points before selecting technology. Technology is the enabler. Customer research, phased implementation aligned with maturity, and change management initiated before go-live delivered the outcomes. This is fully explored in the Australian Digital Citizens Report 2025.

Australian Digital Citizens Report 2025

AI as a Value Accelerator

A growing set of AI-powered capabilities are now arriving as standard features within SaaS platforms. These include intelligent document processing, anomaly detection in financial transactions, predictive maintenance alerts, and automated compliance monitoring. Unlike bespoke AI implementations, these features require no separate procurement. They arrive as part of the vendor's standard update cycle. Councils that have established clean, standardised data foundations through their transformation are positioned to extract immediate value from these capabilities as they are released.

One Queensland council is already using AI-powered searching within its knowledge base, reshaping how staff collate, centralise, and share information across a geographically separated organisation.

The inclusion of AI into ERP solutions only expands the opportunities and challenges. It can be viewed as a force multiplier. Councils that have a robust approach to workflow redesign know exactly where and where not to insert AI-powered automations. Councils that have approaches to achieve "straight through" processes and collaboration can apply AI strategically to service delivery and workplace practices. And councils that are continually innovating in small ways will find more uses for AI.

A Caution on Metrics

Data has no inherent value unless you build upon it. The metrics in these examples are achievable. They come from real councils in real programs. But they do not happen by accident. They require an organisation to abandon the fiction of the static business case and embed a continuous operational habit of measurement and adaptation. Only measure what you can and want to change. Anything else is administrative overhead.

In all but one of the case studies underpinning this research, formal value realisation activities that were explicitly planned at the start of the program had ceased by the time the first phase of platform delivery reached go-live. Technical implementation pressure systematically crowds out the benefits of work. Councils that treated go-live as the finish line saw their benefits evaporate.

The Digital Transformation Journey

A Case Study

IBRS conducted a detailed analysis of a council's digital transformation journey, including discussions with all department leaders and analysis of how they looked to identify new value from their technology investment.

The council had undertaken a service-led transformation following a significant setback with a prior global platform. The original implementation was driven by a detailed business case that projected specific staffing savings. The expected value realisation was, literally, staff reduction. However, the platform failed to deliver the promised functionality, workarounds required new positions rather than eliminating existing ones, and the program was unable to show the (dubious, in hindsight) value in terms of staffing and efficiency. The program was terminated.

The council restarted the program with a deliberately light initial business case, selected a specialist local government platform, and focused its benefit strategy on customer experience and service quality rather than headcount reduction. Benefits at launch were intentionally aspirational and the expected value to be returned was nebulous. The council prioritised program stability and stakeholder trust over detailed upfront projections, deferring specificity until modules were close to deployment.

Early in the delivery of the new platform, the council determined that customer experience and service quality, would be the key value proposition sought. A change management role was established. However, no person was directly responsible for benefits mapping or the resulting value realisation, which meant that the ability to clearly identify the value from the initial deployment was limited. This in turn had a knock-on impact to the change management effort, since there was limited clarity on what customer experience and service quality actually entailed.

The council knew where it wanted to be. But it did not have the map to get there.

The council saw this weakness and quickly addressed the resourcing for benefits management. The result was a quick 'back-filling' of the value gap. The result of this starting aspirationally then refining the benefits being sought - the specific value - was not a precursor to failure.

The council was eventually able to demonstrate significant improvement. Customer request misrouting was reduced from 27% to 4%. A 24-hour acknowledgment standard was established for all customer requests. An integrated digital request tool was deployed.

Rather than beginning with a technology-led solution during the early phase of their platform reimplementation, the council invested in understanding customer pain points. They explored what was causing the highest volume of complaints, not just the highest volume of contacts. This voice-of-customer approach shaped the entire service redesign, supported by the new platform.

Staff whose roles were affected by service automation were redeployed into forward-facing, higher-value functions, further elevating citizen service experiences. Crucially, the call centre did not pursue a "digital or nothing" strategy. Remaining calls were recognised as emotionally complex interactions requiring human skill and empathy, and the centre was staffed accordingly.

The lesson is not that the platform delivered these outcomes. The lesson is that customer research, phased implementation aligned with the council's maturity, and change management initiated before the technology was deployed delivered these outcomes. The council was able to define the benefits they were seeking and value they hoped to achieve (and measure) early in the phased implementation. The technology was the enabler.

The above pattern was also seen in other, less admittedly detailed, case studies. Digital transformation efforts that are based on core system platform uplifts tend to have aspirational values set early on, only refining these to specific benefits with clear value targets during the implementation of the platform.

From the existence of this pattern, IBRS determined that 'front-loaded' benefits planning and firm statements of value when implementing new core platforms is simply not workable in the real, resource-constrained, world of local government. And that's okay.

What matters in terms of successful benefits management and the resulting value realisation is how well the council can incrementally and continually define the benefits it is seeking to achieve at every phase of the platform deployment, the value it hopes to gain from addressing those benefits, and then aligning this with change management activities. It is this process, and the resourcing thereof, that drives new value. And it is the speed and focus of this process that determines overall success. Furthermore, when the platform is fully implemented, this benefits identification, change management and the value extraction process continues, because digital transformation opportunities never cease.

"Change management should begin well before the program of work starts to help inform the necessary benefits. When you get that right, customer improvements and business efficiencies go hand in hand."

Key Lessons

Change Management and Governance

Councils Must Own Change Management

The most common structural mistake in local government digital transformation programs is treating organisational change as a vendor deliverable. Implementation partners bring deep expertise in technical delivery — data structures, product configuration, integration architecture, and migration. Cultural transformation, however, must be owned by the council.

In the primary case study, this assumption played out in a particularly instructive way. The implementation partner had deep technical expertise in the platform and delivered the software configuration with genuine competence. But when the council's internal change management resources were reallocated to address a delivery issue, the change program effectively ceased and the partner was neither equipped nor contracted to fill the gap.

The lesson is direct: technical delivery and cultural transformation are separate disciplines requiring separate ownership. The implementation partner owns the former. The council must own the latter.

Benefits, Value Realisation and Change Management Must Merge

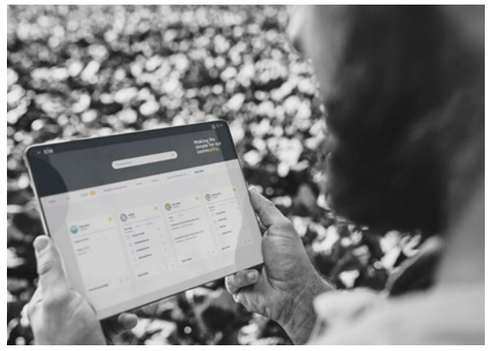
A central insight about change management from the case study (and additional council interviews) is that change programs must be designed around the specific benefits the council is chasing in each phase, not around the software release schedule.

