

DECISION TITLE: Contract for cloud-based services hosting the Council's server estate
COUNCILLOR MOHAMMED FAROOQ – CABINET MEMBER FOR DIGITAL SERVICES AND TRANSFORMATION
MAY 2021
Deadline date: 31 May 2021

Cabinet portfolio holder: Responsible Director:	Councillor Mohammed Farooq Cabinet Member for Digital Services and Transformation Sue Grace Director of Customer & Digital Services <i>(Note: both details are to be completed whether decision is taken by cabinet member or officer)</i>
Is this a Key Decision?	YES If yes has it been included on the Forward Plan: NO (Urgency Procedure Invoked)
Is this decision eligible for call-in?	NO (Waiver of Call-in Procedure Invoked)
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 (Direct supply procurement) Verto number: N/A

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 - 12 Framework Agreement (RM1557.12 for the period 1st April 2021 to 31st March 2022 for a value of £730,000
2. Authorise the Corporate Director: Resources to vary this Contract if the Council has to amend its detailed business requirements.

1. PURPOSE OF THIS REPORT

- 1.1 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).
- 1.2 With the approval of the Chairman of the Growth, Environment and Resources Scrutiny Committee, urgency, special urgency procedure, and waiver of call-in procedure have been invoked to suspend the requirement to publish the decision on the Forward Plan, to suspend the requirement to publish the decision for five days, and to waive the

requirement for the decision to be subject to a three day call-in period. These procedures have been invoked in order to mitigate the impact of not renewing the contract as this would mean that staff would not be able to access critical business systems. Due to the exit of the Serco contract, changes in personnel and procurement responsibilities this contract was unfortunately not added to the forward plan. The overall strategy for how and where our infrastructure sits is currently being reviewed as part of our overall IT strategy and will ensure any future decision go through the appropriate process.

2. **TIMESCALES**

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
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3. **BACKGROUND AND KEY ISSUES**

- 3.1 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.

AWS is fundamentally the backbone to PCC's applications delivery, and operationally AWS continues to offer the best value and continuity of service to the council.

4. **CONSULTATION**

- 4.1 As part of the decision, consultation was undertaken with the relevant Service leads within the Council, as well as the respective legal services for the Council.

5. **ANTICIPATED OUTCOMES OR IMPACT**

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

6. **REASON FOR THE RECOMMENDATION**

- 6.1 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.

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.

The current contract expires at 31st May 2021 therefore a new contract is urgently required in order to continue use of AWS cloud-based services.

The recommended option is to procure cloud-based services directly through the council via the Crown Commercial Service Call-Off Contract, G-Cloud 12 Framework Agreement (RM1557.12). 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.

This new contract for cloud-based services would be procured via the GCloud 12 Framework Agreement and is made in accordance with the procedures for awarding a supplier.

7. ALTERNATIVE OPTIONS CONSIDERED

- 7.1 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.

8. IMPLICATIONS

Financial Implications

- 8.1 The council will be committed to spending up to £730k revenue for the services over a period of 1 year.

Legal Implications

- 8.2 The procurement of the cloud-based services has been undertaken in accordance with the Crown Commercial Service G-Cloud 12 Framework requirements and the call-off is compliant with Public Contracts Regulations 2015.

As the cloud provided by AWS is based in the European Union (I.e.Eire) there is a risk of the data flow from the EU back to the UK being interrupted if either:

- a. The EU do not grant the UK Adequacy for the purposes of sharing data by the end of June 2021 (when the bridge period agreed under the EU-UK Trade and Cooperation Agreement comes to an end); or
- b. If Adequacy is granted but is paused or withdrawn subsequently following legal challenge (which is possible).

Additional safeguards in the form of model clauses can usually be put in place in the form of EU/UK approved model clauses, but from previous experience it is very uncertain whether the applicable model clauses can be incorporated in the call-off contract with AWS in the given time, due to AWS not wishing to amend these aspects of their template contract, which may possibly result in a **residual** risk to the Council of an interruption to data access at some point during the term of the contract.

Equalities Implications

- 8.3 Is neutral for this CMDN

Carbon Impact Assessment

- 8.5 This is a renewal of what we are currently doing, Amazon Web Services (AWS) is committed to running their business in the most environmentally friendly way possible and achieving 100% renewable energy usage for their global infrastructure.
- 8.6 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.

9. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

9.1 None

10. 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.

10.1 *None*

11. APPENDICES

11.1 *None*