Introduction

1. This report provides the Corporate Governance & Audit Committee with assurances relating to the adequacy of business continuity management controls currently in place in the council; that they are up to date, fit for purpose, embedded and routinely applied.

2. The information in this appendix is based around a 'cycle of internal control framework' which consists of five aspects, seen in the diagram opposite.

3. Business Continuity Management (BCM) is a process that helps manage risks to the smooth running of an organisation or delivery of a service, ensuring continuity of critical functions in the event of a disruption, and effective recovery afterwards. Leeds City Council (the council) recognises the benefits of having efficient and effective business continuity management arrangements in place. Not only is BCM good practice, but it is also a requirement of the Civil Contingencies Act 2004, which made it a statutory duty of all Category 1 responders (which includes local authorities) to have in place business continuity plans (BC Plans).

4. A Business Continuity Programme was initiated by the council to coincide with the publication of BS ISO 22301:2012 'Business Continuity Management Systems – Requirements'. The programme was successfully completed in September 2015 and is currently maintained by the council's Intelligence and Policy Service (IPS).

5. The statement includes opportunities that have been identified to improve these arrangements.

Define and Document

7. Policy and Strategy

8. The council has a documented 'Business Continuity Policy' and a 'Business Continuity Strategy', which are available on the internal InSite page. The Policy sets out the council's commitment and approach to business continuity management, whilst the Strategy provides the framework for directorates and services to develop, implement and maintain business continuity arrangements for their critical or prioritised services and functions. The Business Continuity Policy and Strategy are scheduled for review in 2022.

9. The principal objectives of the Business Continuity Policy are:

   - minimise the impact of disruption to critical or prioritised services or functions, particularly those that would impact the local community, by effectively planning for the continuance and/or recovery of services during and following an incident or disruption

   - ensure that the council meets its statutory and regulatory responsibilities relating to BCM including multi-agency co-operation and the provision of advice and assistance to the commercial sector and voluntary organisations

   - embed a consistent approach to BCM as a core activity and an integral part of our business culture at all levels of the council. This is achieved through training and awareness activities

10. Furthermore, it is the council's policy to:

    - understand the business by undertaking Business Impact Analysis (BIA's) and risk assessments

    - determine BCM strategies and their potential effectiveness

    - develop and implement a BCM response by developing business continuity plans detailing the steps to be taken during and after an incident or disruption

    - build and embed a BCM culture by raising awareness throughout the council, its key stakeholders and commissioned service providers

    - exercise, maintain, audit and self-assess to ensure that business continuity plans remain fit for purpose and can be effectively activated

11. Underpinning the Policy and Strategy are over 80 business continuity plans (BC Plans) covering the council's critical services and functions. The BC Plans are documented procedures that guide organisations to respond, recover, resume and restore continuity of the services and functions in the event of an emergency or disruptive incident, in particular loss or disruption to: staff resources; buildings and work environment; information communications technology; information and data; suppliers and contractors and plant, vehicles, equipment and consumables. The BC Plans are owned and maintained by the respective services across the five council directorates.

12. Roles and responsibilities

13. The Civil Contingencies Act 2004 imposes a clear set of roles and responsibilities on those organisations with a role to play in preparing for and responding to emergencies. The Act requires all Category 1 responders to maintain BC Plans to ensure that they continue to deliver critical aspects of their day-to-day functions in the event of an emergency or disruptive incident.

