



Report of the Director of Corporate Services

Executive Board

Date: 4th April 2007

Subject: Revised Business Continuity Management Policy

Electoral Wards Affected:

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In
(Details contained in the report)

Executive Summary

1. Following the approval of the 'Service Continuity Policy' in February 2005, Risk Management Unit (RMU) has been leading work on implementing business continuity arrangements for the Council's critical services and embedding a culture of Business Continuity Management (BCM) across its departments.
2. This work has progressed well to-date, although a number of lessons have been learned from this on-going process. In addition, the British Standards Institute has recently issued a new Code Of Practice For BCM whose contents should inform our work. In response to these changes, RMU has redrafted the 'Policy on Business Continuity Management' and seeks approval for this to underpin its work programme.

1.0 Purpose Of This Report

- 1.1 This report provides an update for Executive Board on progress made by the Risk Management Unit (RMU) and departments in implementing business continuity arrangements for the Council's critical services and embedding a culture of Business Continuity Management (BCM). It also seeks approval for a revised Policy on Business Continuity Management which takes account of recent changes in best practice and lessons learned from work undertaken to-date.

2.0 Background Information

- 2.1 On 11 February 2005, Executive Board approved a 'Service Continuity Policy' drafted by the newly-formed RMU which highlighted new statutory duties placed upon the Council with regard to BCM under the Civil Contingencies Act (2004) as well as existing industry best practice and sought to establish basic parameters for the undertaking of this work within the authority. In particular, it set out our principal objectives, our approach to undertaking the work and the responsibilities for ensuring this was fulfilled.

3.0 Main Issues

Overall Progress

- 3.1 In terms of overall progress, RMU continues to develop and implement the BCM agenda with Council departments, both separately and in tandem with the broader risk management agenda. The first stage of the Business Impact Analysis process, in which specific critical services are identified, has been completed across the Council. A significant proportion of the analysis work relating to the second stage, in which officers 'drill down' into identified critical services to establish what risk treatment and BCM plans need to be developed, has also been completed and conclusions reported to the relevant business owners to take forward.
- 3.2 RMU has provided Corporate HR with an assessment of each department's progress on BCM as part of Directors' Appraisals for 2006/7.

Revised Policy on Business Continuity Management

- 3.3 As noted in paragraph 2.1, Executive Board approved a 'Service Continuity Policy' in February 2005 which set out our objectives for undertaking 'Service Continuity Planning' (now called BCM in line with industry practice), our approach to undertaking the work and the responsibilities for ensuring this is fulfilled. In the intervening period, RMU has made good progress towards the achievement of the Policy's objectives as well as specific targets set out in the Unit's service plans.
- 3.4 At the same time a number of important issues have arisen which we would now like to take account of. This report therefore proposes that the existing Council policy should be revised and replaced with a reworked Policy on Business Continuity Management. There are several good reasons for this. Firstly, the British Standards Institute has recently issued BS25999-1, which is a Code of Practice for the undertaking of BCM across all sectors within the UK. It is essential that the Council's approach and working practices take account of this important work which has taken several years to come to fruition.
- 3.5 Secondly, in the course of rolling-out the initial stages of BCM we have learned a number of lessons from the roll-out as well as actual incidents which have allowed us to modify our approach and documentation. One area where this has become very clear is the role of services which have a cross-cutting 'enabling' role in supporting operational services in planning for, and responding to, a disruption (i.e. ICT, Facilities Management, Corporate HR, Communications Team). In revising the Policy we will be able to assign clearer roles and responsibilities in delivering BCM to the critical services dependent upon their inputs.

This development has been discussed and agreed with the relevant services as well as Corporate Governance and Audit Committee and Corporate Risk Management Group.

Corporate BCM Plans

- 3.6 A Corporate BCM Plan has been drafted setting-out how the Council should respond to a Major Business Continuity Incident where there is a cross-cutting impact or which could not be managed within a single department's or service's continuity arrangements. A consultation exercise will be undertaken around this shortly to ensure this is fit-for-purpose and meshes appropriately with departmental plans and the Council's externally-focused emergency planning arrangements.
- 3.7 In conjunction with the Peace and Emergency Planning Unit, RMU has now completed a draft corporate Influenza Pandemic Response Plan which provides a seamless set of arrangements to enable the Council to respond to both the external (i.e. the direct impact on the community) and the internal (i.e. the impact on the delivery of the Council's services and its staff) consequences of an Influenza Pandemic. The approach was approved by CMT on 30 January 2007 and a Corporate Influenza Advisory Group is meeting regularly to inform on-going planning work.
- 3.8 Following its participation in preparing for actual instances of industrial action, RMU led a planning initiative to develop a contingency plan to enable the authority to respond to industrial action and maintain its critical services. The Industrial Action Business Continuity Framework has been agreed and is now in place for future events.