Traditional change management in transformation programs is designed around the software: "The payroll module goes live in March, so we run payroll training in February."

"We have committed to a 20% reduction in payroll processing time by June. The change program for the period February to June is designed entirely around achieving that specific outcome."

The lessons from this are:

- Training must be targeted at the specific process changes required to achieve the committed benefit, not a general overview of the new system's features.
- The change management effort is concentrated on the processes where the highest-impact benefits have been identified, not distributed uniformly across all affected staff.
- The change timeline is determined by when the benefit can be realistically achieved, not by when the software is delivered.
- Benefits tracking, value realisation and change management reporting are the same report, presented to the same executive audience at the same cadence.
- When benefits, value realisations and change management become one discipline, the benefits register becomes the change management plan. This is the most significant structural shift the CDT Framework introduces.



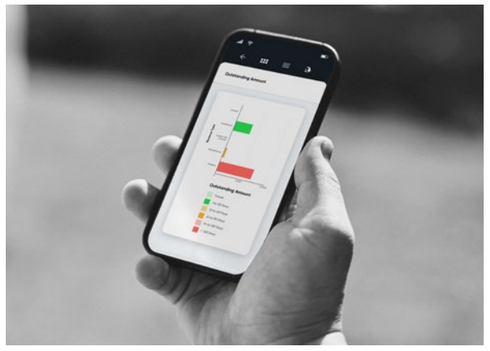
Independent Quality Assurance

Abandoning rigid, upfront promises in favour of an iterative model will make some executives uncomfortable, particularly those who have lived through expensive, troubled IT implementations. Independent Quality Assurance (QA) is the mechanism for managing this anxiety productively.

Better practices require engaging a third-party QA partner to conduct transparent reviews at major project milestones. Include a budget for these reviews in the initial business case. They are most effective when they are part of the planned governance structure, not a crisis response.

The value of independent QA is not in the QA report itself. It is in the objectivity it provides. An independent assessment that lays bare early mistakes alongside the team's subsequent learning and adaptation bypasses internal politics and provides the board with a credible, unvarnished account of program progress. Transparency builds trust. Trust sustains programs through the inevitable difficult periods.

"It kind of lays bare our mistakes early in the program. It's a very honest, independent assessment, and it kind of shows how we have, over time, improved. I think that independence really holds a lot of weight."



Governing Through Executive Turnover

Executive turnover during multi-year transformation programs is not an edge case. It is a near-certainty. CEOs, CFOs, CIOs, and program sponsors change. Elected councils change. Each transition carries the risk of resetting the benefits rationale, reprioritising the program, or simply losing the institutional knowledge about why specific decisions were made.

The challenge is governance documentation that is designed to survive leadership transitions:

- The benefits and value target register as a governance document. The register must be formally approved at the executive level, reviewed at each steering committee meeting, and maintained as a living record that any incoming leader can pick up and understand. It must explain not just what benefits are being tracked, but why.
- Formal onboarding for incoming executives. Every new CIO, CFO, CEO, or program sponsor should receive a structured onboarding brief that covers the transformation program's current status, the benefits register, the change management plan, and the decisions made to date and their rationale. This is the responsibility of the program management office, not of the departing executive.
- Continuity of the CDT cadence. The biannual benefits review is a structured check-in between the PMO or Business Improvement Team and operational managers. It must be scheduled as a standing governance commitment, not as an optional meeting that can be cancelled when the executive calendar is full. When this cadence survives leadership transitions, the benefits program survives.

Introducing the CDT Framework

Established benefits realisation frameworks, such as the PMI Benefits Realisation Management framework or the UK Government's Managing Successful Programmes methodology, offer highly structured approaches to mapping strategic intent to operational outcomes.

Unfortunately, in the context of local government and modern SaaS platforms, these frameworks break down.

Councils are not corporate entities. When external advisers attempt to compress complex local government operations into rigid benefits frameworks, the inevitable result is an expectation gap, followed by a technically focused implementation in which delivery pressure steam-rolls benefits activities out of existence.

02

This is not a hypothesis.

This is what happened in many of the case studies that informed this research. It is also supported by IBRS's previous research into core systems deployments (Time to Value, 2026).

What is needed is a new, practical approach to benefits management and value extraction.
One that matches the realities of local government's constraints in terms of time, budget, skills, governance and citizen expectations.

To this end, we developed a new and more practical benefits realisation framework for local governments that specifically addresses the realities.
This framework is called the Local Government Continuous Digital Transformation framework, or CDT.

It is not a simplified version of an existing framework. It is built from the ground up, from what actually works in local government and what does not.
Its name addresses an important principle stemming from the research: benefits are identified and value is extracted incrementally.

At best, the aspirational benefits stated at the onset of the journey are guiding lights. They are not targets.

The CDT Framework in Brief

The Local Government Continuous Digital Transformation (CDT) Framework rests on principles, identifies specific domains of value and then comes alive with a five-step process.

The principles provide a non-negotiable framework and should not be viewed as mere guides. The domains help councils ensure they are exploring all opportunities for value. The full details of the CDT can be found in Appendix A.

For now, it is important to understand that the CDT process is iterative and loops back, providing continuous digital transformation. We refer to this as an organisational meditative process: breathe-in, breathe-out, and repeat until it becomes a calm and collected business as usual activity. The CDT brings clarity of thought and action to local governments struggling with the chaos of technology change, constant service demands and expectations.

Processes

1. Absolute Business Ownership
Operational managers are formal benefit owners. Accountable for outcomes.

2. Platform Thinking
Redesign processes to fit the platform.

3. Embedded Change Management
Councils own cultural transformation. Internalise change capability.

4. Dynamic Benefit Specificity
Defer rigid targets. Refine as business can extract value.

5. Targeted Value Mapping
Ignore well-established routine functions. Focus mapping efforts where it matters.

6. Strategic Ring-Fencing and Risk-Based Execution
Postpone difficult integrations, address high-risk cases when core platform is stable.

7. Continuous Operational Optimisation
Project team is intentionally transitioned into a continuous operations model well before go-live.

