

# Response to the National Commission of Audit

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## Areas of Efficiency / Cost Saving: **IT infrastructure**

As the Australian government is seeking opportunities to optimise and consolidate expenditure, few areas stand out more than the cost of Information Technology infrastructure. The ability to scale infrastructure solutions should not be diminished, but ensuring that costs are contained by only paying for what it used, are of paramount importance

Cloud computing is growing by leaps and bounds as public and private organisations throughout Australia and the rest of the world switch to infrastructure as a service, implementing relatively low cost of operations using elastic cloud computing. Having a managed portfolio of server infrastructure, using a qualified and experienced partner, will do much for the government to reduce its overall spend on it in the following areas:

- Premises rent & maintenance.
- Capital outlay for the equipment
- Cost of Professional Services in the requisition and implementation of the machines
- Cost of power bills to run the machines, especially since computers need to be kept in cold environments
- Cost of Administrative staff to maintain, backup and monitor the instances.

## **Security:**

There is a perception that cloud based computing is insecure and confidentiality of information can be easily compromised. As the mini-case study involving CUB (Carlton United Breweries) will show, data can be kept secure, performing well and delivering significant cost savings to the organisation.

## **Managed Services:**

To transition existing and new systems over to cloud computing, it is important to work with a reputable and experienced partner. This reduces:

- Mistakes and the frustration caused as a result
- Administration Cost
- Cost in general
- Vulnerability (security)
- Downtime

## **Case Study: Carlton United Breweries (CUB), Southbank, Melbourne**

Vedelem was engaged by CUB to provide a cloud based Data Warehouse on a fault-tolerant highly available system that would integrate into CU's secure network and provide analytics and reports to 500

users in sales, marketing & management. Furthermore, the servers had to be capable of high-performance and run 24X7 with a 99.9% uptime SLA. In addition to a robust production environment, 3 non-production environments were sought, that would also be reasonable fast and could scale with the business needs.

Vedelem, through working with the various CUB stakeholders, was able to deliver an optimised cloud infrastructure to CUB at an annual about 80% less than having a similar deployment in-hour. Furthermore, no floor space at CUB or electricity was consumed in the provision of all this, since it is cloud-based.

CUB is a highly risk-averse organisation who had some major concerns about moving any of their data into a cloud environment, even a private secure cloud. Security concerns were allayed as an external cyber-security company was engaged to provide systems-penetration testing, where any of the major and minor issues found were addressed, locked down and solved, proving to CUB that their information was safe.

### **Case Study: Michigan (USA) government: Cloud deployment**

Vedelem was engaged by a US partner to assist with the management and billing of Amazon's cloud infrastructure. One of the counties is also very interested in setting up a G2G (government-to-government) marketplace for the deployment and centralised management of various departments, using our US partner. Security is a high priority as the various counties need to interact with each other on a safe, secure network. The sharing of common services, in the cloud have shown that by utilising cloud infrastructure, the Michigan government at state and country level, are able to realise significant savings in infrastructure. Since their reliance on a fully-staffed team of administrators has been significantly reduced, further savings in the cost of manual labour, have been realised.

Vedelem has the knowledge, experience and motivation to bring similar sorts of savings to Australian Government departments.

The author of this submission is happy to have the contents of this submissions published.

Please contact [REDACTED] for a confidential chat about the potential infrastructure savings and modernisation opportunities.