

**DMPC Decision – PCD 683****Title: Management of MPS Cloud services to May 2021****Executive Summary:**

The MPS has invested in and developed its use of Microsoft Azure as a strategic alternative and supplement to traditional physical datacentres. An initial programme to place MPS applications into Azure to assess its suitability and efficacy has been successful, to the extent that the initial funding ceiling for associated outsourced services has now been reached. The MPS' continued managed use of and deployment to Azure requires further funding.

The MPS is seeking the initiation and award of a call off Contract, for Azure Management Services up to the value of £1.75m, via a down-select process through the Crown Commercial Services G-Cloud 11 framework. The G-Cloud down select process is a standard way of procuring commoditised cloud services and complies with Public Contract Regulations 2015.

**Recommendation:**

The Deputy Mayor for Policing and Crime is recommended to:

- a) Approve spend of £760,000 for the continued management of Microsoft Azure cloud services for the period February 2020 to May 2021.
- b) Approve spend of £990,000 of Project Revenue for deployment and first year run costs of workloads to be deployed into Azure for the period February 2020 to May 2021.
- c) Approve the initiation and award of a call off Contract, up to the value of £1.75m, via a down-select process through the Crown Commercial Services G-Cloud 11 framework.

**Deputy Mayor for Policing and Crime**

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. Any such interests are recorded below.

The above request has my approval.

**Signature****Date**

18/12/2019

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC**

### **1. Introduction and background**

- 1.1. The MPS has a “cloud first” strategy and use of Azure is a key strategic theme across the whole of Information Technology delivery and transformation, with the objective of cutting cost, improving efficiency, providing resilient services and reducing legacy.
- 1.2. A contract for Azure Management Services for the period May 2018 to May 2019 was awarded through G-Cloud.
- 1.3. This contract allowed for the development of a full-service managing agent for the MPS’ use of Azure services, and for the deployment and operation of a modest number of Azure components (250). It was anticipated from the outset that if adoption of Azure was successful further awards would follow.
- 1.4. In the event, adoption has been faster and stronger than expected, and a 50% uplift permitted under Regulation 72 was executed in September 2019.
- 1.5. A rapid increase in adoption following the 50% uplift now means it is not possible to service current foreseen demand through to the end of FY19/20. Currently available funding will be exhausted by end of January 2020.
- 1.6. Microsoft Azure is the MPS’ chosen cloud platform, intended to operate in a similar way to existing datacentres but without many of the inefficiencies and issues that have caused projects using traditional infrastructure to perform poorly. It is expected that through Azure the MPS will benefit from lower like-for-like costs, improved efficiency, more resilient services and a cost-effective means of reducing legacy.
- 1.7. The MPS has invested heavily and is already committed to the use of Azure. As previously described, this extends to applications critical to operations of both the business and in front-line policing.

### **2. Issues for consideration**

- 2.1. Foregoing BAU charges for Azure would result in existing deployed workloads and the environments in which they operate no longer being monitored, supported and reported on and would require the MPS or one of its other suppliers to take over the administration associated with the MPS’ Azure subscriptions.
- 2.2. There is no practical alternative to the use of Azure, and hence Azure charges, outside of physically repatriating applications back into the pre-existing datacentres, which would be hugely disruptive, time-consuming, costly and in direct opposition to MPS strategy.

### **3. Financial Comments**

- 3.1. The project revenue costs of £990k and the ongoing revenue costs of £760k are funded from MOPAC Approved Digital Policing Revenue Budgets

#### **4. Legal Comments**

- 4.1. The proposed procurement route is to directly award a call-off contract under the Crown Commercial Services G Cloud 11 Framework Agreement. The G Cloud Framework Agreement is a compliant route to market.
- 4.2. Paragraph 4.8 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve business cases for revenue or capital expenditure of £500,000 or above.
- 4.3. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve the procurement strategy for all revenue and capital contracts of a total value of £500,000 or above.
- 4.4. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to award MOPAC contracts with a total value of £500,000 or above.

#### **5. Commercial Issues**

- 5.1. This paper requests Initiation and award of a call off Contract, for Azure Management Services up to the value of £1.75m, via a down-select process through the Crown Commercial Services G-Cloud 11 framework.
- 5.2. Contract length will be for an initial period of 16 months. This timeframe will allow for the MPS to source further Azure Service Management Services through the Pegasus programme. At the current time Pegasus is not available to meet the needs of the MPS for Azure Management Services.

