

To: Executive
14 July 2020

PROCUREMENT OF CLOUD-BASED HOSTING AND SUPPORT SERVICES

Executive Director of Delivery

1 Purpose of Report

- 1.1 This report summarises the strategic procurement plan relating to the procurement of Cloud-based hosting facilities for the Council's ICT estate (including servers, storage devices and back up facilities). The procurement also covers the services and expertise required to enable the ICT facilities to be moved to a Cloud-based operation, which would significantly reduce the ICT processing facilities required to be located on-premise, at Time Square.

2 Recommendation(s)

- 2.1 That the strategic procurement plan for Cloud-based Hosting and Support is approved.

3 Reasons for Recommendation(s)

- 3.1 Most organisations are moving to a Cloud-based operational model to provide their ICT facilities instead of investing in on-premise, or on-site facilities with the additional overheads of energy consumption, physical security and local management of hardware and systems. The cloud-based model is scalable (to cope with increased or reduced demand) more secure and future-proof in terms of the technical development and provision of applications software going forward. The timing of the procurement recognises that key servers and other systems currently in operation are approaching end of life, with limited future support from vendors, on offer.

4 Alternative Options Considered

- 4.1 The estimated costs of a hosted operational solution have been produced in some detail. The costs of replacing the ICT facilities with the current day equivalent of the hardware and software, for an on-premise operation has also been calculated. The Cloud hosting operation is estimated to be more expensive (£167,000 over four years or £42,000 per annum) but it offers greater security in a time where the cyber threat is growing rapidly, and the agility to support collaboration with external partners and location independent working.
- 4.2 One of the key benefits of the Cloud- based operational model is that it is charged for on a subscription basis, for data processing and storage resources consumed. This is not feasible in an on-premise operation, as a physical server may host the systems of several services, and remains in place, irrespective of how much it is used. The subscription would go up if the requirement does, but if the requirement is reduced (e.g. as servers or systems are retired or if a service department should contract) so is the cost reduced. Some cost reduction has been factored into the projected costs for the cloud-based solution, based on a conservative estimate.

5 Supporting Information

- 5.1 The attached Strategic Procurement Plan for Cloud-based Hosting and Support goes into more detail about the options available, and the recommended way forward.

6 Consultation and Other Considerations

Legal Advice

- 6.1 The project envisages a procurement route utilising a Crown Commercial Service Framework. The proposed process will therefore not require an OJEU notice to be published and is compliant with the Council's Contract Standing Orders as well as the Public Contract Regulations. The shortlisting process will need to be undertaken with due attention to transparency and clarity of reasoning for the ultimate preferred supplier decision.

Financial Advice

- 6.2 The estimated financial implications of this project are contained within the report. Cloud hosting is calculated to be more expensive than the current arrangements where systems are hosted and supported in Bracknell. It is believed that there are potential measures the support supplier can undertake that could result in the annual cost of Cloud hosting being less than projected. There are also additional savings that could potentially be achieved as a result of further reviewing the staffing requirements. Further work is required to review these and determine how far the proposed approach could be brought back in line with current costs.

Equalities Impact Assessment

- 6.3 An Initial Equalities Screening Record Form has been completed for this requirement and has been passed to Samantha Wood in Community Engagement and Equalities, for further guidance

Strategic Risk Management Issues

- 6.4 Moving to a Cloud-based operational model would provide a more secure ICT environment than to remain on-premise, by providing enhanced mitigation for current risks such as; cyber-attack, service interruptions impacting on Business Continuity and risks to the physical environment such as fire or flooding at Time Square.
- 6.5 The increased level of investment in security and risk management maintained by appropriate Cloud Hosting providers offers improved operations and reduced risk, e.g.
- Improved disaster recovery by offering fail-over to a second site in the event of problems at a primary site.
 - Improved physical security at a network of fit for purpose, distributed data centres.
 - Access to a large pool of technical resources to troubleshoot problems.
 - Improved resilience of servers and protection of data.

6.6 Provided that risk management measures are assessed as part of the evaluation of suppliers and services the direction of travel to Cloud Hosting is supported.

Background Papers

The Strategic Procurement Plan - Cloud-based Hosting and Support (CMT 24^h June 2020)

Contact for further information

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