

## **Cabinet**

<b>DATE</b>	14 February 2024
<b>REPORT OF</b>	Cllr Stephen Harness Portfolio Holder for Finance, Resources and Assets
<b>RESPONSIBLE OFFICER</b>	Sharon Wroot, Executive Director Place and Resources
<b>SUBJECT</b>	Information Management and Resilience (IMR) Project
<b>STATUS</b>	Open Report  Closed Appendix NOT FOR PUBLICATION Exempt information within paragraphs 3 and 4 of Schedule 12A to the Local Government Act 1972 (as amended)
<b>FORWARD PLAN REF NO.</b>	CB 02/24/06

### **CONTRIBUTION TO OUR AIMS**

Information is an important and valuable corporate and business asset that needs to be securely stored, managed, and protected. The Information Management and Resilience (IMR) project supports all the council's strategic aims and outcomes by ensuring that the data and information held by all council services is relevant, easily accessible to those with authorised access, secure and adheres to document retention schedules.

### **EXECUTIVE SUMMARY**

This report relates to the delivery of the Information Management and Resilience project and the procurement of a delivery partner to support the work required.

### **RECOMMENDATIONS**

It is recommended that Cabinet:

1. Notes the commencement of a procurement exercise via a recognised framework to support the delivery of the Information Management Resilience project.
2. Delegates authority to the Executive Director Place and Resources in consultation with the Portfolio Holder for Finance, Resources and Assets to award in accordance with the closed appendix and thereafter progress all activity required to implement and mobilise the arrangement and deal with all ancillary matters reasonably arising.
3. Authorises the Assistant Director Law and Governance to execute and complete all requisite legal documentation in relation to the matters outlined above.

## REASONS FOR DECISION

The recommendations made support the delivery of a project to transform and improve cyber security and resilience in the way the Council manages its data and information, with a focus on reducing the amount of information stored and lay the foundations for future technology innovation.

### 1. BACKGROUND AND ISSUES

- 1.1 Like any modern organisation North East Lincolnshire Council relies heavily on digital services that collect, process, and store large amounts of data. A significant portion of this data is sensitive and/or personal information. We transmit sensitive data across networks and to other devices and suppliers while providing services. This creates new and lucrative opportunities for cyber criminals.
- 1.2 Cyber security and resilience are crucial to ensuring our services remain available. It is also vital to ensuring the public trusts the council with their information.
- 1.3 This project will deliver transformation and improve cyber security and resilience in the way that the council manages its data and information, with an early focus on reducing the amount of information stored to prepare the foundations for the tools outlined in 1.5 below and lay the foundations for future technology innovation. The project is focussed on internal collaboration with data and information and associated governance structure.
- 1.4 The delivery partner will perform an initial scoping exercise, where a full, and in-depth analysis of the Council's corporate data will be performed. This will result in a set of recommendations and actions around:
  - Data Categorisation
  - Data Archiving
  - Data Clean-up
  - De-duplication (remove duplicated information)
- 1.5 The partner will work with the individual service(s) to design and implement a data categorisation policy where the data will be rationalised and placed in service specific areas with permissions and external collaboration requirements identified and developed. All the work will comply with best practice around data retention policies and GDPR.
- 1.6 Once this project is complete the council will be able to maximise the use of the Microsoft infrastructure, in which it has already invested, and build on the adoption of tools including:
  - Security: Data is managed by Microsoft data centres that add multiple layers of security so data cannot be mined by cyber attackers or used by marketing companies.

- **Reduced local storage requirement:** As it is a cloud provision, utilising SharePoint technology will reduce the burden of backups and expansion of on-premises data centres. Reducing the amount of data managed by the council will help reduce the cost of refreshing expensive local storage requirements and data centre equipment.
- **Improve collaborative working:** Utilising our existing Microsoft technology will allow for easy and secure access to documents for external partners, agencies and guests. This allows multiple organisations to work and collaborate on the same document at the same time seamlessly, increasing productivity.
- **Resilience:** In the event of a cyber-attack the technology provides additional resilience and ensures we can restore documents securely and independent of our local systems, due to the data being segregated from the council's network.
- **Data Loss Prevention:** We can put controls in place to protect our most sensitive information. If sensitive data is shared to someone who should not have access, Microsoft can take action to prevent the document being accessed, helping to reduce the amount of data breaches made.
- **Records Management:** Rules can be applied to data so, when it has passed its retention period, it is automatically deleted. Individual policies can be implemented according to data categorisation.
- **Advanced Discovery:** Information management, utilising Microsoft Data centre technology, can locate all related documents quickly and with ease due to the way Microsoft handles data.

- 1.7 The scale of the project, in terms of the amount of data which needs to be cleansed and the number of users this affects along with the required 'culture shift' to new ways of working, means that this is a complex and labour-intensive process for which it is considered that outside expertise, experience and capacity is required.
- 1.8 Other councils that have undergone this process have successfully engaged the support of third-party companies experienced in delivering effective and sustainable culture change at pace across organisations in relation to records management.
- 1.9 There are several organisations that can support us in this project, available by Direct Award under a Crown Commercial Service (CCS) Framework.
- 1.10 Following application of the process prescribed by the CCS a service offering, as detailed in the closed appendix to this report, has been identified as the most economically advantageous, therefore approval is sought to award the contract to the organisation for a maximum duration of 24 months.

