ITEM No …11…….…..

REPORT TO: CITY GOVERNANCE COMMITTEE – 19 AUGUST 2024

REPORT ON: M365 BACKUP AND SECURITY

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 220-2024

1.0   PURPOSE OF REPORT

1.1   To seek approval for the purchase of licenses for security and backup of Microsoft 365.

2.0   RECOMMENDATIONS

2.1   It is recommended that the Committee:

(a) agree to the purchase of licenses for Microsoft 365 Backup and Security;

(b) remit the Senior Service Manager IT to purchase licenses required for backup and security of Microsoft 365;

3.0   FINANCIAL IMPLICATIONS

3.1   Cost of license purchase is £110,000 per year for 3 years, with an option to extend for another year.

3.2   The Executive Director of Corporate Services advises this cost will be met from IT revenue budget for 2024/25 to 2027/28

4.0   BACKGROUND

4.1   This report supports the Council's IT Strategy which was approved at the City Governance committee on 4th March 2024 (Report 62-2024). The Councils IT strategy sets out to deliver secure, robust, and affordable IT platforms. Helping to enable digital services, mobile and flexibly accessible services through a cloud first approach.

4.2   The current system is approaching end of life and no longer offers the level of protection that we need. It has also run out of capacity and is no longer capable of completing the full backup of M365. With the contract due to end in November there is no value investing further in this system. This is a significant risk for the Council and a replacement system is required urgently.

4.3   The contract for the current systems that provide backup and security of Microsoft 365 data ends in November 2024. This is a critical part of the Council's cyber resilience and defence. A new contract is required to ensure the integrity and security of Council data.

4.4   The increased use of Microsoft 365 for Email, Teams and Sharepoint has seen a rapid increase in the amount of data being stored in M365. This data needs to be backed up to ensure that files, emails, and data can be recovered in a disaster scenario or following accidental deletion.

4.5   A market review is being undertaken to assess and evaluate the most appropriate platform. The system will be a fully Cloud based, software as a service, that will provide improved security and reliability for M365. This will help improve the detection and prevention of malware, spam, and ransomware, whilst reducing the associated administration overheads.

4.6   The licensing of the backup system will include unlimited storage capacity. This will support current requirements and allow for future growth with no restrictions.

4.6   Modern M365 security systems include artificial intelligence components that are not available in the current system. This enhancement provides improved detection and protection from more advanced cyber-attacks.

4.7   The new system will include enhanced data loss prevention features to help reduce the possibility of GDPR breaches. This helps ensure policy compliance and protects Council data from accidental or deliberate data loss. It will also provide visibility and reporting of sensitive data, helping to classify data and warn of potential risks.

4.8   The backup and security system will be procured through the compliant procurement framework NHS Digital Workplaces Solutions. The preferred supplier is Softcat.

5.0   POLICY IMPLICATIONS

5.1   This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services, or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

6.0   RISK ANALYSIS

6.1   There are four standard risks in any procurement and for public sector regulated procurements, a fifth is added, that of the procurement exercise itself breaching the public contract regulations and leaving the Council open to a legal challenge:

Key Risks			
Description of Risk	Probability (L/M/H)	Impact on DCC (L/M/H)	Actions required to manage Risk
Commercial Risk – That either the price objectives are not achieved up front or there are other costs that arise during the contract and diminish the overall benefits.	Low	Low	Costs and requirements are known as part of the Framework Agreement which we intend to utilise. (Ref 4.8 above)
Technical Risk – This concerns the difficulty in being able to specify the desired outcome and on the market being unable to deliver to the specification	Low	Low	New technology but skills and knowledge already exist and are transferrable. Suppliers will assist with initial configuration.
Performance Risk – This concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits	Low	Low	Only supply of licenses
Contractual Risk – Being able to remedy the 's shortcomings in the contractor's performance without severely damaging the contract and about avoiding reliance on the contracted supplier as the contract develops.	Low	Low	Specification of Requirements have been set out in the Framework.
Procurement Risk – where a procurement is found unsound in law, through the public procurement rules	Low	Low	Existing Supply framework will be used. (Ref 4.8 above)
Overall Contract Risk			

7.0   CONSULTATIONS

7.1   The Council Leadership Team were consulted in the preparation of this report.

8.0 BACKGROUND PAPERS

8.1 None.

ROBERT EMMOTT

EXECUTIVE DIRECTOR OF CORPORATE SERVICES   **01 AUGUST 2024**

This page is intentionally left blank