Your Transformation Roadmap

Implementing Continuous Digital Transformation

The Local Government CDT is designed with a single objective: to be implementable. It is not a theoretical framework. It is a practical guide to address the reality of resource constrained organisations with strong demand for increased services, high-governance requirements and high levels of public scrutiny.

03

This section of the report details how local governments can implement the CDT when:

- Planning and implementing a major refresh of a core platform, such as an enterprise resource planning (ERP), client relationship management (CRM) and human capital management (HCM).
- Planning and then activating additional modules within the core platform, such as asset management, contract management, document & knowledge management, etc. The CDT actively promotes the phased upgrade and implementation of different modules within a core platform. This is to make 'space' to determine the benefits to be tracked and thus value to be realised (the breathe-out phase of the CDT) and it's an effective way to begin the iterative approach that is a signature of the CDT.
- Planning and then activating additional local government specific business modules, such as property and ratings, citizen portals, etc. In many cases, these functions may be an extension of the core platform. In other cases, they may be separate solutions, with close integration. In either case, the CDT still provides a useful framework to guide decisions and implementation.
- When reviewing the new features of periodic upgrades of core SaaS platforms. As vendors introduce new features, such as AI powered workflows, the CDT process can be used to systematically evaluate how such features can be applied, the value to be gained from each, and the operational change required to realise that new value. This is a critical differentiation between traditional, static benefits realisation frameworks and the CDT. With the CDT, the value realisation work never ends, because SaaS platform updates are continuous and rapid.

1. Maturity Assessment

Councils exist at different points on the benefits realisation journey. It is essential to understand exactly a council's level of maturity when engaging the CDT framework, as doing so reveals the priorities and investments that will be needed to both support the CDT process, but also to provide improvements for the delivery of digital transformation programs.

Level	Stage	What it looks like
1	Ad Hoc	No formal benefits tracking. Platform treated as an IT infrastructure project. Value claimed but never measured.
2	Project Based	Benefits are defined in the business case. Measured at go-live only. No ongoing cadence.
3	Managed	Benefits register maintained. Quarterly reviews occur. Measurement is inconsistent but present.
4	Programmatic	Benefits fully integrated with change management. Iterative refinement in place. The board receives regular reporting.
5	Continuous Value Realisation	Benefits tracking is BAU. The CDT cycle is permanently embedded. All six value domains are measured and reported regularly.

NOTE: The detailed maturity model is described in Appendix B: CDT Value Realisation Maturity Model. You should also download the supporting templates and tools pack that accompanies this report and review the: "IBRS Maturity Model - LG Value Realisation - 2026-04-27.xlsx" excel assessment worksheet template, and support documentation, "IBRS Maturity Model - LG Value Realisation - 2026-04-27.docx"

Conducting Your Maturity Assessment

To assess your capabilities to support value realisation as part of your digital transformation program, perform the following:

1. **Customise the assessment tool:** Review and customise the included IBRS Maturity Model - LG Value Realisation - 2026-04-27.xlsx excel assessment worksheet template. You may also wish to read the accompanying documentation, IBRS Maturity Model - LG Value Realisation - 2026-04-27.docx. This template has been configured for one of the most common digital transformation programs - a refresh of a council ERP platform and the questions it promotes are generic. Tailor the questions in this template to fit your specific digital transformation program but always keep them focused on value realisation.
2. **Discovery workshops:** Conduct a series of facilitated workshops with the following stakeholders: CIO, CFO, PMO lead, and at least two business unit managers present. In addition, and if time permits, conduct a series of individual business manager interviews as a way to check for 'group think'. Use your customised maturity assessment to guide the conversation. Be sure to capture insights across the six value domains for evaluations: financial, operational, customer and community, technology, risk and compliance and capability. Details of these domains are discussed in Appendix A.
3. **Self-assessment:** During workshops, fill in the assessment worksheet. Be honest and continually challenge the stakeholders. Use a separate worksheet for each workshop. Once all assessment in captured, combine into a single assessment document.
4. **Gap analysis:** The results of the assessment process, as shown on the worksheets, provide your current maturity level across each of the value domains, domain and identifies the highest-priority areas to address.
5. **Planning next steps:** Use the advancement steps in the document ""IBRS Maturity Model - LG Value Realisation - 2026-04-27.docx" and work with the appropriate stakeholder to define concrete actions for each domain.
6. **Executive communication:** Use the community communication guidance at each level to frame messages for ratepayers and elected members.
7. **Governance review:** Revisit this value realisation maturity assessment annually, or at each major platform milestone, to track progress.

Conducting the value realisation maturity assessment is not a 'passing grade' activity. It is a diagnostic tool designed for the council to recognise its current capability and spark discussion regarding how these limits impact its quality to identify and extract value from the digital transformation program. The process also provides input for tactical planning: identifying where the council may wish to invest in resourcing.

A word of caution: avoid the temptation to 'rush ahead' with improving between the levels of the maturity model. During our research, a common pattern was for councils to reallocate staff to rapidly uplift weaknesses in their capabilities but not provide the broader foundation for these staff to succeed. Gaining maturity is a gradual process.

2. Establish the Structure and Teams

The structure for a digital transformation must be designed not just for project delivery, but explicitly for value realisation and continuous improvement. The CDT requires clear accountability, with formal ownership of benefits, change management and value realisation efforts residing outside of the IT department.

Note: The accompanying resource, IBRS RACI Benefits & Value Realisation Governance (XLSX), provides a detailed responsibility matrix for these roles across all key activities. Customise this RACI for your specific council structure and needs. In addition, whenever a reassessment of the council's value realisation maturity is run, revisit and update the RACI as roles and teams are evolved.

Recommended Roles and Responsibilities

A key challenge for councils is limited resourcing and capabilities. Therefore, councils will need to conduct the maturity assessment before confirming the roles and responsibilities for their program. Following are recommended roles and responsibilities for a moderately (level 3-4) mature local government across all value domains.

Do not take this list as is: it will be necessary to review and map such roles against your value realisation maturity and, specifically, the recommendations from the maturity assessment for moving up through the levels.

Key Stakeholder Roles and Responsibilities

The governance structure must be designed to survive executive turnover and ensure continuity, with the Benefits Register serving as a core governance document.

