Assess Offerings from Cloud Service Providers

Cloud Policy Fact Sheet 5.1

Early engagement with cloud service providers will assist in understanding the products and services available from private and public suppliers and how they can meet your business needs. This process will assist to inform your procurement strategy.

Objective

Develop a market sounding approach to determine different service offerings and price models. Choose service model/s based on your agency's needs.

Process

Before approaching cloud service providers, you should be confident of your requirements including business objectives, workforce capability and future needs to select the most suitable service for your agency.

Assessing the cloud offerings will allow your agency to evaluate different cloud providers and choose a model/provider based on your needs.

When assessing cloud services, the business functional requirements of the agency should be the basis of your decisions with the desired outcomes clearly identified. In assessing cloud offerings, it is difficult to make a 'like-by-like' comparison among cloud service providers as each may offer different services to achieve your agency's outcomes.

It is essential to consider:

- Business outcomes desired;
- Management and support model needs;
- Whether the solution constitutes a core business function or a support function and the impact on business if it is not available;
- Volume, sensitivity and classification of data;
- Availability requirements (is the solution required during business hours? or is it mission critical requiring 24/7 availability);
- Overall vendor platform offerings and platform roadmap; and
- Geo-location of cloud service offering – and the impacts on performance and possible legal/privacy/data classification implications.

Once the business needs of the agency are identified you can approach vendors to assess the products and services available. GovNext-ICT within the Office of Digital Government (DGov) acts a central broker for cloud purchases and can assist you with competitive proposals from service vendors. When evaluating the service proposals, you would need consider:

1. **Does the proposal meet the agency's business objectives -** does it consider the various functionalities and needs of the business identified in your business case.

2. **Cloud Service Model -** there are three service models that you can choose from:

   - **Infrastructure as a service (IaaS):** Provides the underlying infrastructure for hosting of your applications, it allows you the greatest level of control over your cloud environment. You are responsible for installing, configuring, supporting and operating your applications and managing platforms while the vendor manages the infrastructure. *This is analogous to buying all the concrete, bricks, tiles etc. to build a house, then building it and maintaining it going forward. You have full control and can change the house as you desire.*

   - **Platform as a service (PaaS):** Provides the underlying infrastructure and platform (i.e. database, CRM, etc.). PaaS gives you less control over your environment, but you also have less responsibility for support of your environment. You manage the application; the vendor manages the infrastructure or the platform.

     This is analogous to buying a house & maintaining it going forward, you don't have as much control to change the house.

   - **Software as a Service (SaaS):** Provides the infrastructure, platform and application, but you very little control over your environment. You have no responsibility for support of your environment as the vendor manages the infrastructure, platform and application.
     This is analogous to renting a house, you have no ability to change the house and rely on the owner to maintain it.

   The choice of model will depend on the business needs and services within your agency and may combine more than one option. For example, your email service could be hosted as SaaS while your business application could be stored as PaaS.

3. **Cloud Service Provider (CSP) End User Agreement and Service Level Agreement-** GovNext-ICT team at DGov has formalised templates for standard agreements with the providers within the GovNext-ICT CUA. You should take into consideration the specific agency needs you have identified around reliability, uptime, security, confidentiality and ensure this is addressed with your provider. Specific contractual arrangements of agencies with public cloud providers are outside the scope of the initial stage of GovNext-ICT. For procurement of services and products outside the above list the Western Australian State Supply Commission have established procurement guidelines and templates to assist.

4. **Roles and responsibilities of your agency and of the CSP -** Adopting the cloud for service delivery brings a change in the roles and responsibilities of the ICT team within the agency. You will need to clarify any additional duties and expectations on your workforce and on the CSP. The Fact Sheets "Workforce capability gap assessment for cloud transition" and "Improving workforce capability for cloud transition" will assist you in determining if your workforce is capable of meeting these responsibilities. You will need to consider:
   - Will the internal ICT team be able to act as efficient and effective service brokers with the CSP?
   - Ongoing consultation with GovNext-ICT and CSP to ensure cloud services still meet the agency's needs and are competitive.

- What kind of support will the CSP provide and does this complement your existing support mechanisms?

5. **Standards, Security and Privacy** – GovNext-ICT team has negotiated with the vendors a standard set of agreements around security and privacy of the cloud. Contracts with public providers which are outside GovNext-ICT will need to negotiate these provisions with the provider.

6. **Deployment model** - Public, Community, Private or a Hybrid of these depending on your agency's requirements, including; privacy, security, legislation and performance.

Useful Tools

[Queensland GCIO - ICT-as-a-service deployment model selection guidelines](#)

[NZ CIO Key Terms for Customer Agreements](#)

[Financial Considerations for Government Use of Cloud Computing](#)

[WA Department of Finance and State Supply Commission - WA Government Procurement assistance](#)

[Office of Digital Government Cloud Policy](#)

Related Cloud Policy Fact sheets:

2.1   Workforce capability gap assessment for cloud transition

2.3   Improving workforce capability for cloud transition