#### **6. GDPR and Data Privacy**

- 6.1. The MPS is subject to the requirements and conditions placed on it as a 'State' body to comply with the European Convention of Human Rights and the Data Protection Act (DPA) 2018. Both legislative requirements place an obligation on the MPS to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.
- 6.2. Under Article 35 of the General Data Protection Regulation (GDPR) and Section 57 of the DPA 2018, Data Protection Impact Assessments (DPIA) become mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.
- 6.3. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the supply of services meets its compliance requirements.
- 6.4. The supply of services does not use personally identifiable data of members of the public, so there are no current GDPR issues to be considered. Projects deployed within the scope of the services may at some later stage use personally identifiable data of members of the public, at which time DPIAs will be completed as needed.

## **7. Equality Comments**

- 7.1. As this is the continuation of an existing service this work does not change any aspects relating to equality or diversity.

## **8. Background/supporting papers**

- 8.1. Report

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOIA) and will be made available on the MOPAC website following approval.

If immediate publication risks compromising the implementation of the decision it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

**Part 1 Deferral:**

Is the publication of Part 1 of this approval to be deferred? NO

If yes, for what reason:

Until what date:

**Part 2 Confidentiality:** Only the facts or advice considered as likely to be exempt from disclosure under the FOIA should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a **Part 2** form – YES

**ORIGINATING OFFICER DECLARATION**

*Tick to confirm statement (✓)*

**Financial Advice**

The Strategic Finance and Resource Management Team has been consulted on this proposal.

✓

**Legal Advice**

The MPS legal team has been consulted on the proposal.

✓

**Equalities Advice:**

Equality and diversity issues are covered in the body of the report.

✓

**Commercial Issues**

The proposal is in keeping with the GLA Group Responsible Procurement Policy.

✓

**GDPR/Data Privacy**

- GDPR compliance issues are covered in the body of the report.
- A DPIA is not required.

✓

**Director/Head of Service**

The Interim Chief Finance Officer has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.

✓

**Interim Chief Executive Officer**

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

**Signature**



**Date**

18/12/2019





**MOPAC**

MAYOR OF LONDON  
OFFICE FOR POLICING AND CRIME

**Management of MPS Cloud services to May 2021**

**MOPAC Investment Advisory & Monitoring meeting 03/12/2019**

**Report by Angus McCallum on behalf of the Chief of Corporate Services**

**Part 1 – This section of the report will be published by MOPAC. It is classified as OFFICIAL – PUBLIC**

**EXECUTIVE SUMMARY**

The MPS has invested in and developed its use of Microsoft Azure as a strategic alternative and supplement to traditional physical datacentres. An initial programme to place MPS applications into Azure to assess its suitability and efficacy has been successful, to the extent that the initial funding ceiling for associated outsourced services has now been reached. The MPS' continued managed use of and deployment to Azure requires further funding.

The MPS is seeking the initiation and award of a call off Contract, for Azure Management Services up to the value of £1.75m, via a down-select process through the Crown Commercial Services G-Cloud 11 framework.

**Recommendations**

The Deputy Mayor for Policing and Crime, via the Investment Advisory and Monitoring meeting (IAM), is asked to:

1. Approve spend of £760k for the continued management of Microsoft Azure cloud services for the period February 2020 to May 2021 fully funded from Digital Policing (DP) MOPAC approved Revenue budget.
2. Approve spend of £990k of Project Revenue for deployment and first year run costs of workloads to be deployed into Azure for the period February 2020 to May 2021 fully funded from DP MOPAC approved Revenue budget.
3. Approve the initiation and award of a call off Contract, up to the value of £1.75m, via a down-select process through the Crown Commercial Services G-Cloud 11 framework.

**Time sensitivity**

A decision is required from the Deputy Mayor by 31/12/2019. Current contract headroom will be exhausted by 31/01/2020 and the MPS requires that there are management services in place and able to be effective beyond this date in order to be able to continue to safely and securely use Azure-hosted applications including some designated Business Critical.

### **Non-confidential facts and advice to the Deputy Mayor for Policing and Crime**

The MPS has a "cloud first" strategy and use of Azure is a key strategic theme across the whole of Information Technology delivery and transformation, with the objective of cutting cost, improving efficiency, providing resilient services and reducing legacy.

A contract for Azure Management Services for the period May 2018 to May 2019 was awarded through G-Cloud.

This contract allowed for the development of a full-service managing agent for the MPS' use of Azure services, and for the deployment and operation of a modest number of Azure components (250). It was anticipated from the outset that if adoption of Azure was successful further awards would follow.

