

<b>Contract for cloud-based services hosting the Council's server estate</b>
<b>COUNCILLOR MOHAMMED FAROOQ – CABINET MEMBER FOR DIGITAL SERVICES AND TRANSFORMATION</b>
<b>January 2020</b>
<b>Deadline date: 31 March 2020</b>

Cabinet portfolio holder:	Councillor Mohammed Farooq, Cabinet Member for Digital Services and Transformation
Responsible Director:	Sue Grace, Director of Customer and Digital Services
Is this a Key Decision?	YES If yes has it been included on the Forward Plan : Yes Unique Key decision Reference from Forward Plan: KEY/06JAN20/03
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	NO
Is this a project and if so has it been registered on Verto?	NO

### R E C O M M E N D A T I O N S

The Cabinet Member is recommended to:

1. Award the contract for the procurement of cloud-based services from Amazon Web Services UK Limited (AWS) through the G-Cloud - 11 Framework Agreement (RM1557.11 for the period 1st April 2020 to 31st March 2021 for a value of £630,000
2. Authorise the Director: Customer and Digital Services to vary this Contract if required, subject to approval by the Director of Law and Governance (or authorised officer's) and the Corporate Director of Resources.

## 1. SUMMARY OF MAIN ISSUES

- 1.1 This report seeks the Cabinet Member for Digital Services and Transformation's approval to award the contract for the procurement of cloud-based services from Amazon Web Services UK Ltd (AWS) through the G-Cloud - 11 Framework Agreement (RM1557.11) for the period 1st April 2020 to 31st March 2021. This is a continuation of the PCC's AWS service provision previously procured via G-Cloud - 10 Framework Agreement (RM1557.10) for the period 1st April 2019 to 31st March 2020.

## 2. PURPOSE OF THIS REPORT

- 2.1 This report is for the Cabinet Member for Digital Services and Transformation to consider exercising delegated authority under paragraph 3.4.8 (a) of Part 3 of the constitution in

accordance with the terms of their portfolio at paragraph (a).

### 3. **TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>	If Yes, date for relevant Cabinet Meeting	<b>N/A</b>
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### 4. **DETAILS OF DECISION REQUIRED**

4.1 The decision maker is asked to:

4.1.1 Authorise the Award of the contract for the procurement of cloud-based services from Amazon Web Services (AWS) through the G-Cloud - 11 Framework Agreement (RM1557.11) for the period 1st April 2020 to 31st March 2021.

4.2. The estimated AWS charge for the period 01 April 2020 to 31 March 2021 is £630,000. This is based on current usage levels, predicted growth but also results of optimisation work to reduce cost. The optimisation work around the Citrix server estate has already realised on average a £17k saving per month. The estimate cost for 19/20 was £700,000.

### 5. **CONSULTATION**

5.1 As part of the decision, consultation was undertaken with the relevant Service leads within the Council and the respective heads of service delivery within Serco, as well as the respective legal services for both the partner and the Council.

### 6. **ANTICIPATED OUTCOMES**

6.1 Continued use of the AWS cloud-based services, originally procured in 2015, hosting PCC applications and associated storage.

### 7. **REASONS FOR RECOMMENDATIONS & ANY RELEVANT BACKGROUND INFORMATION**

7.1 As part of the council's 2015 Technology Strategy, the council migrated servers from the Town Hall server room to a remote computing/web service provided by Amazon Web Services (AWS) procured through Arcus Global Limited via the G-Cloud framework. The contract is now managed in house via a G-Cloud contract.

7.2 Operationally AWS continues to offer the best value and continuity of service to the council, also benefiting from; high availability server capacity, modern server technology, switching off servers when not in use to reduce cost, a level of disaster recovery and improved business continuity.

7.3 The council is therefore provided with an effective ICT service which is:

- Stable;
- Flexible;
- Adaptable;
- Resilient; and
- Appropriate to the needs of the Council in the medium to long term.

7.4 The current contract expires at 31st March 2020 therefore a new contract is required in order to continue use of AWS cloud-based services.

7.5 The recommended option is to procure cloud-based services directly through the council via the Crown Commercial Service Call-Off Contract, G-Cloud 11 Framework Agreement (RM1557.11). This is considered to be the preferred procurement route, as opposed to renewing the contract via any third party, as it removes any handling charges or mark-up that may be applied by a third party.

7.6 This new contract for cloud-based services is based on a direct award of contract via the G-Cloud 11 Framework Agreement and is made in accordance with the procedures for awarding a direct call-off.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

This award is for the continuation of an existing service. The server room in Sand Martin House has been sized to accommodate a limited number of servers, with the overall design based on continued reliance on the cloud-based service and the capacity provided by AWS.

An alternative would be to move the services to another provider. This is feasible but would take 1-2 years to complete, as it did to move to AWS in the first place, and would incur additional charges from all parties involved. The longer term approach to using a blend of cloud-based services alongside the server room in Sand Martin House is currently being reviewed as part of the IT Strategy work that is underway between Peterborough City Council and Cambridgeshire County Council.

## **9. IMPLICATIONS**

9.1 Legal Implications - The procurement of the cloud-based services has been undertaken in accordance with the Crown Commercial Service G-Cloud 11 Framework requirements and the call-off is compliant with Public Contracts Regulations 2015.

9.2 Financial Implications: The council will be committed to spending up to £630k revenue for the services over a period of 1 year.

9.3 Carbon Impact Assessment – The use of cloud-based services reduces the required capacity in the council's main server room. This brings a reduction in energy needs to both power and cool the servers.

9.3 Equalities Impact Assessment – Is neutral for this CMDN

9.2 The cloud-based service is a core element of PCC IT infrastructure therefore award of this contract is fundamental to continued services provided by Peterborough City Council.

## **10. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED**

None.

## **11. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

None.