- **Executive Sponsor (CEO, CFO, or Council Leader):** Program authorisation, strategic alignment, executive advocacy, and removing organisational roadblocks. Responsible for Governance Review & Accountability.
- **Formal Benefit & Value Realisation Owner (Business Unit Manager/Director):** Accountable for the achievement of specific, measurable benefits (e.g., cycle-time reduction, service improvement) in their area. These roles are based on principle 1: Absolute Business Ownership
- **Program Management Office (PMO) Lead:** Responsible for overall program delivery, reporting, risk management, and maintaining the Benefits Register, Governance & Progress Tracking.
- **Change & Benefits Coordinator** (Dedicated or Embedded). Designs change programs around specific benefits and value realisation targets. Facilitates benefits mapping and value workshops, including the current state analysis (detailed below). Ensures the training and adoption efforts are largely focused on achieving the identified benefits and value realisation targets. This role is based on Principle 3: Embedded Change Management.
  Caveat: In many councils, including the primary case study, the change manager was a loosely defined role, where the connection with benefits and value realisation was poorly defined or abdicated. Councils are strongly encouraged to ensure that the change role is intimately linked to benefits and value realisation: hence the specific naming of this role. For resource constrained councils, this may mean the change and benefits coordinator role is merged with the formal benefits & value realisation owners, or a non-technical digital transformation lead.
- **CIO/IT Director:** Technical delivery of the platform, integration, and ensuring the platform meets business requirements. They are also responsible for communicating and enforcing the Platform Thinking principle.
- **Independent Quality Assurance (QA) Partner:** Provides transparent, objective reviews at major milestones to manage executive anxiety and build trust. This role is optional and only needed sporadically, likely at specific milestones of the digital transformation journey.

The Steering Committee

Consists of Executive Sponsor, CIO, CFO, PMO Lead.
The steering committee provides:

- Formal approval of the benefits and value register and value realisation targets at each phase, including the current stage assessment.
- Reviews progress against hard and soft benefits and addresses high-level blockers. Conducts Monthly or Quarterly Benefits Review (PMO/Business Improvement Team & Benefit Owners). These sessions provide a structured check-in to review benefit progress, update baselines, confirm targets, and plan the next wave of optimisation (the CDT cycle).
- Ensures that the value realisation workshops take place (Change/ Benefits Coordinator & Operational Teams) to iteratively refine aspirational benefits and value realisation targets into specific, measurable outcomes for the upcoming phases of the digital transformation program.

3. Building the Business Case

Set Aspirational Goals and ROI Calculations

Major digital transformation programs, such as upgrades to core local government platforms, demand business cases with financial justifications. In the CDT framework, it is acknowledged that determining detailed outcomes and accurate ROI modelling is simply not feasible: any figures in these business cases are, at best, guesses. Any outcomes are aspirational.

Instead of attempting to 'correct' this shortfall, the CDT embraces it. The business case becomes the guiding light - the intent - for the major program of work. It is not the plan. The plan is executed iteratively and in phases, which are defined by the council's unique priorities.

Stakeholder workshops and gathering benchmarks from other councils is still necessary. The business case is not a fiction. Councils should continue to develop business cases in a robust manner. However, for the financial calculations, the CDT allows for a simpler modelling.

Use the IBRS ROI Calculator - LG Value Realisation - 2026-04-27.xlsx to consolidate and report on the expected ROI.
If it worth reading the supporting documentation: IBRS ROI Calculator - LG Value Realisation - 2026-04-27.docx

How to Measure and Track Value

Hard vs Soft Benefits

The CDT assigns six domains of value - Financial, Operational, Customer & Community, Technology, Risk & Compliance, Capability.

Hard benefits: Financial and Operational domains, which are directly quantifiable in dollars or FTE time. Month-end close reduced from 22 weeks to 2 weeks. BAU technology costs reduced by $1.5 million. One FTE reallocated from manual reporting to analytical work. These benefits can be expressed in dollar terms with reasonable confidence.

Soft benefits: Customer, Technology, Risk, and Capability domains, which are measured through proxies. A 23-percentage-point reduction in request misrouting. A reduction in audit findings from 12 to 3. A 30% reduction in call centre volume on routine enquiries. Staff satisfaction index improving from 52 to 71. These benefits are real and operationally significant, but converting them to a dollar figure introduces assumptions that quickly become contested.

Both soft and hard values matter. Councils that report only on hard benefits systematically understate the value of their digital transformation investments. Councils that report only on soft benefits lose credibility with finance committees and state oversight bodies. It is worth noting that as a council matures its value realisation capabilities and progresses with its digital transformation journey, soft benefits become more significant. This is not due to the hard benefits being fully realised – value-extraction opportunities continue as organisations streamline ever more processes. It is more of a sign that the council is becoming more adept and knowledgeable about where the benefits that matter to them can be found.

How ROI Accumulates Over Time

IBRS's analysis of local government digital transformation programs identifies a consistent pattern:

Year 1:
Net negative ROI. The investment hump. Implementation costs, change management resourcing, and staff time in whiteboard sessions and training exceed the benefits achieved. This is expected and should be explicitly planned for.

Years 2–3:
ROI begins to accumulate. The operational and financial domain benefits from the deployed modules are measurable. Customer domain improvements are evident. The council is at Level 2–3 on the maturity model.

Year 4 and beyond:
Full ROI becomes evident. Financial consolidation benefits, infrastructure savings, and productivity gains compound. AI-powered capabilities from the SaaS platform are contributing to the capability domain value. The ten-year TCO savings (8.5%–13.3%, as detailed in the National Economic Impact of Software as a Service report, 2021, noted) are tracking as anticipated.

ROI Calculator in Action

The companion ROI Calculator models hard and soft benefits across all six value domains. The following examples illustrate how operational managers' inputs translate into measurable value.

Example 1:
Field Workforce Digital Enablement

Input	Value
Field workers enabled	40
Time saved per worker per day	45 minutes
Working days per year	240
Average loaded cost per field worker	$85,000/year

Calculation: 40 workers × 45 min × 240 days = 7,200 hours saved annually

Value: At $85,000/year per worker, this represents approximately $295,000 in annual labour capacity freed. Importantly, for councils, this is not headcount reduction, but absorption of growth.

4-year cumulative value: Approximately $1.18 million in labour capacity value from this single operational change.

Example 2:
Month-End Close Process Improvement

Input	Before	After
Month-end close time	22 weeks	2 weeks
FTE effort per close	~2.5 FTE	~0.4 FTE
Average finance officer cost	$95,000/ year	$95,000/ year

Calculation: 2.1 FTE reallocated × $95,000 = ~$200,000 annual capacity freed

Additional value: Error-catching at the point of submission eliminated the costly cycle of correcting incorrect invoicing entries, previously consuming 6–10× the effort of a correct entry.