## **2. RISKS AND OPPORTUNITIES**

- 2.1 Delivery of this project will release the opportunities identified above and also the following:

- Potential savings on the council's dedicated storage hardware 2025/2026 (Cost avoidance on potential new capital request est. £350K).
- Enhanced data security of documents through audits.
- Opportunity for data rationalisation.
- Utilisation of Microsoft SharePoint is a baseline and requirement for future opportunities with AI technology.
- Use of retention labels to control document lifecycles and disposal.
- Effective use of version control within documents.
- Improved search function across documents.
- Increased secure collaboration within documents.
- Increased business resilience through Cloud based folders.
- Higher utilisation of the already purchased Microsoft product set.
- Modern approach to data categorisation.
- Less resilience on our Local Backup process.
- Ability to automate data retention policies.

2.2 There are risks related to the potential loss of required documents and the extra capacity for staff resources needed during work with user groups and whilst users familiarise themselves with new technology and file structures. These are considered of low risk and will be mitigated by robust project management and by securing the support of an external specialist organisation for the project. The benefits that can be delivered by this project for the future should far outweigh the temporary requirements on resources and short-term service disruption.

2.3 A Data Protection Impact Assessment has been undertaken to inform the project and ensure mitigation for any negative impacts that could occur.

### **3. OTHER OPTIONS CONSIDERED**

3.1 Do nothing: This option puts the authority at higher risk of data breaches and non-compliance with information and data retention. It will not deliver the savings and benefits detailed in paragraph 2.1.

3.2 Deliver the project without third party support: The council has some of the expertise to migrate the data and deliver change projects, and council staff will manage delivery, however there is insufficient capacity internally to fully deliver a project of this scale due to the volume of data, number of users involved, and the extent of collaboration required with every service. To deliver this project effectively and realise all the outlined opportunities support from a suitably experienced third party is considered essential.

### **4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS**

4.1 There are potential negative reputational implications for the council resulting from the decision, as with any transformational project. These are anticipated to be, in the main, from internal sources given that this will be a significant change to working procedures for staff and services and will require a great deal of service input. A stakeholder engagement plan will support delivery and minimise disruption. The recruited supplier will bring experience of delivering a project of this scope and scale which will also help to minimise disruption

and achieve benefits in a timely manner.

- 4.2 A successful cyber-attack would considerably interrupt our ability to deliver services – many of which serve our most vulnerable residents – as well as incurring large recovery costs and significant damage to our reputation. Delivery of this project will reduce the impact of such an attack or loss of ICT from another source.
- 4.3 The project will improve data storage and handling that will benefit service delivery and consequently customer service to the residents of North East Lincolnshire. This will reduce risks in relation to General Data Protection Regulation (GDPR) and fines from the ICO.

## **5. FINANCIAL CONSIDERATIONS**

- 5.1 There is an estimated upper cost of £360,000 over a two-year period for third party support. ICT capital budgets have been reprofiled from existing approved capital funding to cover these costs, with no additional capital outlay required.
- 5.2 Potential cost avoidance on potential new capital request on SAN storage will be realised year on year, circa £350,000.
- 5.3 Reducing the volume of data storage as part of this project will support cost avoidance in cloud hosting costs in future years.
- 5.4 By migrating on-premises data to the Microsoft Data centre, this will potentially reduce the requirement for the on-premises data being backed up. This will in turn reduce the overall cost of the backup solution in future years.

## **6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS**

The benefits explained for each service, based on a more robust management of information and data, will positively impact services for children and young people. There are no wider implications anticipated.

## **7. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS**

Microsoft Cloud is between 72% and 98% more carbon efficient than traditional data centres, supporting the Council ambition in achieving its net zero target.

## **8. CONSULTATION WITH SCRUTINY**

There has been no consultation with scrutiny.

## **9. FINANCIAL IMPLICATIONS**

The costs are to be funded from the approved Capital Investment Programme ICT Refresh and Refurbishment scheme budget.

## **10. LEGAL IMPLICATIONS**

- 10.1 The approach recommended is a framework contract which has the benefits of approved suppliers already meeting certain benchmarks and flagging agreement in advance to appropriate terms and conditions. Further, the Council may achieve better terms by combining its volume with the other public bodies also taking part.
- 10.2 There are further advantages of assurance in that any such framework by necessity must be compliant with Public Contracts Regulations 2015. A framework approach is considered good practice and comes with its own efficiencies.
- 10.3 The procurement exercise has been conducted so as to comply with the Council's policy and legal obligations, specifically in compliance with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015 and supported by relevant officers.

## **11 HUMAN RESOURCES IMPLICATIONS**

There are no direct implications on the awarding of the contract, however there is a required culture shift in new ways of working for this project to be a success and the experience of the 3<sup>rd</sup> party will support on this.

## **12 WARD IMPLICATIONS**

Affects all wards as this project is maintaining data for all communities within North East Lincolnshire.

## **13 BACKGROUND PAPERS**

Data Protection Impact Assessment.

## **14 CONTACT OFFICER(S)**

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