Local Authorities: Is your tech up-to-date?

Are you using hardware or software that is no longer compatible with the latest software updates? It may not seem like a big deal to have the latest anti-virus update on your office PC when it's running on an older operating system, like Windows 7, but it is. The latest anti-virus programmes work to detect malware and Trojans that are constantly evolving. At the end of 2019, some Local Authorities were still found to have been using Windows 7, and were prompted to make the move to Windows 10 before February 2020 as Windows has ceased to provide support to Windows 7 users. If you're running an old operating system that is incompatible with newer anti-virus programmes, you are opening your system up to these threats – which can cause devastating outcomes for departments running financial applications.

Redcar and Cleveland Borough Council dealt with a ransomware attack that cost them more than £10 million in damages. Most recently, Hackney Council suffered a cyber attack, the extent of the data breach is not yet clear. However, this is not a position you want to be in and it is avoidable when you ensure you have up-to-date security protocols in place.

As government organisations are now subject to compliance and fraud checks, any breach of regulations can lead to disciplinary actions including fines and dismissal of personnel. To pass a compliance check like ISO27001 you not only need to have updated software but updated hardware.

It may seem more cost-effective to continue running older operating systems for your organisation however, in the long run it will cause more harm than good. Keep on top of your software and hardware updates so that your citizens and suppliers can trust you with their information.

CS Lucas passes ISO 27001 certification second year running

CS Lucas has passed it's yearly ISO 27001 audit for the second year running with comments by the certification auditor, GIC, that our processes have greatly improved. Maintaining our ISO 27001 certification is of great importance to us. We offered a transparent look into the working processes of our Security Management Systems, so as to provide accurate evidence that we are in conformance with the requirements of ISO/IEC 27001:2013 standards. The team at CS Lucas works hard to ensure we are following the international security standards that our customers and partners expect from our Treasury Management System.

At CS Lucas, we take the risk of cyber security threats and the need to ensure business continuity is maintained, seriously. Thanks to processes already in place – we were able to respond to new working arrangements put in place across the world during COVID-19 quickly. We provide our customers with state of the art, reliable technology – technology that is hinged on our built-in security features such as:

– Data encryption

– Network security and server hardening

– System monitoring

– Logging and alerting

These features are stringently tested and continually enhanced in response to ever-evolving threats in cyber security – this is particularly important given the rise of cybercrimes and databreaches seen during COVID 19.

Our Vice President, Don Escuro says that "With the increase of email malware campaigns that have been reported to hit those working in treasury and payments – it's becoming clear that all businesses are susceptible to fraud."

We noted that with the growing need for remote working, security gaps within these environments were likely to increase due to lapses in internal education and

compromises in 'typical' office-based security protocols would become common practice. Therefore, it became a priority to ensure that our systems were audited during this time. ISO 27001 is the only auditable international standard that defines the requirements of an information security management system (ISMS). An ISMS is a set of policies, procedures, processes and systems that manage information risks, such as cyber attacks, hacks, data leaks or theft. By gaining this certification, users on our end can be confident that their data is protected

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Looking at a future with SONIA

There has been a lot of noise surrounding the SONIA/LIBOR transition, what it will look like and how we can best move from relying on LIBOR's forward-looking rates. Loan markets are in need of the forward-looking term rate that SONIA sets; it's easier to track and manage interest payments using SONIA because it is based on actual overnight rates collated by the Bank of England. This makes SONIA more objective compared to LIBOR.

According to the Bank of England's roadmap, funders are to stop writing LIBOR-linked loans by the end of Q3 2020. Concerns over the practicalities of getting this transition ready during a pandemic, pushed the deadline back to Q1 2021. The Working Group on Sterling Risk-Free Rates noted that the planned Q3 2020 target was no longer feasible as it was necessary to continue use of new LIBOR linked loans into Q4 2020 in order to regulate flow of credit to the real economy in light of the pandemic. Lenders are now in a position where they must find the best transitionary solution for them.

Lenders who are already moving away from LIBOR, may be using a compound SONIA and lag period/ observation shift to track rates. We know that the assumed SONIA rate is set by the preceding banking date – which can cause discrepancies when asking for rate quotes. The Bank of England announced in their roadmap that from August 2020, the index of compounded overnight SONIA rates will be published. As it will date back from 23 April, the published index will make it

easier for you to track the effect of compounding SONIA rates across London's business days. By making the index public, this will cut down on the amount of calculations you will have to make. However, it does not prevent banks from quoting different rates. Keep in mind that the Bank of England's index uses the observational shift method which is not as popular as the lag method – therefore, allowing for rate variations.

At CS Lucas, we are integrating a SONIA Rate Engine to help our consumers track and verify the rates quoted to them by banks. It will be hosted on a public web portal so that users can double check their rates against The Bank of England's figures. We, ourselves use the SONIA Rate Engine to work out payments and account for transactions. You can see how it works and find out how exactly you can utilise it for your needs during our webinar – hosted by the lead technician who built it, Ivan Parayno. Join us September 9, at 2PM BST and again at 2PM SGT.