



Australian Government
Department of Finance

GUIDE

Resource Management Guide No. 406

Australian Government Cloud Computing Policy

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Contact us

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This guide contains material that has been prepared to assist Commonwealth entities and companies to apply the principles and requirements of the *Public Governance, Performance and Accountability Act 2013* and associated rules, and any applicable policies. In this guide the: mandatory principles or requirements are set out as things entities and officials 'must' do; and actions, or practices, that entities and officials are expected to take into account to give effect to those principles and/or requirements are set out as things entities and officials 'should consider' doing.

Audience

This guide applies to Accountable Authorities, Chief Financial Officers, Chief Information Officers and officials of non-corporate Commonwealth entities (formerly referred to as FMA Act agencies) as defined in and subject to the *Public Governance, Performance and Accountability Act 2013*¹.

Key points

This Guide:

- provides advice on the use of cloud services by non-corporate Commonwealth entities;
- reflects *The Coalition's Policy for E-Government and the Digital Economy – September 2013*²;
- replaces *AGIMO Circular 2011/03 Cloud Computing Policy and Cloud Computing Strategic Direction – Agency Cloud Implementation Initiative*³; and
- is available on the Department of Finance (Finance) website at www.finance.gov.au/cloud.

Policy

The *Australian Government Cloud Computing Policy – Smarter ICT Investment*⁴ states: non-corporate Commonwealth entities are required to use cloud services for new ICT services and when replacing any existing ICT services, whenever the cloud services are fit for purpose; offer the best value for money, as defined by the *Commonwealth Procurement Rules*⁵; and provide adequate management of risk to information and ICT assets as defined by the *Protective Security Policy Framework*⁶.

The *Australian Government Cloud Computing Policy – Smarter ICT Investment Version 3.0* is available on the Finance website at <http://www.finance.gov.au/cloud> and replaces version 2.1 released in July 2013.

Guidance

Non-corporate Commonwealth entities are required to use cloud services to reduce costs, lift productivity and develop better services. In evaluating cloud services for new ICT procurements and replacement of existing ICT requirements, entities are advised to:

- use ICT refresh points as a trigger for evaluating cloud services.
Example refresh points include: Business and IT systems scheduled for replacement; planned system implementations/upgrades; requirements for system development/testing where cloud infrastructure could be used; pilots or short lifespan projects; and ICT capabilities used only periodically;

¹ <http://www.comlaw.gov.au/Series/C2013A00123>

² <http://lpaweb-static.s3.amazonaws.com/Coalition%27s%20Policy%20for%20E-Government%20and%20the%20Digital%20Economy.pdf>

³ http://agimo.gov.au/files/2012/04/2011-003_AGIMO_Circular_Agency_Cloud_Implementation_Initiative.pdf

⁴ www.finance.gov.au/cloud

⁵ <http://www.finance.gov.au/procurement/procurement-policy-and-guidance/commonwealth-procurement-rules/>

⁶ <http://www.protectivesecurity.gov.au/pspf/Pages/default.aspx>

- use the Data Centre Strategy trigger points of data centre lease expiry, major asset replacement, building moves, end of life of the data centre, or significant increase in data centre capacity as opportunities to consider the evaluation of cloud services;
- comply with the relevant legislative and regulatory requirements applicable to the information involved and select cloud services commensurate with those requirements. Refer to the *Protective Security Policy Framework*⁷ to ensure the adequate management of risk to the information;
- evaluate private, community, public or hybrid cloud services for operational systems ensuring value for money and fitness for purpose and in accordance with the *Commonwealth Procurement Rules*⁸ record why or why not a cloud service was suitable;
- consider opportunities to develop/adopt cross entity or portfolio cloud services and/or build on cloud initiatives established within your portfolio or by other entities;
- adopt public cloud services for testing and development needs and for hosting public facing websites;
- update the *Agency Solutions Database*⁹ after acquiring a cloud service; and
- reflect the intent of this policy in the scope of any new ICT related procurement panels and/or multi-use-lists from July 2014 that your entity establishes.

The following diagram suggests a high level process approach for entities to evaluate and implement cloud services. The *Guide to Implementing Cloud Services*¹⁰ provides comprehensive detailed guidance to assist entities further in evaluating and implementing cloud services.

