WEST NORTHAMPTONSHIRE COUNCIL
CABINET

Tuesday 9th July 2024

Councillor Mike Hallam, Cabinet Member for HR & Corporate Services

Report Title	**Replacing Digital File Storage**
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List of Approvers

Monitoring Officer	Catherine Whitehead	24th June 2024
Chief Finance Officer (S.151)	Martin Henry	24th June 2024
Other Director	Rebecca Purnell	24th June 2024
Head of Communications	Becky Hutson	19th June 2024

List of Appendices
None

1. Purpose of Report

1.1 To seek approval to procure a replacement 'SAN' (Storage Area Network) system: on-site equipment which stores the majority of West Northamptonshire Council's (WNC) digital files, in order to replace critical end-of-life equipment.

2. Executive Summary

2.1 The Council's current SAN system, a significant component of our core IT infrastructure which stores the majority of our digital files, will fall out of active support from the manufacturer in February. This paper outlines the risks of this situation and proposes a replacement system to ensure that the Council can continue to store digital files securely and reliably.

3. Recommendations

3.1 It is recommended that the Cabinet:

3.2 Authorise the Chief Information Officer to award a contract for the provision to the Council of replacement SAN equipment and services, in compliance with the Council's procurement processes, contract procedure rules, and procurement legislative requirements; said contract to replace existing provision supplying services to the Council.

4. Reason for Recommendations

4.1 The existing SAN equipment was inherited from our one of our predecessors and is going end-of-life, meaning it will not be supported by the manufacturer. This will pose increasing security risks to our data and services, as well as make repairs and replacements harder to source, unless we replace the equipment.

4.2 At this time, our data management processes are not mature enough to consider a Cloud option without incurring substantially more expense than our present costs; ergo, replacement of physical hardware is the most cost-effective choice at this juncture.

5. Report Background

5.1 Upon vesting WNC in April 2021, the Council inherited a large SAN device and appropriate supporting services as part of its IT infrastructure.

5.2 In addition, under a reciprocal agreement inherited from the former LGSS partnership, WNC inherited the right to use identical equipment owned by Cambridgeshire County Council (CCC) as an 'emergency failover' system which maintains a secure copy of all data and can be used interchangeably with our own equipment in the event that the latter fails or is unavailable (CCC receive the same service in reverse).

5.3 Both sets of equipment are under maintenance agreement until February 2025, after which they will becoming increasingly expensive and difficult to maintain and become increasingly more vulnerable to cyber-attacks due to the aging nature of the system.

5.4 CCC have confirmed that they are migrating their data to a replacement system and do not intend to renew their system at the end of its life in February, which would leave WNC without a functioning backup or appropriate disaster recovery options.

6. Issues and Choices

6.1 Issues

6.1.1 The current equipment will not be actively supported by the manufacturer after the end of our current contact in February 2025. This, combined with the age of the equipment, puts us at risk of a loss of service which would prevent several WNC services from running, from which we would not be able to guarantee a quick recovery or to be able to easily source replacement parts.

6.1.2 Lack of support from the manufacturer beyond Feb 2025 would also increase our vulnerability to cyber-attacks, which would create a risk to WNC service delivery and to the integrity of our data.

6.1.3 The decision by CCC to also conclude their contract by Feb 2025 will leave us without appropriate backup and disaster recovery protections.

6.2 **Choices**

6.2.1 Option 1 – **Do Nothing**

6.2.1.1 It is possible to continue running the equipment and opt for no support, negating any capital costs of replacement and reducing our revenue cost.

6.2.1.2 This carries significant risks that may materialise at short notice and require significant investment to address, including but not limited to: a successful cyber security attack; loss of manufacturer support and problem resolution; inability to replace broken equipment; escalating maintenance overheads; failure to meet required security and compliance standards; incompatibility of new systems and tools.

6.2.1.3 Whilst this remains an option for considerations of cost, the risks are not considered acceptable from a professional IT perspective.

