



Media Fact Sheet

An Introduction to Cloud Computing



About

The Australian Government recognises that the community expects government services to be responsive to their needs and available where and when they want them.

Key to realising responsive government services is the efficient and effective use of ICT by government, including the adoption of cloud services.

The Ministers for Finance and Communications have released the latest version of the [Australian Government Cloud Computing Policy](#) on 8 October 2014.

This policy aims to drive a greater take up of cloud services across federal government agencies by requiring them to use cloud services for new ICT services and when replacing any existing ICT services, where those cloud services are fit for purpose, provide adequate protection of data and deliver value for money.

How does the policy operate?

Government agencies (non-corporate entities under the [PGPA Act 2013](#)) now must adopt cloud services where it is fit for purpose; provides adequate protection for the information involved and delivers value for money.

Government agencies must apply this new policy when they are procuring new ICT or refreshing ICT such as when systems are scheduled for upgrade or replacement.

Is cloud computing value for money?

The primary rule for all government procurement is value for money. Each ICT procurement decision needs to be examined on its own merits under existing

procurement and information security policies and must be consistent with the [Commonwealth Procurement Rules](#).

Government agencies need to consider a range of risks when making procurement decisions that potentially impact on information security, including protecting people's privacy.

Where can I get more information on the use of cloud computing in government?

[Better Practice Guides](#) have been developed to support the cloud policy. They include:

- [A Guide to Implementing Cloud Services](#)
- [Privacy and Cloud Computing](#)
- [Negotiating the Cloud - Legal Issues](#)
- [Financial Considerations](#)
- [Community Cloud Governance](#)

What agencies are using cloud computing?

Examples of Commonwealth agencies using the cloud include:

- The Australian Maritime Safety Authority has replaced a manual system for tracking the compliance of ships with Australian safety standards with a cloud solution.
- The Australian Bureau of Statistics has transitioned its infrastructure to a private cloud capability where they provide services to internal clients such as self provisioning environments for developers.
- The Department of Education is using the cloud to host their websites.
- The Department of Finance is using cloud to host the Data.gov.au data sets and to host the whole-of-government collaboration GovShare site.

How can I procure cloud computing?

In October 2012, The Department of Finance launched the Data Centre as a Service (DCaaS) Multi Use List (MUL) and Service Catalogue.

This initiative will assist agencies to simplify and reduce their procurement costs of cloud services until late in 2014 when a Cloud Services Panel will be established.

More information on the DCaaS MUL, the Cloud Services Panel and the Data Centre Strategy can be accessed on the Finance website.

Of course, agencies can also use the standard open approach to market process, if that better suits their needs.

Has the Australian Government identified any potential risks involved with cloud computing?

The Australian Government recognises that there are many potential benefits to be offered by cloud-based services, such as scalability, flexibility, availability and cost effectiveness. While cloud-based services share similarities with other existing service delivery models, e.g. managed ICT services, they also present some new complexities and risks.

As cloud computing is a new ICT sourcing and delivery model, NOT a new technology, many of the risks and issues associated with cloud computing are also not new.

However, as many agency systems are required to operate in a secure environment, agencies need to fully understand the risks associated with cloud computing both from an end-user and agency perspective and, based on this, adopt principle and risk-based approaches to their adoption of cloud computing.

The Attorney-General's Department has developed [guidelines](#), as part of the [Protective Security Policy Framework](#) to provide agencies with a consistent approach to assess and manage the risks associated with the storage and processing of information in off-shore and public cloud services. The Australian Signals Directorate has released guidance to agencies on [Cloud Computing Security Considerations](#), and the National Archives of Australia has released advice on [Records Management and the Cloud](#).

Where to now?

The Australian Government procures approximately \$6billion of ICT services annually and combined with state and territory governments, public sector expenditure on ICT accounts for approximately 30 per cent of the domestic market.

The Australian Government is committed to leading by example in demonstrating the benefits of investing in and using cloud services to the wider public, private and not-for-profit sectors.

The Department of Finance will continue to work together with federal agencies and the private sector in demonstrating the benefits of cloud services to drive service delivery improvements to citizens and increased productivity to the Australian economy.



Other useful links

- [The Department of Finance Blog](#)
- [The Department of Finance website](#)