

DATE OF MEETING OCTOBER 15, 2025

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SUBJECT Cyber Security Cooperation Program

OVERVIEW

Purpose of Report:

To advise the Finance and Audit Committee that the City has submitted a proposal for funding of \$1,133,700 to the Cyber Security Cooperation Program.

BACKGROUND

Advances in digital technologies have enriched our lives and provided enormous benefits to society. Unfortunately, the same innovations that have brought us so many benefits have also exposed us to risks that threaten not only our digital infrastructure, but also the critical services on which we rely. Support and innovation to improve our cyber security is an essential part of protecting Canada's democracy, economy, and public safety.

In August 2025, the Government of Canada's Ministry of Public Safety announced a call for proposals for the Cyber Security Cooperation Program (CSCP). The CSCP provides time-limited funding in the form of grants to support a range of initiatives aimed to reduce cybercrime against Canadians, strengthen Canada's ability to protect its critical infrastructure, increase Canadians' cyber security awareness, augment Canadians' cyber security skills, and improve Canada's competitiveness in the global economy. The fund will invest \$10.3 million in project funding until March 31, 2030.

The 2025 Call for Proposals (CFP) deadline was September 25, 2025. The maximum funding allowed per recipient is \$300,000 per fiscal year.

DISCUSSION

City of Nanaimo ("the City") staff submitted a proposal to the CSCP, requesting \$1,133,700 to fund two temporary full-time positions. The two positions are a Manager, Cyber Security and an Analyst, Cyber Security with an anticipated start of April 2026 and the term to finish March 31, 2030. The funds requested include operating costs such as wages, cell phone charges and software (i.e. Microsoft) license fees, and one-time purchases including desks, chairs, workstations, monitors and peripherals. These positions are not included in the 2026-2030 Draft Financial Plan and would be contingent on a successful grant application.

Reporting to the Director, Information Technology / CIO, the two positions would be responsible for improving the City's cyber security capabilities and resiliency. Over the last few years, the IT department has made significant improvements to the City's network defenses including the

implementation of a 24/7/365 managed threat detection and response service, as well as strengthening the 'Human Firewall' with the administration of the annual cyber security training for staff. Despite these gains, the continual demand for digital services, including the ubiquity of Internet-connected services such as the City's water and traffic management systems expands the threat vectors and requires dedicated cyber security staff tasked with improving the City's resilience against the evolving cyber security landscape.

A CSCP goal is strengthening Canada's ability to protect its critical infrastructure and eligible projects include initiatives that support the cyber resiliency of municipalities and municipal services. Aligning to the CSCP goals of protecting critical infrastructure, the Manager, Cyber Security will lead the City's cyber security strategic planning, governance, and risk management, The Analyst, Cyber Security, will be responsible for the execution of the strategy including preventative maintenance tasks, threat monitoring, analysis, incident response and awareness efforts.

FINANCIAL IMPLICATIONS

If successful, the CSCP grant would fund the eligible costs of the proposed two temporary full-time positions from the period April 2026 to March 2030. Eligible costs include wages, operating costs related to cell phones, network charges and license fees, and one-time purchases of desks, chairs, phones, computers and monitors. Related payroll benefits of approximately \$117,300 for the period covered by the grant are ineligible for funding. Contingent on a successful grant application, the benefits costs would be funded with anticipated savings from IT Contracted Services.

CONCLUSION

The proposed roles will significantly enhance the City's cyber security posture. Working within the IT department, the Manager and Analyst will collaborate with network and systems professionals to safeguard the City's digital infrastructure and ensure the continuity of essential services. As the CSCP term concludes in March 2030, the City will evaluate the impact of these positions and explore options to sustain cyber security capacity, including permanent staffing or future funding opportunities.

SUMMARY POINTS

- In August 2025, the Government of Canada Ministry of Public Safety announced a Call for Proposal (CFP) for funding under the newly announced Cyber Security Cooperation Program.
- The deadline for proposal submission was September 25, 2025.
- The City submitted a proposal for funding of \$1,133,700 for two temporary full-time positions between April 2026 and March 2030.

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