

## NEWCASTLE BUILDING SOCIETY CASE STUDY

### Newcastle Building Society achieves FAST Platinum Award

Newcastle Building Society has become one of only 6 financial services firms to achieve this award, ensuring the organisation is in control of its IT assets and legally compliant.

#### Case study highlights

- Regular software audits now ensure Newcastle Building Society has no illegal software on its PCs
- IT compliance demonstrates the organisation's commitment to high standards
- Newcastle Building Society was awarded the FAST Platinum Award after demonstrating three consecutive years of software compliance

Newcastle Building Society is the largest building society based in the North-East and the 13th biggest in the UK with assets under administration of over £3.4 billion. The company provides a range of financial services from mortgages and insurance to investments and funds. It can trace its roots back to 1863, but the Newcastle Building Society was the result of a merger in 1980 between Grainger and Newcastle Permanent Building Societies. The Society has 33 branches, predominantly in its North-East heartland. It also has sites in Gibraltar.

Like most industries, the financial services sector is subject to increasing amounts of legislation and compliance requirements. Striving to keep one step ahead, Newcastle Building Society has been following guidelines set out in BS7799 as best practice in security provision to demonstrate to its customers its commitment to high standards.

As part of this, Newcastle turned to FAST to help manage its IT assets and meets its legal obligations. Pat Watson, Information Security Manager at Newcastle Building Society, takes up the story, "One of the fastest areas of growth in our business is the provision of services, such as the development and management of Internet accounts, for other financial service providers. As such, it is important for us to be able to demonstrate the highest standards of IT compliance and efficiency to third-party companies looking to establish partnerships with Newcastle Building Society."

#### The FAST process

Newcastle decided to work with FAST to help it understand and achieve software compliance. However, the sheer size of the company and the large number of individual sites meant that full IT compliance wasn't going to happen overnight and Pat wanted to ensure that the team was prepared for the task that lay ahead.

Before Newcastle started the programme FAST invited Pat to join their Software Management Training Day which provided a host of information about how to approach the road to compliance. The training covered a number of topics including legislation, software licensing, auditing and reconciliation.

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“Three of our staff members also attended an additional training course provided by FAST, which were included within our FAST fee. The selected courses covered Software Management and Software Auditing, and proved to be very informative, improving our understanding of software compliance issues. They helped us to manage ongoing maintenance and also provided an opportunity to meet other FAST customers and discuss what benefits they had gained from joining the programme,” said Pat.

Following the training workshop, the next task was to review and update the company's IT policies and procedures relating to the purchase and use of software. These were important aspects to address as they outline what employees can and cannot do on the company network and, once signed by staff, they ensure that every employee takes responsibility for their own actions. Newcastle already had disciplinary procedures in place to aid enforcement of the policies and to demonstrate to employees the seriousness of the programme.

Once this had been completed, Pat and her team prepared an inventory to account for every piece of hardware and software held by the company at all locations. Existing asset tags were utilised to assign every piece of hardware with a unique ID.

“With 177 servers and 1,133 PCs across 53 sites, it was agreed that a software auditing tool was required - this greatly assisted the audit process which would otherwise have been a huge task. The software quickly provided us with the information we needed to start reconciling all the software applications against the licences held by the company. With this information to hand, and following a review of software packages used by each staff member, we were able to identify any applications which were over - or under-licensed, and establish whether all applications were actually needed, before purchasing any additional licences”.

Pat discovered that, like many companies, Newcastle provided employees with a range of software applications regardless of whether each individual needed them. For example, the accounts department was unlikely to ever use PowerPoint even though it was installed on their PCs. In these cases, redundant software was uninstalled to avoid wasting money on unnecessary licences.

#### Certification

Following the audit process, Pat submitted the results to FAST for approval. FAST then reviewed the submission to ensure that the company was following their recommendations. This included ensuring

that the auditing process was being carried out correctly, IT policies were up-to-date and that all licence agreements were kept in a fireproof safe to avoid potential loss in the case of disaster. Following the review, Newcastle achieved the Gold Award of the FAST Standard for Software Compliance in 2002.

In order to maintain this high standard, the Newcastle reviews software assets on a regular basis, as recommended by FAST, to keep pace with any changes in personnel and software usage. This is managed by using the electronic audit tool, Peregrine PDI, and Software Organiser to manage their licences. In addition policies and procedures are reviewed on a monthly basis.

In June 2005, Newcastle Building Society gained FAST's Platinum Award - demonstrating that the company has maintained the highest level of IT compliance over three consecutive years.

“Becoming software-compliant has been one of the most demanding projects I have been involved with and required a lot of hard work and dedication from myself and the other members of staff involved,” continued Pat. “However, with FAST's support the process was made as easy as possible and we are now reaping the benefits.”

#### Benefits

Having gone through the programme, Newcastle Building Society has gained much greater control over its IT and software systems.

“Before purchasing new software, we are now able to refer to the new system and check whether spare licences are already available,” said Pat. “As a business we rely heavily on technology, so this has also helped us become far more efficient and make savings on our IT costs.”

Furthermore, having FAST's Platinum Award means that companies looking to establish partnerships with Newcastle now have the comfort of knowing its IT system is not only compliant but meets the highest standards of efficiency.

“Most importantly, this has allowed us to maintain an important competitive edge over many of our industry rivals, ultimately enabling us to win more business,” said Pat.

For more information please call **0844 815 5742**, email **contactus@fast-compliance.co.uk** or visit **www.fast-compliance.co.uk**