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Officer Decisions

Friday, 23rd June, 2023
10.00 am

AGENDA

1. **Award of contract for new backup solution**
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Date Published: Friday 23rd June 2023
Denise Park, Chief Executive

Agenda Item 1

**RECORD OF DECISION TAKEN UNDER
DELEGATED AUTHORITY FROM
EXECUTIVE/COUNCIL/COMMITTEE
DELEGATED POWERS OUTLINED IN
THE CONSTITUTION**



DELEGATED OFFICER DECISION TAKEN BY:	Assistant Director CE
DELEGATED BY:	Choose an item. (date of delegation)
IN CONSULTATION WITH:	Choose an item.
PORTFOLIO AREA:	Digital and Customer Services

SUBJECT: Award of contract for new backup solution

1. DECISION

To award the contract for the provision of a new backup solution to Phoenix Software Ltd for a 3 year period with ability to extend for a further two number one year periods.

2. REASON FOR DECISION

The Executive Board previous approved the procurement of a new range of security and recovery facilities for corporate data that will provide greater capability of recovery from a cyber-attack or other significant data loss.

A further competition was undertaken through the Crown Commercial Services (CCS) framework RM6068 lot 1 for Hardware, Software & Associated services. 22 Suppliers were invited to bid with 5 responses being received, a breakdown of the scores is below;

	Phoenix Software Ltd.	Supplier B	Supplier C	Supplier D	Supplier E
Quality (65%)	50	19.33	50.4	50	0
Social Value (15%)	9	0.6	5.4	17.39	0
Cost of ownership (20%)	20	4.01	18.51	5.4	0
Total	79	23.94	74.31	72.79	0

Tenders were evaluated using a method known as MEAT (Most Economically Advantageous Tender) with the recommendation from the panel that the contract be awarded to Phoenix Software Ltd as they had the highest score.

The proposed partner will provide active practical support in the cyber security domain and be a dependable part of our high availability response plan associated with cyber risks.

The new backup and recovery system will safeguard the Councils critical data, delivering:

- Enhanced protection for the Councils critical data
- Enhanced reliability of the backup hardware and software
- Enhanced performance of backup and recovery
- Improved provision for Disaster Recovery
- Protection against Ransomware

As part of the proposal was the option for backup for Microsoft Office 365, with Microsoft the responsibility for protecting the data lies with the organisation. For security and compliance reasons, the data should be compliant, encrypted and backed up at a secondary location to the provider's data centre for audit purposes. The number one cause of data loss in a deployment such as Microsoft Office 365 is accidental data deletion. A large percentage of all lost data is due to either accidental or malicious deletion of data by end-users. Other ways that data can be lost include misconfiguration, client sync issues, and most recently the widespread presence of malware and ransomware, which can render data unusable. Although Microsoft Office 365 provides some basic recovery options with the recycle bin and email retention, Microsoft's primary focus within Office 365 is ensuring that service and data availability are not disrupted. It is the organisations responsibility to protect the data that they store in the Office 365 cloud. Data loss is very common with the department getting requests to restore data for different reasons quite frequently with even the smallest data loss incidents impacting day to day business. The department is therefore proceeding with this option to backup all key Council email accounts.

3. BACKGROUND

Currently the department is using an on premise backup technology that was procured 4 years ago. Over that time the council has had challenges with functionality and the reliability of backups, this needs to be improved in order to provide the required capacity and performance levels for safeguarding the Council's critical data.

4. KEY ISSUES AND RISKS

- The departments existing backup technology is not sufficient to protect our data moving forwards.
- Recent years have seen a significant rise in cyber security related incidents affecting the public sector across the globe, as well as a marked increase in the number of attacks targeting national infrastructure including local government.
- The department requires additional systems hardening and attack prevention work to introduce the capability to quickly recover from a criminal attack in the shortest possible time.

5. FINANCIAL IMPLICATIONS

Capital Costs

Included in the current capital programme for this year is £350k for new security operation and recovery capability. Of this £100k is allocated to further security systems required for the department leaving £250k which includes a £150k grant for this new backup and recovery solution. The project will only require a capital investment of £25k with the remaining funding being transferred back into ICT capital reserves.

Revenue Costs

A total revenue budget of £130k is currently held by the department, from the tender the costs for the new solution will be as per below with the Council pre-paying for 3 year licences;

Area	Annual Revenue
New backup & recovery solution	£81k
Microsoft Office 365 backup	£30k
Total	£111k

There will be additional revenue implications for the further security solutions that the department needs to deliver with the remaining £19k being reserved for these.

In year 1 there will be a one off revenue cost of £9k for staff training courses for the new solution which will be paid for out of the part year effect of not commencing the project until July.

As part of a previous approval to move Council systems to the Cloud there was £35k revenue allocated for new backup, this is to be funded through the savings that will be generated through this programme. Due to the delays in delivering the project due to staff changes within the department the savings have not as yet been realised, if savings are made they will be reported back to finance at that time.

6. LEGAL IMPLICATIONS

The procurement process complied with the regulations of the Council's Contract and Procurement rules and the Public Contract Regulations 2015. All contracts and contract variations will be in a form approved by legal officers in the Commissioning and Procurement team.

7. RESOURCE IMPLICATIONS

There will be limited IT resources required to roll out the new solution which is built into existing work plans.

8. OPTIONS CONSIDERED AND REJECTED

The tenders offered 2 options for onsite backup for both 102 and 120 Terabytes, given the small increase in cost for the larger offering and to help future proof the deployment the department has opted for 120 Terabytes.

9. CONSULTATIONS

None with this report.

10. DECLARATION OF INTEREST

All Declarations of Interest of the officer with delegation and any Member who has been consulted, and note of any dispensation granted should be recorded below:

VERSION: 1

CONTACT OFFICER: Peter Hughes

DATE:	08/06/2023
BACKGROUND DOCUMENTS:	Exec Board Decision 09/03/2023 – Procurement of new Backup Solution.