

Drawdown of funds - Windows Server 2012 OS upgrade project

Decision maker: Director of Resources and Assurance

Decision date: 29th September 2023

Report by: Senior Project Manager

Classification

Open

Decision type

Non-key

Wards affected

(All Wards);

Purpose

To agree the drawdown and spend of £330,000 allocated budget agreed within the 2023/24 capital programme set aside for the Windows Server 2012 OS Upgrade project, which has already been approved in the capital programme.

Recommendation(s)

That:

- a) To spend up to £330,000 for the delivery of the Windows Server OS upgrade project; and**
- b) Authority be delegated to Head of ITC to make all operational decisions to implement the project**

Alternative options

1. Do nothing - Will place the council at risk of data confidentiality, integrity and availability breaches or risks due to the increased exposure to cyber security virus, malware or ransomware events associated with operating unsupported operating systems.
2. This probability will increase over time as exploits are discovered and no manufacturer security patches released.
3. For this reason, this option is rejected

Key considerations

4. Herefordshire Council runs a modern IT Data Centre environment to operate and support its service delivery. Due to the sensitivity of the data processed within its key line of business solutions (Security Classification - Official/Official Sensitive), the authority needs to operate its IT systems in line with government guidelines (currently HMG Security Policy Framework and Minimum Cyber Security Standard).
5. Due to these guidelines, the council is obliged to ensure that the underlying infrastructure is secure and that the hosting environment is maintained securely. Infrastructure must not be vulnerable to common cyber-attacks and this should be maintained through secure configuration and software patching. This is audited each year under the PSN, Cyber Essentials Plus and ISO27001 certifications.
6. The majority of on-premise services are virtualised utilising hypervisor technology (VMWare) with a small number still on individual servers due to licensing constraints or resilience requirements. Most servers within the environment run the Microsoft Windows Server operating system with a mixture of 2012, 2016 and 2019 versions.
7. The council will need to migrate any Windows Server running the 2012 operating system to at least version 2019.
8. The aim of the project is as follows:
 - Upgrade any server operating the Windows Server 2012 version.
 - Ensure line of business systems are able to operate with the newer operating systems.
 - Maintain the Windows Server estate on a supported and secure operating system
 - Maintain systems on supportable operating systems with access to vendor support (Microsoft).

Community impact

9. The County Plan ensures our essential assets, including IT, are in the right condition for the long-term, cost-effective delivery of services. The council has committed to deliver against bold and ambitious plans and, by working with our local and national partners, we seek to continue to improve the quality of life for the county's residents. Connected to this plan is a stated aim to further embrace digital technology to save costs and improve flexible working practice

Environmental Impact

10. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
11. Whilst this is a decision on IT infrastructure and will have minimal environmental impacts, consideration has been made to minimise waste and resource use in line with the Council's Environmental Policy.

Equality duty

12. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:
A public authority must, in the exercise of its functions, have due regard to the need to –
 - a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
13. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. As this is a decision on back office functions, we do not believe that it will have an impact on our equality duty.

Resource implications

14. The request is to spend the allocated project budget of £330,000 to enable commencing of implementation of the Windows Server Upgrade project via the Hoople Ltd service level agreement.
15. The funding has already been approved and included in the 23/24 Capital programme.
16. The detailed breakdown of the resource allocation is attached in the table below:

Capital cost of project	2023/24	2024/25	2025/26	Future Years	Total
	£000	£000	£000	£000	£000
<i>3rd Party application supplier(s)</i>	150.00				150.00
<i>Engineering</i>	130.25				130.25
<i>Project management</i>	40.25				40.25
<i>Contingency</i>	9.50				9.50
TOTAL	330.00				330.00

Funding streams (indicate whether base budget / external / grant / capital borrowing)	2023/24	2024/25	2025/26	Future Years	Total
	£000	£000	£000	£000	£000
<i>Corporate Funded Prudential Borrowing</i>	330.00				330.00
TOTAL	330.00				330.00

There are no revenue budget implications because any ongoing costs will be managed within existing IT revenue budgets.

Legal implications

- All related third party contracts must be procured in accordance with the Council's own contract procedure rules and appropriate contractual documentation put in place to protect the Council's interests.

Risk management

- The key risks associated with the options outlined in the paper are as follows:

Risk	Mitigation
Supplier Cost	Post Covid Pandemic the IT industry is seeing huge increases in the costs of software licensing and professional services. Additional contingency is built into the project but best value will be sought wherever possible.
Implementation Delay	Should any server have a delay in upgrading the operating system then additional security mechanisms may have to be implemented to mitigate any risk. Each prevailing risk will be reviewed and scored. Mitigation will be agreed dependent on the score and ability to treat or resolve within the context of the project delivery.

Consultees

18. No consultation has been completed as this is a decision to draw down funds only.

Appendices

None.

Background papers

None identified.

Report Reviewers Used for appraising this report:

Please note this section must be completed before the report can be published		
Governance	John Coleman	Date 04/09/2023
Finance	Karen Morris	Date 15/09/2023
Legal	Sean O'Connor	Date 31/08/2023
Communications	Luenne Featherstone	Date 31/08/2023
Equality Duty	Harriet Yellin	Date 07/07/2023
Procurement	Carrie Deeley	Date 19/09/2023
Risk	Kevin Lloyd	Date 07/09/2023
Approved by	Rachael Hart	Date 20/09/2023

Please include a glossary of terms, abbreviations and acronyms used in this report.