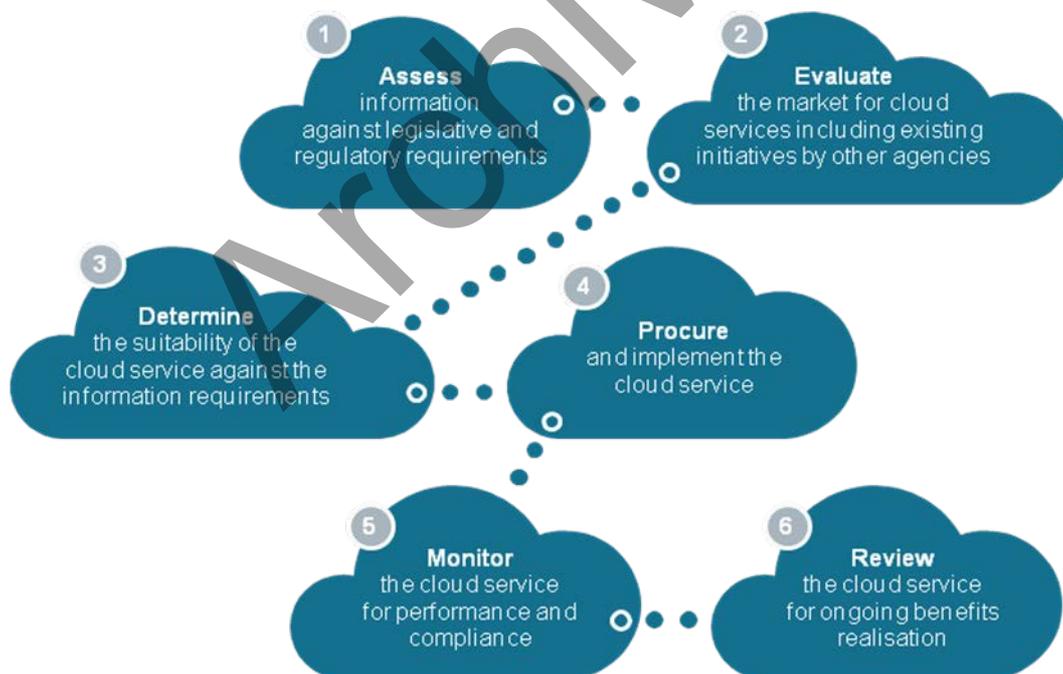


Figure 1: suggested high level approach to the evaluation and implementation of cloud services.

⁷ <http://www.protectivesecurity.gov.au/pspf/Pages/default.aspx>

⁸ <http://www.finance.gov.au/procurement/procurement-policy-and-guidance/commonwealth-procurement-rules/>

⁹ Located in the GovShare repository: <https://www.govshare.gov.au/>

¹⁰ <http://www.finance.gov.au/files/2012/09/a-guide-to-implementing-cloud-services.doc>

Relevant resources

Related Guidance

- Entities are advised that a range of cloud services can be procured using Finance's *Data Centre as a Service Multi-Use-List*¹¹ (DCaaS MUL). The DCaaS MUL is available until October 2014.
- Finance will establish a Cloud Services Panel by January 2015 to assist entities in the procurement of cloud services. Further details will be announced as the panel is developed and are available here: <http://www.finance.gov.au/category/agcto/>
- Finance will also trial the relocation of critical data to a secure government cloud using automated tools in late 2014. Further details will be announced as the trial is developed and are available here: <http://www.finance.gov.au/category/agcto/>
- Entities considering the transfer of capital expenditure to operational expenditure to procure cloud services are advised to contact their portfolio Budget Agency Advice Unit within the Department of Finance.

Other tools, templates & checklists

- Finance has developed a comprehensive guide to assist entities evaluate and implement cloud services. The guide and checklist is available here: <http://www.finance.gov.au/files/2012/09/a-guide-to-implementing-cloud-services.doc>
- The *Agency Solutions Database* is a resource for entities to use to determine what products (including cloud services) other entities are using. The database is available here: <https://www.govshare.gov.au/>
- The Attorney-General's Department has developed, and recently amended, guidance to assist entities assess the risk of storing and processing information offshore. The checklist is available here: <http://www.protectivesecurity.gov.au/informationsecurity/Documents/PolicyandRiskmanagementguidelinesforthestorageandprocessingofAusGovinfoinoutsourcedoroffshoreICTarrangements.pdf>
- The Australian Signals Directorate has developed guidance to assist entities in performing a risk assessment of their information in cloud environments. The checklist is available here: <http://www.asd.gov.au/infosec/cloudsecurity.htm>
- Finance with the assistance of the Office of the Information Commissioner has developed guidance to assist entities comply with their privacy obligations. The checklist is available here: <http://www.finance.gov.au/files/2013/02/privacy-and-cloud-computing-for-australian-government-agencies-v1.1.doc>. Please refer to the [OAIC website](#) for the latest resources to assist entities with changes to the Privacy Act.
- Finance with the assistance of the Australian Government Solicitor has developed guidance to assist entities with legal issues in cloud service agreements. The checklist is available here: <http://www.finance.gov.au/files/2013/02/negotiating-the-cloud-legal-issues-in-cloud-computing-agreements-v1.1.doc>

¹¹ <http://agimo.gov.au/policy-guides-procurement/data-centres/data-centre-as-a-service-dcaas-multi-use-list-mul-fact-sheet/>

- Finance with the assistance of the National Australian Archives has developed guidance to assist entities with best practice in the management of records and cloud services. The checklist is available here: <http://www.naa.gov.au/records-management/agency/secure-and-store/rm-and-the-cloud/>
- Finance has developed guidance on community cloud governance to assist entities who wish to establish or may wish to consume a community cloud service. The checklist is available here: http://www.finance.gov.au/files/2012/04/community_cloud_governance_better_practice_guide.doc
- The Cloud Information Community (CLIC) has been established to facilitate the sharing of knowledge in the adoption and management of cloud services in the public sector and is open to federal, state and local government participants.
If you wish to participate in the CLIC, please send a request to ICTPolicy@finance.gov.au. Please note the CLIC is available only to gov.au email account holders.

If you have any questions regarding compliance with this Resource Management Guide, please contact Mr Drew Andison on (02) 6215 1544 or ICTPolicy@finance.gov.au.

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