6.2.2 Option 2 – **Renew maintenance only**

6.2.2.1 We may be able to seek a further extension of the maintenance agreement from our existing supplier.

6.3 Given the age of the equipment, indicative quotes show any new agreement would increase significantly to price in the cost and risk of maintaining aged equipment (and some elements of the equipment would not be maintainable in any event); and the guaranteed response time would jump from four hours to 24 hours given the difficulties for a supplier to maintain old equipment.

6.3.1.1 It is further highly likely that the terms would be less favourable owing to the risk of the supplier being unable to source spare parts in a reasonable time frame.

6.3.1.2 The equipment would not receive security updates, making it increasingly vulnerable to cyber-attacks over time.

6.3.1.3 To maintain appropriate backup and disaster recovery protections, we would need to also reach agreement with CCC to take ownership of their SAN, and take out a contract for its support. Whilst the capital cost may be less, the combined revenue cost of maintain two would likely exceed our current maintenance costs by a significant margin.

6.3.1.4 This approach is not deemed safe, cost-effective or plausible.

6.3.2 Option 3 – **Replacement**

6.3.2.1 Commence the replacement of both sets of equipment and services as described in this paper.

6.3.2.2 This options fully addresses the given risks and issues and is recommended as such from a professional IT perspective.

7. Implications

7.1 **Resources and Financial**

7.1.1 *Capital*: The capital cost of implementing a primary SAN as well as a secondary unit for backup and DR purposes is expected to be £540,000, which is covered by our existing capital programme.

7.1.2 *Revenue*: The revenue costs are expected to be as follows, and are covered via existing budgets:

Revenue	2024/5	2025/6	2026/7	2027/8	2028/9
Primary SAN	£25,531	£25,531	£25,531	£25,531	£25,531
Secondary SAN	£22,309	£22,309	£22,309	£22,309	£22,309
Revenue Total[1]	**£47,840**	**£47,840**	**£47,840**	**£47,840**	**£47,840**

7.2 Legal

7.2.1 Due to the value and complexity of the procurement contract and in accordance with the Council's Contract Procedure Rules legal input will be required to advise, review and help prepare any contractual documentation. Advice and support shall be sought from Legal Services by officers, as required, to ensure a legally compliant procurement process is undertaken.

7.3 Risk

7.3.1 Due to the age of the existing SAN equipment, if a replacement solution is not implemented, maintenance on the existing equipment will cease and the risks of a loss of service as well as costs of maintenance would rise.

7.3.2 In addition, WNC risk a breach in security if an upgrade to the SAN equipment is not completed.

7.3.3 The issues raised in this report link to **Strategic Risk SR01: Data Management including Cyber Security**, which is currently summarised as follows:

Ref.	Summary	Gross Risk	Current Net Risk	Target Net Risk	Risk Owner	Cabinet Portfolio
SR01	**Data Management including Cyber Security** Insufficient security or recovery plans for data held and IT systems used by the Council resulting in the risk of data breach, loss of service, malicious attacks or inability to deliver services due to loss of systems and data.	**20**	**12**	**6**	Chief Information Officer	HR & Corporate Services

7.4 Consultation and Communications

7.4.1 No specific consultation or communications are required as part of this proposal.

7.5 Consideration by Overview and Scrutiny

7.5.1 Overview and Scrutiny Committee have not considered this issue.

7.6 Climate Impact

7.6.1 Modern SAN devices are more power-efficient and contain more eco-friendly materials than older versions. This will have a positive impact by reducing the overall energy used within the

[1] The revenue cost will be charged up front, but treated as an accrual over the five years it delivers value

lifetime of the contract, as well as ensure that the devices are easier to recycle and more eco-friendly to dispose of.

7.7 **Community and Poverty Impact**

7.7.1 There is no specific impact to the community or poverty arising from this proposal.

8. Background Papers

8.1 None.