

**Appendix 3**

**ARGYLL & BUTE COUNCIL  
SECOND INTERIM MANAGEMENT LETTER 2000/01  
JULY 2001 (Updated 11 October 2002)**

## SECOND INTERIM MANAGEMENT LETTER

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### SECTION 6: ACTION PLAN

| Reference No. | Recommendations  | Responsible Officer | Agreed Date of Implementation       | Management Comment update as at 11/10/02  |
|---------------|--|---------------------|-------------------------------------|---|
| Ref 1         | Escrow agreements should be obtained for all specialised major applications.   | K.Duncan            | End July 2001<br>End September 2001 | Escrow agreements have been identified for almost all specialised major applications. There is one major agreement outstanding – ORACLE, who do not offer a “multiple agreement” which the Council could buy into. The alternative would be to pay for a unique agreement with ORACLE at the cost of £2000 and £1000 annual cost thereafter. I.T. do not consider this to be particularly good value. The absence of an Escrow agreement would be considered a low risk considering ORACLE’s stability within the worldwide IT Software market. |
| Ref 2         | <p>A review of controls over dial-up access should be undertaken and improvements made. Examples are:</p> <ul style="list-style-type: none"> <li>• Third party vendors could have a bank of modems, which would only be switched on after a formal request for access.</li> <li>• Dial-in passwords could be alphanumeric, changed on a regular basis and not be recorded by the administrator of these accounts.</li> </ul> | A. Connolly         | End December 2001                   | Still having technical problems. Task has been reallocated and alternative funds have been identified. Completion date is now December 2002.  |

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|               | <ul style="list-style-type: none"> <li>• Restrictions on the use of dial up networking should be included within third party contracts and all dial-in requests should be formally recorded.</li> <li>• Dial-up access could be monitored and failed login attempts formally recorded and investigated.</li> </ul> <p>Users should be reminded of the importance of enabling the pin number on their Nokia mobile phones.</p> |                     |   |   |
| Ref 3         | Service Level Agreements and maintenance contracts held with third parties should be updated on an on-going basis, have a confidentiality clause, and where relevant contain a clause regarding external dial-up.   | K.Duncan            | Stage 3 & 4 : End December 2001<br>Stage 5 : End March 2002 | Administration support is now in place and existing maintenance contracts are being collated and reviewed. Appropriate training has been planned to allow scanning and indexing of documents for central storage. Completion date is December 2002. |

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| Ref 4         | <p>In order to increase system resilience it is recommended that a contingency and scenario planning exercise be undertaken. This should enable a full risk assessment to be made and a detailed disaster recovery plan to be developed. This plan should then be tested and updated on an ongoing basis.</p> | G. Wilson           | End October 2001                                | <p>The Information Security Forum has now been established. G Wilson is preparing a presentation on a full scale information security disaster recovery initiative to the forum. The project will have significant financial and resource implications for the Council with no budget yet identified to implement any solution. A contingency and scenario planning exercise will be undertaken prior to Christmas and will include an assessment of the Council's insurance policies to determine if data recovery and contingency costs can be partially met from insurance policies. A full risk assessment based on securing or replacing IT systems in the event of a disaster will have to follow.</p> |
| Ref 5         | <p>Formal key performance indicators for the IT department should be established and reported to management on a regular basis.</p>   | G.Boyd              | <p>End September 2001<br/>End December 2001</p> | <p>Currently looking at measurable P.I.'s Expect to have P.I.'s established and reported by end of December 2002.</p>  |

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| <b>Reference No.</b> | <b>Recommendations</b>                                    | <b>Responsible Officer</b> | <b>Agreed Date of Implementation</b> | <b>Management Comment update as at 11/10/02</b>   |
|----------------------|---|----------------------------|--------------------------------------|---|
| Ref 6                | Controls over the Council network should be strengthened. | A. Connolly                | End October 2001<br>April 2001       | <p>Are currently working on procedures – no date as yet.</p> <p>Are pushing to get a number of procedures by end of March 2003.</p> <p>Has not been done due lack of resources – should be done by March 2003. If not done by January 2003 additional staff will be brought in to do this.</p> <p>A new server has been installed to control FTP access. Work Completed.</p> <p>Backups are monitored manually – automatic monitoring is not essential. Work Completed.</p> |