This type of calculation, grounded in specific processes, specific FTE numbers, and specific time measurements from operational managers, is infinitely more credible than aspirational projections of **"35% productivity improvement across all staff."**

Both examples can be modelled in the companion ROI Calculator, which includes TCO comparison, hard and soft benefit modelling, and Year 1–5 horizon views.

4. Current State Analysis

Pre-Phase Start

Prior to starting each major phase of the digital transformation program, a current state analysis should be conducted to identify the specific benefits being targeted and respective business value to be measured. This step is explicitly the transition from the broad, aspiration goals (the breathe-in stage of the CDT framework) to the refined, laser-focused benefits, value and change stage (the breathe-out stage of the CDT framework).

Specifically, the purpose of the Current State Analysis is to establish the baseline against which future value will be measured, as per the Value Realisation Lifecycle.

1. **Define Scope & Value Domains:** Clearly define the scope of the current phase of the transformation (e.g., Accounts Payable module, specific service area). Ensure analysis covers all six domains of value: Financial, Operational, Customer & Community, Technology, Risk & Compliance, and Capability.
2. **Identify Target Processes & Pain Points:** Conduct 90-minute whiteboard sessions with the operational teams directly affected by the transformation. Focus energy on high-impact pain points and processes where there is confusion, disagreement, or clear inefficiency. Avoid mapping the mundane (e.g., general ledger). (Refer to CDT Step 2: Iterative Benefits Refinement and Principle 5: Targeted Value Mapping.)
3. **Establish Directional Baselines (Value Targets):** For the identified high-impact processes, establish the current state value metrics (Baseline). If precise data does not exist, use estimates from operational staff: “Good enough is good enough at this stage.” Value metrics include:

Process Times:
Current cycle time (e.g., “Month-end close time”, “Certificate turnaround”).

Resource Effort:
Current FTE effort required (e.g., “\~2.5 FTE per close”).

Cost/Volume:
Current cost or volume metrics (e.g., Call misrouting rate, annual technology BAU cost).

Quality:
Error and rework rate reduction.

Satisfaction:
Both staff and citizen satisfaction scores from a range of instruments, such as surveys and analysing sentiment in communications.

4. **Identify Disbenefits/Friction:** Deliberately probe for disbenefits, which are the operational friction or productivity dips that strict standardisation will inevitably create. Incorporate these into the change management plan. (Refer to CDT Step 2: Iterative Benefits Refinement).
5. **Document in Benefits Register:** Record the established baselines, the targeted processes, and the associated values in the Benefits Register (using the companion template: IBRS Benefits and Value Register - LG Value Realisation - 2026-04-27.xlsx). The register becomes the living record of the current state.
6. **Target ROI Calculation:** Armed with the above information, create or update the IBRS ROI Calculator - LG Value Realisation - 2026-04-27.xlsx template to calculate the total ROI expected from the value realisation targets for this phase of the digital transformation program.

A useful starting point for the types of benefits and value targets can be found in the Local Government Benefits Realisation Playbook (Detailed Template).docx. This document provides an example of a local government’s full benefits and value targets for an ERP refresh. It should not be used ‘as is’ but rather as a set of considerations of benefits and value targets. Your benefits and value targets will emerge during the current state activities and continue to evolve as the CDT guides ongoing value realisation activities.

5. Apply Benefits and Value Realisation Targets to the Program

Planning Implementing Each Phase

At each phase of the council's digital transformation efforts - be it the implementation of a new core platform's base modules, the extension of the platform by introducing modules, or the 'switching on' of the platform for business units, a current state analysis (above) will have identified the benefits and value targets. These must not be treated as a check list. Instead, they will drive the focus and activities of the project team.

The current state assessment will drive prioritisation for the technology delivery.
Benefits that have high estimates for value realisation should be considered as priority for the implementation. Benefits with weaker value targets are still required, but it may be possible to shift their deployment to a later phase. Obviously 'quick-wins' by enabling 'out-of-the-box' functionality that delivers immediate value from the identified targets should be prioritised.

The current state assessment will define the change management priorities and activities.
Change management planning starts immediately after the assessment and at the very start of the technical delivery. It is not a trailing activity that waits for the technology. The change programs should be engineered to focus on the benefit that will provide the greatest value returns.

6. Track Value Realisation

Post-Phase Activities

Ideally, there are three points when a phase of a digital transformation should be reviewed.

1. At Completion of the Phase: When the technical aspects of the phase are complete and the platform or modules are fully functional and deployed, the council should review what has been delivered against the benefits and value realisation targets. The following should be formally considered by the steering committee:
    a. Are all of the benefits and value targets in the register for this phase addressed? If not, how have been moved to a future phase and why? Update the register.
    b. Are the appropriate tracking processes in place to determine the value realisation measures over time? If not, what proxies are to be applied. Update the register.
    c. Are change management activities ready to support the rollout and do these align with the benefits sought?
2. Initial value realisation check-in: Gather the value realisation metrics as defined in the benefits register. Conduct workshops with the previous stakeholders using the benefits and value realisation register and the initial metrics to guide the conversations. Determine:
    a. Are the correct benefits and value targets being collected? Are there changes needed to the benefits and value realisation being measured? If so, update the register.
    b. Are the measurements sufficiently accurate and being collected reliability? If not, why not and decide on an action plan to address.
    c. Is change management effective in driving operational activities and behaviours towards the benefits and value targets? If not, what changes are needed to the supporting change management program? Note: this is one of the most important aspects to get right to see real returns on digital transformation. It is literally the key to the transformation part of the equation.
3. Review the ROI Delivered: Review this phase's IBRS ROI Calculator - LG Value Realisation - 2026-04-27.xlsx document to determine the total ROI expected from the value realisation targets for this phase versus what is being achieved.
4. Value realisation reporting: After 12 or 18 months, gather all metrics and update the register and communicate the results. Run whiteboard sessions to celebrate the success and gather ideas for addressing the shortfalls in value realisation.

7. Iterate: Moving to the Next Phase

As each phase of the digital transformation program is completed, a new phase begins. Even when a major ERP platform is fully implemented, with all modules configured, there will still be period upgrades and enhancements which can be viewed as triggers to commence a new phase: repeating steps 4 to 6 of the above plan. This is what is meant by putting the processes of value realisation into a council's 'business as usual' program.

Value realisation reviews based on the measures being collected form the basis for ongoing reporting of the value realised over time. This value accumulates and the ROI models can be used to report on this ongoing value to internal and external stakeholders.