Next Steps

- 3.9 RMU will continue to work with departmental contacts with the aim of having BCM plans in place for all identified critical services by the end of 2007 and for these arrangements to be subjected to appropriate testing from the beginning of 2008.
- 3.10 In the meantime, the Unit is planning to provide an update on BCM to all DMTs between April and May in order to set-out what needs to be done corporately and within departments.

4.0 Implications For Council Policy And Governance

- 4.1 The report calls for the approval of a revised Policy on Business Continuity Management which restates the purpose of BCM, our statutory and regulatory responsibilities, what is required at each level of the organisation, and where the relevant roles and responsibilities lie.

5.0 Legal And Resource Implications

- 5.1 None.

6.0 Conclusions

- 6.1 RMU and departments have made good progress in developing and implementing the BCM agenda and the revised 'Policy on Business Continuity Management' will provide important support towards embedding this work across departments.

7.0 Recommendations

- 7.1 It is recommended that Executive Board:
- notes and endorses the project's progress to-date; and
 - approves the revised Policy on Business Continuity Management.

LEEDS CITY COUNCIL POLICY ON BUSINESS CONTINUITY MANAGEMENT

1. Aim of the Policy

- 1.1 The purpose of this Policy is to set out the Council's commitment and approach to Business Continuity Management (BCM) in order to ensure it can continue to deliver its key services to the community in the face of disruptions to their operation. These may arise due to loss of staff, a building, ICT infrastructure or failures by its external partners and contractors.
- 1.2 Within this broad aim, the specific principal objectives for undertaking BCM are to:
 - ❑ minimise the impact of disruptions to services upon the local community and staff through effective planning and the efficient restoration of services following an incident;
 - ❑ ensure the Council meets its statutory and regulatory responsibilities relating to BCM and that it adheres to industry best practice; and
 - ❑ embed a consistent approach to BCM as a core activity and an integral part of our business culture at all levels of the Council.
- 1.3 By achieving these objectives, the Council will be better placed to meet its strategic and departmental priorities and also protect the authority's reputation and other assets.

2. Scope of the Policy

- 2.1 For the purposes of the Policy, BCM is defined as "a management process which enables the organisation to identify and evaluate the potential impact of disruptions to its services from various sources and from this basis to develop appropriate strategies for responding to such incidents".¹
- 2.2 The scope of BCM is highlighted by the BCM Lifecycle which sets out the stages necessary to implementing this (see Figure 1).
- 2.3 In line with this definition, the Policy aims to ensure that robust BCM arrangements are developed and applied to all of our key services which are proportionate to their significance and the risks of disruption which they might face.
- 2.4 This Policy forms part of an overarching BCM Framework which encompasses both a strategy explaining processes and arrangements for implementing the Policy's principles and a toolkit of guidance and templates for officers to develop BCM arrangements within their own service areas. These elements will continue to evolve to ensure that the Council meets the current industry standards and good practice.
- 2.5 The Policy has been developed to be consistent with the objectives and content of the Council's Risk Management Policy and Emergency Planning Policy. Similarly, all BCM plans are developed to be consistent with, and linked to, existing emergency planning and risk management arrangements.

¹ This definition is derived from the British Standards Institute's BS 25999-1, 'The Code of Practice for Business Continuity Management'.



Figure 1: the BCM Lifecycle

3. Description of the Business Continuity Management Policy

3.1 In terms of the basic principles which underpin our approach to BCM, it is the Council's policy to ensure that:

- ❑ the roles and responsibilities for BC planning and response arrangements are clearly defined and understood by senior officers, service managers and other key stakeholders;
- ❑ the probability and impact of risks which could give rise to disruptions to services are formally identified and assessed;
- ❑ BCM plans are prepared and maintained at corporate, departmental and service levels to address identified needs and clearly document the actions to be followed in the event of disruptions in order to manage the response effectively;
- ❑ BCM plans facilitate a response at the operational level, but enable this to be escalated where the effects of disruptions prove more widespread;
- ❑ training is provided for appropriate staff and regular exercises take place to validate plans;
- ❑ BCM considerations are taken into account in the planning stages for all new business processes and systems.

The relationship between the specific levels of responsibility for planning for, and responding to, business disruptions is set out in Figure 2 below.

3.2 In relation to a response to an actual disruption, the guiding principle is that these should ordinarily be led by the officers responsible for, and familiar with, the service. Where a disruption is identified as having a wider impact, individual responses should be co-ordinated with other parts of the Council as necessary whether this is required at a divisional, departmental or corporate level.

