

PART 2 – CONFIDENTIAL FACTS AND ADVICE

DMFD176

Title: Procurement of a Cyber Defence System

Information may have to be disclosed in the event of a request under the Freedom of Information Act 2000. In the event of a request for confidential facts and advice, please consult the Information Governance team for advice.

This information is not for publication until the stated date, because:

Publication of the information included in this report is deferred as its disclosure would be likely to prejudice the commercial interests of the London Fire Commissioner (LFC).

Date at which Part 2 will cease to be confidential or when confidentiality should be reviewed: July 2023

Legal adviser recommendation on the grounds for not publishing information at this time:

In the event the information contained in this Part 2 and/or its appendix is the subject of a request for information under section 1 of the Freedom of Information Act 2000 (the "Act"), it is considered that access can be denied on the basis that such information constitutes exempt information under:

Section 43(2) of the Act on the basis that the information in this report includes information which is exempt information if its disclosure under this Act would, or would be likely to, prejudice the commercial interests of any person (including the public authority holding it).

Public Interest Assessment

At present, on balance, it is considered that the public interest is best served if the information is not disclosed at this point. Disclosure by the LFC would be likely to have a detrimental effect on the LFC's position and related commercial interest regarding the expenditure incurred for the purchasing of new software licenses.

The eligibility of these exemptions should be reassessed in the event of a request under the Act for this information as the level of sensitivity will change over time and different circumstances may alter the arguments in favour of non-disclosure.

Legal Adviser - I make the above recommendations that this information should be considered confidential at this time

Name:

Date:

Once this form is fully authorised, it should be circulated with Part 1.

Confidential decision and/or advice:

This report recommends that the Deputy Mayor for Fire and Resilience authorises the LFC to commit revenue expenditure of up to £800,000 plus annual inflation increases for the provision of a cyber defence system. This figure is based upon the current systems costs and the expected £200,000 cost (over five years) of adding cyber protection to the London Fire Brigade's (LFB's) MS 365 environment.

The £800,000.00 figure above also includes the cost of extending the cyber protection to the Microsoft 365 environment. This has been estimated to be £40,000 per annum, or £200,000 over the life of the contract (up to five years).

Financial comments

This report recommends that revenue expenditure of up to £800,000 is agreed over five years (i.e. £160,000 per annum), plus annual inflation, for the purpose of procuring, installing and maintaining a cyber-defence system for a period of up to five years.

The annual budget for this service is £120,000, which is £40,000 less than the cost of the contract. This additional annual pressure is being considered as part of the budget process for 2023/24 and will be included in the LFC's November Budget Submission to the Mayor.

With regard to non-pay inflation: all LFC contractual inflationary increases are reviewed on an annual basis. The LFC budgets for non-pay inflation on an item-by-item basis, and the LFC will review those assumptions as part of its budget process for 2023/24. If inflation rates are above current assumptions a resulting budget increase will need to be submitted as part of LFC's annual submission to the Mayor's GLA Group budget process and/or the contract will need to be reviewed to assess whether it is possible to reduce the annual cost via a reduction in service. If inflationary increases result in in-year financial pressures, this will be reported on as part of regular financial reporting and met through the use of the Budget Flexibility Reserve. The Budget Flexibility Reserve has a forecast balance of £27,300,000m as at the end of the 2022/23 financial year.

Confidential Appendices and supporting papers:

Appendix 1 - Part 2 of Report LFC-0727y