At this point, the value gap experienced by too many councils is eliminated.

But more importantly, the digital transformation programs balance aspirations and laser-sharp focus on achieving the benefits that matter most to each council, activates real change in how work gets done, and maximises the value being returned for the investments in technology. Digital transformation becomes real.

04

Conclusion - From Promise to Practice

Local government digital transformation is one of the most complex and high-stakes undertakings a council will ever manage.

The structural pressures are real, the expectations are high, and the need for continuous value realisation has never been greater.

The CDT Framework does not promise to make this easy.

It promises to make it honest and practical. It replaces the fiction of the static business case with an iterative approach that is designed for the specific constraints of local government.

The framework's core message is simple: value is not delivered by technology.

It is delivered by the organisational change that technology enables, measured continuously during and after implementation, and communicated transparently to staff, executives, and the community. Every principle, every process step, and every tool in this framework is designed to help councils make that change – continuously, measurably, and in a way that brings people along with the transformation.

- Crucially, value realisation must be communicated transparently to staff, executives, elected members, and the community – bringing people along with the transformation, not simply reporting on it after the fact.
- Digital transformation is imperative for long-term operational sustainability and improved community outcomes. Councils that measure and communicate value continuously throughout the journey build trust, sustain momentum, and demonstrate to ratepayers that their investment is delivering tangible returns. The finish line is the beginning. Go-live marks the start of the real work of value realisation.

Appendix A: CDT Framework

Why We Need a New Framework

Established benefits realisation frameworks, such as the PMI Benefits Realisation Management framework or the UK Government's Managing Successful Programmes methodology, offer highly structured approaches to mapping strategic intent to operational outcomes. Unfortunately, in the context of local government and SaaS platforms, these frameworks become a burden.

In contrast, the CDT framework is firmly grounded in pragmatism. It doesn't strive to be perfect. It strives to be workable. It is based on observations of what works within the constraints of Australian local government.

The CDT can be viewed as three building blocks: the principles that guide actions; the value domains, or areas that need to be explored during the process; and the process, which are the ongoing actions needed to be successful.

The Seven Principles

The CDT Framework rests on seven non-negotiable structural principles, extracted from what worked across the case studies. They are pragmatic, not theoretical.

Principle 1: Absolute Business Ownership. IT can deploy a sophisticated SaaS platform, but that system has no inherent value until the workforce changes how it operates. Technology is the vehicle; benefits are the destination. Operational managers, who run the council's disparate business functions, must be designated as formal benefit owners. They are accountable for the outcomes.

Principle 2: Platform Thinking. Customisation is a trap. Multiple bespoke integrations are a trap. Enforce an "adopt, don't adapt" principle. Whenever a business unit requests a new solution, evaluate it against the existing platform's capabilities first. Redesign processes to fit the platform, not the reverse. This is not only a technical necessity. It is the mechanism by which technical debt is permanently eliminated.

Principle 3: Embedded Change Management. Change management is a council capability, not a vendor deliverable. While implementation partners bring deep technical expertise, councils must own cultural transformation themselves. Internalise change management capability. Embed internal change and governance teams directly into the core technical program. Benefits tracking and change management become one iterative discipline.

"We went in thinking they could do it all for us. We soon realised that when it comes to governance, change management, and training, we needed to resource that ourselves."

Principle 4: Dynamic Benefit Specificity. Benefits begin as broad strategic aspirations and are progressively refined as the platform is deployed. Do not attempt to lock in rigid, long-term operational targets upfront. Defer specificity until the business can extract value, then be rigorous and accountable.

Principle 5: Targeted Value Mapping — Stop Remapping the Mundane. Do not waste scarce resources meticulously mapping well-established, undifferentiated processes. If a function, such as general ledger, basic reconciliation, invoicing, or standard asset registration, is something platforms have been doing for two decades, changes during scoping are largely cosmetic. Focus benefits mapping efforts on unique, complex, or frequently changing processes. The SaaS platform will deliver routine back-office improvements out of the box. This applies equally to AI-driven automation: the intelligent processing capabilities now embedded in SaaS platforms will improve standard back-office functions without council action. Council resources should focus on the benefits they can directly influence.

Principle 6: Strategic Ring-Fencing and Risk-Based Execution. In complex IT environments, attempting to integrate every legacy system simultaneously creates catastrophic bottlenecks. Control project momentum by ring-fencing complexity. Postpone difficult integrations with tangential legacy systems during the initial rollout. Secure operational quick wins to build stakeholder confidence, then address high-risk edge cases after the core platform is stable.

Principle 7: Continuous Operational Optimisation — Designing for BAU. The go-live illusion is that the transformation (really, specific modules of the platform) is the finish line. This illusion is the single most dangerous belief in digital transformation. When the expert project team disbands, a dangerous capability cliff emerges. The CDT Framework requires that the IT operating model be redesigned into a continuous service model long before go-live. The PMO must embed a permanent Plan-Do-Check-Act cycle anchored in benefits realisation and change management.

The Six Domains of Value

A consistent language for value is essential. Councils must avoid fragmented, incomparable metrics that are impossible to report to the board or to use as a basis for prioritising change. The CDT identifies six domains of value.

Domain	What It Covers	Example Metrics
Financial	Direct cost reduction and avoidance; TCO improvements; licensing savings	BAU cost reduction; infrastructure consolidation savings; 8-10 year TCO improvement
Operational	Labour productivity; cycle-time reduction; process efficiency	FTE reallocation; month-end close time; certificate turnaround; invoice processing time
Customer & Community	Citizen experience; service responsiveness; accessibility; complaint reduction	Call volume reduction, digital channel adoption, request misrouting rate, satisfaction scores
Technology	Platform simplification; integration uplift; technical debt elimination; security posture	Number of legacy applications decommissioned; customisation level; security incidents
Risk & Compliance	Audit outcomes; regulatory reporting accuracy; governance uplift	Audit findings; statutory reporting accuracy; compliance deficiencies resolved
Capability	Organisational and digital maturity; data quality; decision-making speed; staff confidence	Self-service adoption; data completeness; time to produce management reports; staff digital literacy

These domains give councils a consistent, reusable vocabulary for capturing and communicating value across all areas, at every stage of maturity.

The Capability domain requires particular attention and is often underestimated. The data quality improvements, reporting capabilities, and analytical foundations that a well-executed SaaS platform establishes are the direct preconditions for process improvements, data-driven decisions and AI-enablement.