Escalation to appropriate level dependant upon incident

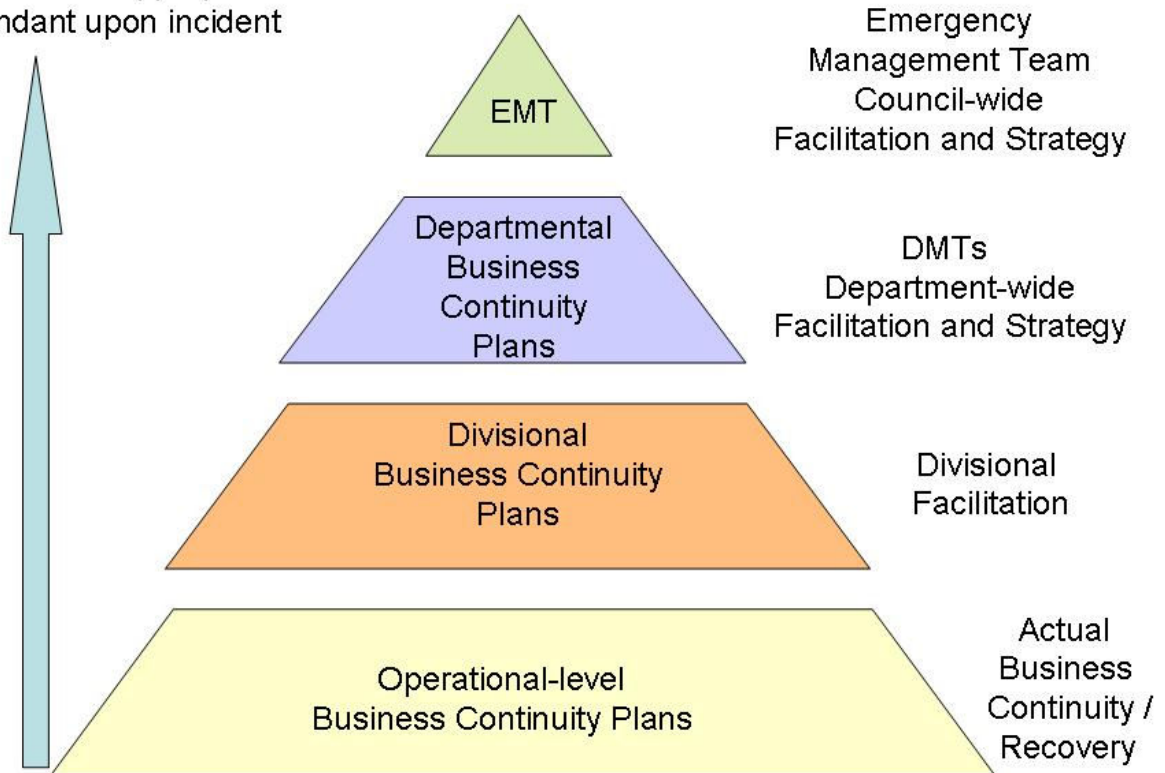


Figure 2: Levels of Business Continuity Planning and Response

4. Statutory & Regulatory Responsibilities

- 4.1 The Civil Contingences Act (2004) provides the statutory underpinning for BCM. Within this legislation, local authorities are defined as 'Category 1' or 'Core Local Responders' with duties to:
- ❑ 'maintain plans for the purpose of ensuring, so far as is reasonably practicable, that if an emergency occurs the person or body is able to continue to perform his or its functions'²;
 - ❑ 'provide advice and assistance to the public in connection with the making of arrangements for the continuance of commercial activities by the public, or the continuance of the activities of bodies other than public or local authorities whose activities are not carried on for profit, in the event of an emergency.'³
- 4.2 Other than maintaining our own plans and providing advice and guidance on BCM to local businesses, the Civil Contingences Act places additional requirements upon the Council to:
- ❑ consider both internal and external risk assessments when developing and reviewing business continuity plans;
 - ❑ maintain and review plans and ensure they are effective through exercising;
 - ❑ have clear procedures for invoking the plans;
 - ❑ provide training for key staff; and
 - ❑ publish aspects of business continuity plans so far as this is necessary or desirable for the purposes of dealing with emergencies.

² *Civil Contingences Act (2004), Chapter 36, clause 2(i)(c)*: this relates to all functions, not just emergency response.

³ *Civil Contingences Act, Clause 4(i)*.

