POLICY AND RESOURCES COMMITTEE   7th FEBRUARY 2024

CYBER INCIDENT UPDATE

Report by Chief Executive

PURPOSE

1.1 The purpose of the Report is to provide an update on progress on recovery from the cyber-attack on the Comhairle's Information Technology (IT) systems.

EXECUTIVE SUMMARY

2.1 Following the criminal cyber-attack on 7 November 2023, Services have successfully implemented a number of workaround solutions to deliver key services and continue to work on developing and implementing permanent solutions. Significant progress has been made in restoring internal and external communications, with internet connectivity now fully restored at all sites across the Comhairle estate and a new telephone system being rolled out.

2.2 The Comhairle continues to work with partners and seek expert advice recovery. While significant progress has been made, The service recovery process will be in place for months and requires an element of temporary redistribution of tasks and duties, including the possibility of a delay or postponement of certain areas of work and the incurring of additional costs once the details of the recovery processes for each Service become clear.

RECOMMENDATIONS

3.1 It is recommended that the Comhairle notes the update on the process of recovery from the cyber-attack on the Comhairle's systems on 7 November 2023, as set out in paragraphs 6.1 to 6.5 of this report.

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IMPLICATIONS

4.1 The following implications are applicable in terms of the Report.

Resource Implications	Implications/None
Financial	There are no immediate financial implications of this Report, but there will be costs, one-off and ongoing, associated with business recovery.
Legal	Legal aspects and obligations will be monitored throughout the business recovery.
Staffing	There are no immediate employee implications of this Report, except as noted at paragraph 7.3 below, there are likely to be temporary employee implications associated with business recovery. The Comhairle will engage with Recognised Trade Unions as appropriate.
Assets and Property	There are no asset and property implications associated with this Report.
Strategic Implications	**Implications/None**
Risk	Business Continuity is a key aspect of Risk Management and Disaster Recovery. This Report sets out the Comhairle's response to ensure effective management of the cyber-attack on 7 November 2023.
Equalities	There are no identified equality issues within this Report. All services will be required to monitor for any potential equality issues throughout the business recovery period.
Corporate Strategy	N/A
Environmental Impact	N/A
Consultation	N/A

BACKGROUND

5.1 The Comhairle was the victim of a criminal cyber-attack on 7 November 2023. Following work undertaken as part of the forensic investigation, it is evident that data on the Comhairle's operational and backup servers is encrypted and currently unavailable.

5.2 The Comhairle continues to be in regular contact with Police Scotland, the National Cyber Security Centre and Scottish Government in the management of this event and is receiving support as required.

5.3 The Comhairle maintains a Corporate Business Continuity Plan, and this plan was activated once the Cyber Attack became apparent. The Plan sets out the remit for the Corporate Management Team, Incident Management Team, Service Recovery Teams and IT Recovery.

5.4 The Corporate Management Team (CMT) retains strategic oversight of the incident, and in terms of the Business Continuity and other relevant Plans, established an Incident Management Team (IMT) with responsibility for gathering information, identifying cross-service issues and supporting service recovery. Each Head of Service is leading service recovery through their Service Business Continuity Plans, co-ordinated through the work of the IMT and CMT.

PROGRESS

6.1 The IMT continues to work closely with Services to identify issues and impacts arising from the cyber-attack, monitor progress and support service recovery. Issues identified have been risk assessed and prioritised to inform detailed action planning in line with the Comhairle's approved risk management processes.

6.2 Progress has been made to restore *Business As Usual* in some instances, with interim workaround solutions now in place across many Service areas. Work to implement permanent solutions and fully restore systems and services is ongoing with rebuild commencing on a number of service-based IT systems. As part of this recovery process, the Comhairle is engaging with partners and software providers, to ensure opportunities to improve and future-proof service delivery are fully considered.

6.3 Internet Connectivity has been restored at all sites across the Comhairle, with several additional precautionary security measures now in place. Restoration of the internet connection will have many positive impacts for services, including enabling expanded access to printing and scanning facilities.

6.4 A new telephone system is being rolled out in a phased-approach and is now in place for Faire, Customer Services, Care Homes, Care at Home, Schools and other high volume phone lines.

6.5 While data on the Comhairle's operational and back-up servers remain unavailable, to date, no Comhairle data has been found on the dark web. Data recovery work continues, in co-operation with partners and providers.

PRIORITIES AND COSTS

7.1 The Comhairle will incur significant costs associated with the recovery phase of this incident and will seek financial assistance, in kind and directly. Full costings are still being gathered as services and IT continue to examine potential new systems or rebuild costs. The Comhairle will be advised of the costs associated with recovery as these become known and on a regular basis.

7.2 This incident has placed additional strain on resources and capacity across the Comhairle. While recovery across all Comhairle services is necessary and ongoing, recovery is an incremental process which requires prioritisation and decisions as to whether particular areas of work require to be delayed or postponed. The Comhairle will be advised of all implications affecting the delivery of services.

CONCLUSION

8.1 The IMT continues to work closely with Services to identify areas where support for services is required and to explore opportunities to improve and future-proof service delivery. The IMT is also exploring potential digital efficiencies where Services can gain additional benefits from the rebuilding process.

8.2 It is inevitable that there will be additional costs resulting from the cyber-attack and further information will be provided to the Comhairle as these costs become available. The Comhairle will seek financial support on the costs associated with the rebuild.