The CDT Framework Process

"What we're doing now with the program implementation is just getting us to the ground level. It's just getting the system in place. We can't just go live and then just forget about it and then just do bug fixes."

The Light Business Case: Breathe-In.

Councils must actively resist the urge to over-quantify financial benefits without a realistic path to achieving them. The significant setbacks explored in this study shared one fatal flaw: deeply detailed business cases with no practical mechanism for demonstrating promised results.

This part of the CDT Framework is probably the most controversial idea in this report. Conventional wisdom holds that every process should be meticulously identified and documented before a transformation. The CDT explicitly rejects that as being an unachievable objective. It simply does not work. Instead, evidence from the case studies and prior research suggests starting with aspirations and then iteratively identifying the specifics later, in an ongoing manner.

Better practices keep the initial business case high-level and deliberately aspirational. For modern local government digital transformation, the "do nothing" scenario is no longer viable. Legacy platforms are reaching end-of-life, vendors are sunsetting on-premises products, and the cybersecurity risks of ageing infrastructure are no longer acceptable. High-level aspirational benefits, such as a secure, clean core, cyber risk mitigation, and basic digital citizen services, almost always provide sufficient justification for funding approval.

The true rigour of the CDT Framework lies not in the initial funding request but in operational execution. Secure the funding with the strategic imperative. Secure the trust with continuous, demonstrated value extraction.

Iterative Benefits Refinement: Breathe Out

As each phase of the transformation approaches, convene 90-minute whiteboard sessions with the operational teams directly affected by the modules being deployed. Ask pointed questions: What processes are currently consuming the most effort? What specifically causes that effort? How would you like to see this change? What would the impact of that change be?

Guide these conversations with a process playbook developed in collaboration with the vendor, which creates a catalogue of the specific business activities implemented in each phase. When processes are dismissed as "working fine," move on. Focus energy on the pain points, in particular the processes where there is confusion, disagreement, or clear inefficiency. These are the areas ripe for benefits exploration.

Once potential benefits are identified, stakeholders provide estimates of impact and ideas on measurement. These estimates form the basis for prioritisation and the initial entries in the benefits register.

Critically, these conversations must deliberately probe for disbenefits – the operational friction and productivity dips that strict standardisation inevitably creates. Asking "if we enforce this standard workflow, which department loses efficiency?" in a psychologically safe environment is far better than discovering the answer six months after go-live.

Maintaining the Benefits and Value Register: The heart beat

The benefits register is not a reporting tool. It is a direction-setting instrument. It records what the council intends to achieve, tracks progress, and most importantly, signals where additional change effort is needed to bring the program back on track.

A governed spreadsheet is sufficient for most councils. The CDT Framework deliberately forgoes sophisticated benefits tracking solutions in favour of a simple register that is actually used. Tracking exact benefit achievement with academic precision is far less important than using the benefit targets to drive organisational change.

Iteration at Scale: Ongoing Optimisation

The value realisation lifecycle does not pause between deployment phases. As new modules are activated and as the SaaS vendor releases new features, including AI-powered capabilities on an increasingly rapid cadence, the council returns to the business case to identify new high-level aspirations, then enters a new refinement cycle. The quarterly check-in should explicitly include a review of recently released or upcoming vendor features and an assessment of their benefit potential.

Operationalising for BAU: The finish line is just the beginning

"What we're doing now with the program implementation is just getting us to the ground level. It's just getting the system in place. We can't just go live and then just forget about it and then just do bug fixes."

Embed benefits realisation into the council's permanent operating rhythm by integrating it with the Business Improvement, Business Innovation, or Continuous Improvement function that most councils already maintain. By combining benefits tracking with internal change management and process optimisation into a single portfolio, councils can justify a more robust, diversely skilled transformation team and ensure the function is funded as core business rather than as a project cost.

Appendix B: The Value Realisation Maturity Model

Councils exist at different points on the benefits realisation journey. The following maturity model allows a council to assess where it is now, understand what value looks like at each stage, and identify the concrete steps required to advance.

Level 1 **Ad Hoc**	Traits No formal benefits tracking. Digital transformation is treated as an IT infrastructure project. Value claimed in the business case but never measured. The benefits register does not exist. Impact across the domains The Financial domain may show cost reductions on paper (the SaaS subscription replacing multiple legacy licensing agreements), but these are not measured or attributed. Operational, Customer, and Capability gains are invisible. Risk and Compliance improvements are asserted but not evidenced.
Level 2 **Project-Based**	Traits Benefits are defined in the business case. Measured at the go-live milestone only. No ongoing cadence. Business owners are identified in name only. Benefits work ceases when the project team disbands. Impact across the domains Financial savings from infrastructure consolidation are typically captured at go-live. Operational gains from process digitisation are partially measured for the first phase of deployment. Customer and Capability improvements are acknowledged but not tracked.
Level 3 **Managed**	Traits Benefits register maintained. Quarterly reviews occur. Business owners are identified and somewhat engaged. Measurement is inconsistent but present. Executive reporting on benefits is ad hoc. Impact across the domains All six domains are represented in the benefits register, but measurement is inconsistent. Hard benefits (Financial, Operational) are tracked more reliably than soft benefits (Customer, Capability, Risk). The register is updated episodically rather than continuously.
Level 4 **Programmatic**	Traits Benefits fully integrated with change management. Iterative refinement is in place for each phase of the platform implementation. Dedicated resourcing exists for benefits coordination. The benefits register is actively used to set change priorities. The board receives regular benefits reporting. Impact across the domains All six domains are measured on a consistent cadence. Hard and soft benefits are both reported to the executive. The change management program is explicitly designed to deliver specific targets in each domain.
Level 5 **Continuous Value Realisation**	Traits Benefits tracking is BAU. The CDT iterative process is permanently embedded. All six value domains are measured and reported at regular intervals. Each SaaS vendor update cycle is actively assessed for new benefits, including AI capabilities. For example, the organisation no longer distinguishes between "the ERP program" and "how we operate." Impact across the Domains The council is using benefits data to make real-time investment decisions about where to apply continuous improvement efforts. AI-powered analytics capabilities, arriving through the SaaS platform's update cycle, are generating new Capability domain value without additional procurement. The benefits register is a strategic asset, not an administrative record.

How to Advance

From Level 1 to 2: Designate formal benefit owners from operational management. Create a basic benefits register aligned to the initial business case. Establish a measurement point at go-live for the first two or three priority metrics.

From Level 2 to 3: Establish a biannual review cadence. Embed a change and benefits coordinator role (even part-time) into the program team. Begin capturing Customer domain metrics alongside operational data.