5. Roles and Responsibilities for BCM

Executive Board

- 5.1 Ultimate responsibility for ensuring that the Council has effective business continuity management arrangements lies with the Executive Board which approves the Policy and receives a regular update on this work as part of the annual Risk Management report from the Director of Corporate Services. BCM issues are encompassed within this report.
- 5.2 Executive Board should provide appropriate challenge to ensure that the BCM implications of all major business change proposals coming before it have been satisfactorily taken into account. The Executive Member (Central & Corporate Functions) has specific responsibility for championing the embedding of BCM as part of the wider risk management arrangements.

Corporate Governance and Audit Committee

- 5.3 The Corporate Governance and Audit Committee is responsible for reviewing the adequacy of the Council's governance arrangements and robust BCM arrangements are an important component in ensuring the Council complies with its statutory and regulatory obligations. The Director of Corporate Services submits an annual assurance report on risk management arrangements to the Corporate Governance and Audit Committee to this end and BCM issues are encompassed within this.

Corporate Risk Management Group

- 5.4 Corporate Risk Management Group's role is to challenge the Council's Business Continuity Management arrangements in the shape of its policy and strategy, consider new BCM initiatives proposed by the Risk Management Unit, and act as a forum to exchange views and good practice on BCM issues.

Corporate Leadership Team

- 5.5 Members of Corporate Leadership Team are responsible for ensuring that there are appropriate arrangements in place at a corporate level to manage disruptions which affect multiple services rather than individual departments or services.
- 5.6 Corporate Leadership Team is responsible for the strategic management of incidents with a cross-cutting or wider impact. This may necessitate managing an incident which affects both the community and the Council's ability to deliver its own critical services simultaneously.
- 5.7 Corporate Leadership Team should provide appropriate challenge to ensure that the BCM implications of major business change proposals have been satisfactorily taken into account.

Directors / Chief Officers

- 5.8 Directors and Chief Officers are responsible for ensuring that suitable BCM arrangements are in place within their departments and services to plan for, and respond to, disruptions to their key services. To facilitate this, Directors and Chief Officers are responsible for ensuring that:
- ❑ officers are nominated at a suitable level of seniority to act as 'BCM Co-ordinators' to lead on BCM issues within the department and raise issues through the department's representative on the Corporate Risk Management Group (CRMG);
 - ❑ all service areas have been subject to business impact analyses to identify critical services and establish what BCM arrangements are required to protect these in the event of disruptions;
 - ❑ appropriate BCM plans are developed, maintained, tested and exercised on a regular basis, and that appropriate staff are familiar with their roles;

- ❑ the BCM implications of all new major business change proposals are satisfactorily taken into account;
- ❑ where key services are to be supplied by third parties or partner organisations, BCM considerations are taken account of contractually and practically.

5.9 The Director of Resources has specific responsibility for providing assurances to the Corporate Governance and Audit Committee on the adequacy of BCM arrangements as part of its risk management arrangements. The Risk Management Unit reviews and maintains the corporate BCM policy and strategy on the Director's behalf.

Risk Management Unit

5.10 The corporate Risk Management Unit (RMU) co-ordinates the development of the Council's BCM arrangements and is responsible for:

- ❑ reviewing and maintaining the Council's BCM policy and strategy and preparing assurance reports for Corporate Governance and Audit Committee on the adequacy of the BCM arrangements on behalf of the Director of Resources;
- ❑ disseminating the corporate approach and guidance to departments in analysing their services and developing appropriate BCM plans;
- ❑ auditing departments' BCM arrangements and assisting them in delivering exercises and training to validate these;
- ❑ developing, maintaining and exercising corporate BCM plans to enable senior management to respond to cross-cutting incidents effectively;
- ❑ supporting the corporate response to any Council-wide disruption by participating in relevant co-ordination groups and providing advice.

Enabling Roles

5.11 Several corporate-level services have an 'enabling' role in ensuring that critical services have robust BCM arrangements in place and work with RMU to ensure that these services understand the potential options for contingency arrangements for risks to areas of responsibility. This co-operation takes the form of practical advice and support and needs to occur during both the business impact analysis of services as well as the development of business continuity plans.

5.12 The key 'enabling' services are as follows:

- ❑ **ICT Services:** to ensure that departments are aware of their services' ICT dependencies, ICT Services' own contingency arrangements, and the contingency options are available to them;
- ❑ **Corporate Human Resources:** to ensure that appropriate policies and strategies are in place to support contingency arrangements relating to staff;
- ❑ **Facilities Management:** to ensure that departments are aware of their services' dependencies upon buildings and the risks arising from this, as well as what contingency options are available to them;
- ❑ **Communications Team:** to ensure that appropriate policies and strategies are in place to support communication with staff and service users in the event of disruptions to services.