

7.8. MOVE OF COUNCIL S ENTERPRISE SOFTWARE SUITE TO THE CLOUD

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DEPARTMENT	Corporate and Communities
TEAM	Information and Communications Technology (ICT)
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RECOMMENDATION

That Council:

- 1. Approve the project to transition the hosting of Council's enterprise software suite from the current 'On-Premises' environment to a 'Cloud-Based' platform**
- 2. Authorise the Chief Executive Officer (or delegate) to execute the necessary agreement(s) with the vendor to enable the commencement of the project.**

EXECUTIVE SUMMARY

Council intends to transition the hosting of its core enterprise software suite from an on-premises environment to a cloud-hosted solution provided by the software vendor during the 2027 calendar year.

This transition reflects a broader industry trend towards cloud-hosted Software as a Service (SaaS) solutions and away from customer-managed, on-premises deployments. Importantly, the vendor has already begun limiting the availability of certain new features and functionality to its cloud-hosted platform, with future product development expected to focus primarily on the cloud-based offering.

PREVIOUS COUNCIL CONSIDERATIONS / RESOLUTIONS

Not applicable.

REPORT/BACKGROUND

Council's core business systems, including Payroll, Finance, Rates and Water Billing, are managed through the Authority software suite. Authority is developed and supported in Australia specifically for the local government sector and is widely used by councils across the country.

The cloud-hosted version of Authority is marketed as Altitude and is one of the leading local government enterprise resource planning (ERP) platforms in Australia.

As at May 2026, 36 councils had already migrated to the Altitude cloud platform, with a further 20 councils actively progressing their migrations and approximately 70 councils awaiting transition. Douglas Shire Council is among the councils yet to formally commit to a migration program.

The proposed transition to Altitude aligns with a broader software industry shift towards cloud-hosted Software as a Service solution. The vendor has already commenced prioritising the development of new features and functionality within its cloud-based platform, with some capabilities available exclusively to cloud-hosted customers. Council's migration to the cloud will ensure continued access to future product enhancements, ongoing vendor support, and the latest software capabilities.

FINANCIAL AND RESOURCE IMPLICATIONS

The proposed migration to the vendor's cloud-hosted Altitude platform has both one-off implementation costs and ongoing operational costs.

Implementation Costs:

A one-off project implementation cost of approximately \$126,000 is anticipated to complete the migration from the current on-premises Authority environment to the cloud-hosted Altitude platform. Funding for this expenditure has been included in the 2026/27 Budget.

Ongoing Costs:

The current on-premises Authority solution is licensed through an annual software licence and maintenance arrangement. Under the cloud-based Software as a Service model, Council will instead pay ongoing monthly subscription fees.

The cloud-hosted service will result in an increase in annual operating costs of approximately \$50,000 per annum. This increase has been incorporated into the 2026/27 Budget and reflects the transfer of a range of infrastructure, maintenance and security responsibilities from Council to the vendor, including:

- Provision and maintenance of computing infrastructure and data storage
- System monitoring, maintenance, upgrades and uptime assurance
- Cyber security and protection

The proposed cloud-hosting agreement has an initial term of three (3) years, with an estimated total contract value of approximately \$705,000 over the term of the agreement.

As the Authority/Altitude platform is proprietary software and is only available directly from the vendor, the supplier is listed on Council's Sole and Specialised Supplier Register.

Resource Implications:

No material change to staffing resources is anticipated as a result of the migration.

While responsibility for software patching, upgrades and platform maintenance will transfer to the vendor, these activities currently represent only a portion of the Information Technology Team's responsibilities and are not expected to result in a reduction in staffing requirements.

Similarly, the migration will reduce demand on Council's on-premises server infrastructure; however, the capacity released is not significant in the context of Council's overall computing environment and is expected to be absorbed by future growth in technology requirements.

RISK MANAGEMENT IMPLICATIONS

A risk assessment identified that not proceeding with the migration represents an Extreme risk (Risk Rating 20) to Council.

Key risks include:

- loss of access to future product enhancements
- increasing reliance on workarounds
- reduced staff productivity
- the eventual withdrawal of vendor support for the on-premises system.

While cloud hosting reduces Council's direct control over system availability, this is mitigated through the vendor's service level commitments and reduced reliance on Council-managed infrastructure and maintenance. Dependence on internet connectivity is also mitigated through resilience improvements implemented following Cyclone Jasper.

Overall, the migration is expected to reduce Council's long-term operational, support and technology risks while ensuring continued access to vendor support, security improvements and future product development.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report

SOCIAL IMPLICATIONS

There are no social implications associated with this report.

CORPORATE AND OPERATIONAL PLAN

This report has been prepared in accordance with the following:

Corporate Plan 2025-2030 Initiatives:

Theme 3 - Service Delivery

We deliver Council services effectively and efficiently to meet community expectations, focusing on the wellbeing of both the community and our employees.

3.6 - Deliver Council services to meet community expectations.

3.7 - Identify and manage risk.

Operational Plan 2026-2027 Actions:

3.7.4 - Deliver an ICT and cyber security risk framework aligned to Council's risk appetite.

LEGISLATION AND POLICY

- *Local Government Act 2009*
- *Local Government Regulation 2012*
- Councils Procurement Policy

CONSULTATION

Internal Consultation:

- Executive Leadership Team
- Key users of the Authority software suite

External Consultation:

- The vendor has performed a pre-requisite "health check" on Council's environment and determined that only 3 configuration items will need to be upgraded. These changes are being made now with completion expected by January 2027.

CONCLUSION

Migration to the vendor's cloud-hosted platform is the most practical and cost-effective option for Council. Remaining on the on-premises platform would expose Council to increasing operational and support risks, while migration to an alternative system would be complex, costly and provide no material advantage.

It is therefore recommended that Council endorse the migration to the Altitude cloud platform and authorise the Chief Executive Officer (or delegate) to execute the necessary agreements to allow the project to proceed.

ATTACHMENTS

Nil