From Level 3 to 4: Merge benefits and change management functions. Introduce the 90-minute whiteboard session process for each new phase of the platform deployment or digital transformation initiative. Produce a regular benefits report for the executive and board.

From Level 4 to 5: Transition benefits tracking from the project to BAU. Integrate with the Business Improvement function. Establish a vendor feature review as a standing agenda item in the quarterly CDT cadence. Ensure the benefits register governance survives leadership transitions.

Communicating Transformation to the Community

At each maturity level, the language used to communicate transformation to ratepayers and elected members should reflect what can actually be demonstrated:

- **At Levels 1–2:** Communicate the investment imperative, such as system modernisation, security improvement, and service continuity. Do not make operational claims you cannot yet evidence.
- **At Level 3:** Begin communicating specific operational outcomes, such as faster approvals, improved digital service availability, and reduced processing times.
- **At Levels 4–5**: Communicate value in terms that ratepayers understand, such as time returned to the community, services scaled without rate increases, and problems resolved faster.

Appendix C: Methodology

This study set out to understand why local government organisations consistently struggle to demonstrate benefits from digital transformation investments and to develop a more pragmatic approach. It is based on detailed case study engagements councils with multiple interviews across all departmental lines, well into the process of upgrading or migrating their core systems, drawing on formal interviews across multiple lines of business: managers, executives, technology teams, and implementation partners. The focus was on how benefits realisation was approached, what resourcing was committed, and what participants would do differently. These interviews were conducted under the Chatham House Rule.

In addition, IBRS captured information through interviews and research with other councils across Australia and New Zealand, and from prior studies.

The study was sponsored by TechnologyOne, but all research, analysis, and conclusions are independent and those of the authors and IBRS Pty Ltd.

Appendix D: Companion Resources

This report is supported by a consolidated master Excel workbook containing six practical tools, designed to make the CDT Framework immediately usable for councils at any stage of their digital transformation journey. All companion resources are available as downloadable files alongside this report.

Asset Name / File Name	Purpose (In relation to the report)	When to use it as part of the processes recommended in the report
IBRS Readiness Checklist – Value Realisation – LG ERP (DOCX)	A 25-criterion go/no-go assessment covering Strategic Foundations, Governance, Resourcing, Measurement Readiness, and Change Management Integration. Scored interpretation guides councils on whether they are ready to proceed, need to address gaps, or should halt until foundations are in place.	**Before program commencement** – use as a precondition check before launching the first benefits mapping and value realisation activity. Revisit at major milestones.
IBRS Maturity Model – LG ERP Value Realisation (DOCX)	Detailed guide describing the five maturity levels (Ad Hoc → Continuous Value Realisation) across all six value domains. Includes advancement steps, community communication guidance, and IBRS Tips for each domain.	Diagnostic / Planning stage – use for self-assessment before program launch and as a governance benchmark at each major release milestone.
IBRS Domain Value Canvas – LG ERP (DOCX)	One-page printable visual summarising the six value domains, what each covers, example metrics, and the typical maturity journey (Levels 1–5).	Throughout the program – use in benefits mapping workshops, steering committee briefings, and executive onboarding sessions to establish a shared language for value.
IBRS Maturity Model – LG ERP Value Realisation (XLSX)	Interactive self-assessment tool with scored questions across all six domains, automatic gap analysis, and visual results dashboard.	Diagnostic / Planning stage – use alongside the Maturity Model guide for facilitated group self-assessment with CIO, CFO, PMO lead, and business unit managers. Revisit annually.
IBRS Benefits and Value Register – LG ERP Value Realisation (DOCX)	User guide explaining how to populate and govern the Benefits Register. Covers benefit identification, domain classification, baseline establishment, target setting, owner assignment, RAG status definitions, and governance commitments.	Target / Measure stages – read before creating the register; reference during quarterly check-ins and steering committee meetings.
IBRS Benefits and Value Register – LG ERP Value Realisation (XLSX)	Operational template with Register tab (benefit ID, domain, description, owner, baseline, target, RAG status) and auto-refreshing Executive Dashboard for steering committee reporting.	Target / Measure stages – populate iteratively before each release phase, not all at once at inception. Update at each quarterly benefits and value realisation review.
IBRS ROI Calculator – LG ERP Value Realisation (DOCX)	User guide explaining hard vs soft benefits, the investment hump concept, TCO vs ROI distinction, and how to interpret outputs for board presentation.	Measure / Optimise stages – read before first use of the calculator; reference when preparing board papers or executive updates.
IBRS ROI Calculator – LG ERP Value Realisation (XLSX)	Financial model with Inputs & Assumptions, Hard Benefits Model, Soft Benefits Model, TCO Comparison, ROI Summary (Year 1–10), and Scenario Comparison (Conservative / Realistic / Optimistic).	Measure / Optimise stages – use (1) before program commencement to estimate the financial case, and (2) during and after the program to track actual benefits at each quarterly benefits and value review.
IBRS RACI – Benefits & Value Realisation Governance (XLSX)	Responsibility matrix mapping R/A/C/I assignments across strategy, business case, benefits mapping, implementation, change management, QA, and BAU ownership for CEO, CFO, CIO, PMO, Business Unit Managers, Change Manager, Implementation Partner, and Independent QA.	Governance / Planning stage – use at program inception to clarify roles and accountability. Revisit when executives change or when accountability gaps emerge.
IBRS Workshop Guide – Benefits & Value Mapping (DOCX)	Facilitator's guide for running the 90-minute whiteboard sessions described in Step 2 of the CDT Framework. Covers session structure (0–90 min), preparation, probing questions, benefit prioritisation, disbenefits probe, and handling common facilitation challenges.	Target stage (before each release phase) – use to prepare for and facilitate 90-minute benefits mapping whiteboard sessions with operational managers before each module deployment.
IBRS Workshop Slides – Benefits & Value Mapping (PPTX)	Supporting slide deck for in-room use during the 90-minute benefits mapping workshops.	Target stage (before each release phase) – use alongside the Workshop Guide during facilitated whiteboard sessions.
Local Government Benefits Realisation Playbook (Detailed Template) (DOCX)	A worked example of benefits and value targets a council should define before commencing an ERP transformation, structured to connect organisational strategy down to specific, measurable outcomes.	Diagnostic and Planning stage. Use during current state analysis to establish the baseline against which future value will be measured and carry it forward as a live tracking tool throughout the transformation program.

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