In the event, adoption has been faster and stronger than expected, and a 50% uplift permitted under Regulation 72 was executed in September 2019.

A rapid increase in adoption following the 50% uplift now means it is not possible to service current foreseen demand through to the end of FY19/20. Currently available funding will be exhausted by end of January 2020.

### **Introduction and background**

1. Microsoft Azure is the MPS' chosen cloud platform, intended to operate in a similar way to existing datacentres but without many of the inefficiencies and issues that have caused projects impacting traditional infrastructure to perform poorly. It is expected that through Azure the MPS will benefit from lower like-for-like costs, improved efficiency, more resilient services and a cost-effective means of reducing legacy.
2. The MPS has invested heavily and is already committed to the use of Azure. As previously described, this extends to applications critical to operations of both the business and in front-line policing.

### **Issues for consideration**

3. Foregoing BAU charges for Azure would result in existing deployed workloads and the environments in which they operate no longer being monitored, supported and reported on and would require the MPS or one of its other suppliers to take over the administration associated with the MPS' Azure subscriptions.
4. There is no practical alternative to the use of Azure, and hence Azure charges, outside of physically repatriating applications back into the pre-existing datacentres, which would be hugely disruptive, time-consuming, costly and in direct opposition to MPS strategy

### **Contributes to the MOPAC Police & Crime Plan 2017-2021<sup>1</sup>**

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<sup>1</sup> [Police and crime plan: a safer city for all Londoners | London City Hall](#)



5. The MPS has a "cloud first" strategy and use of Azure is a key strategic theme across the whole of Information Technology delivery and transformation, with the objective of cutting cost, improving efficiency, providing resilient services and reducing legacy.

#### **Financial, Commercial and Procurement Comments**

6. This paper requests Initiation and award of a call off Contract, for Azure Management Services up to the value of £1.75m, via a down-select process through the Crown Commercial Services G-Cloud 11 framework.
7. Funding will be drawn from the MOPAC Approved Digital Policing Revenue Budgets.
8. Contract length will be for an initial period of 16 months .This timeframe will allow for the MPS to source further Azure Service Management Services through the Pegasus programme. At the current time Pegasus is not available to meet the needs of the MPS for Azure Management Services.

#### **Legal Comments**

9. The proposed procurement route is to directly award a call-off contract under the Crown Commercial Services G Cloud 11 Framework Agreement. The G Cloud Framework Agreement is a compliant route to market.
10. Paragraph 4.8 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve business cases for revenue or capital expenditure of £500,000 or above.
11. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve the procurement strategy for all revenue and capital contracts of a total value of £500,000 or above.
12. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to award MOPAC contracts with a total value of £500,000 or above.

#### **Equality Comments**

13. As this is the continuation of an existing service this work does not change any aspects relating to equality or diversity.

#### **Privacy Comments**

The MPS is subject to the requirements and conditions placed on it as a 'State' body to comply with the European Convention of Human Rights and the Data Protection Act (DPA) 2018. Both legislative requirements place an obligation on the MPS to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.

Under Article 35 of the General Data Protection Regulation (GDPR) and Section 57 of the DPA 2018, Data Protection Impact Assessments (DPIA) become

mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.

The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the supply of services meets its compliance requirements.

The supply of services does not use personally identifiable data of members of the public, so there are no current GDPR issues to be considered. Projects deployed within the scope of the services may at some later stage use personally identifiable data of members of the public, at which time DPIAs will be completed as needed.

#### **Real Estate Implications**

14. There are no Real Estate implications to this award.

#### **Environmental Implications**

15. Adoption of cloud-hosting services enables the MPS to reduce its operating footprint and energy consumption in physical datacentres, contributing to reduced environmental impact.

#### **Background/supporting papers**

16. No additional background or supporting papers required

Report author: Tony Cutlan, Head of Hosting and Datacentres, 07841 762441

**Part 2 – This section refers to the details of the Part 2 business case which is NOT SUITABLE for MOPAC Publication.**

The Government Security Classification marking for Part 2 is:

OFFICIAL-SENSITIVE [COMMERCIAL]

Part 2 of Management of MPS Azure services to May 2021 is exempt from publication for the following reasons:

- Exempt under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011 (Data Protection Section 43 – Commercial Interests).

For advice, please contact the FoIA team.

The paper will cease to be exempt until 31<sup>st</sup> May 2021.