14. The main roles and responsibilities for business continuity management within the council are:

Entity	Roles and responsibilities
Executive Board and Council Leader	The council's Executive Board has high-level decision-making responsibility for business continuity management with this authority delegated to the Director of Resources. Linked to this, the Leader has oversight of business continuity within his portfolio. As with all executive delegations to officers, the portfolio holder may require, or the director may choose, to refer a business continuity matter to the Executive Board.
Corporate Leadership Team[1]	The Corporate Leadership Team (CLT) has responsibility for ensuring that there are appropriate arrangements in place to manage emergencies or disruptions, both those within their respective directorates and also ones 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 services simultaneously and may require the activation of the Emergency Management Plan.
Directorates: Management Teams and Resilience Groups	Directorate Management Teams[2] role includes the provision of assurance to each director that critical services or functions within the directorate are identified and that suitable business continuity arrangements are developed, implemented and maintained. Where necessary, some directorates have a Directorate Resilience Group (DRG) which meets to discuss and review business continuity management and emergency planning matters at a more operational level. Any significant matters arising from the DRG meetings are escalated to the Directorate Management Team for further discussion and action.
Service Managers / Service Leadership Teams[3] (SLTs)	Service Managers have responsibility to complete Business Impact Analysis (BIAs) to identify the criticality of their services and, based on the results, develop BC Plans and ensure that they

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[1] Corporate Leadership Team consists of the council's Chief Executive and directors.
[2] Directorate Management Teams consist of the relevant Director and Chief Officers and meet regularly to discuss issues affecting the directorate and its services. Other staff e.g., Heads of Service may be required to attend DMTs for specific items.
[3] Service Leadership Teams (SLTs) sit below DMTs and relate to specific services and functions within directorates.

Entity	Roles and responsibilities
	are fully implemented and kept up to date. Implementation includes ensuring staff awareness of their business continuity roles and responsibilities, testing and exercising of the plans, acting upon the findings of the tests and ensuring annual reviews are completed.
Intelligence and Policy Service (IPS)	In November 2020, corporate oversight for Business Continuity Management, including reporting to Elected Member Boards and Committees, transferred internally from the Resilience and Emergencies Team (RET) to the Intelligence and Policy Service (IPS).
	The IPS has existing responsibility for Corporate Risk Management arrangements, and this aligns closely with those for Business Continuity Management. IPS and RET staff work closely together on matters of risk management, emergency planning and business continuity management and are both part of the Strategy and Improvement Service, reporting to the Chief Officer, Strategy & Policy.
	The IPS provides business continuity support to service managers across the council on a wide range of aspects including the completion of business impact analysis'; the development of BC Plans and undertaking exercises to test the plans. The IPS manages and updates the Business Continuity Management Toolkit on InSite[4] and reports progress with completion of annual reviews to the relevant Directorate Management Team and DRGs.
Business Continuity Plan Owners	The person responsible for the BC Plan and who will activate it should a disruptive event occur. The Plan Owner is usually Chief Officer or Head of Service.
Business Continuity Plan Key Contact	The Key Contact has responsibility for the day-to-day administration of the BC Plan including its annual review and update. There may be more than one Key Contact for each plan.

15. Democratic Oversight

16. In addition to the democratic responsibilities seen in the table above, further oversight is provided via an annual report on the Business Continuity Management arrangements to the Corporate Governance & Audit Committee. From this report, the Committee gains assurance that the arrangements are fit for purpose, up to date and routinely complied with. The Chair of the Committee signs the Annual Governance Statement which includes Business Continuity Management.

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[4] InSite is the council's internal Intranet site, providing information and guidance to staff end Elected Members

17. The [Annual Corporate Risk Report](#) to Executive Board includes assurances for two corporate risks that relate to business continuity management and emergency planning, City Resilience and Council Resilience. The assurances include details of what the risks are, the main controls in place to manage them, any further work required and signposting to additional relevant information and reports. The Annual Corporate Risk Report is also provided to the Strategy & Resources Scrutiny Board.

Clearly Communicate

18. Training

19. Business continuity related training takes the form of one-to-one assistance or workshop style events to support the completion of business impact analyses and development of business continuity plans. During 2021, assistance and training has focussed on piloting an updated BC Plan template and also testing the new central SharePoint Teams site used to house electronic copes of the plans, further details of both can be found in the Review and Refine section of this report (points 56 to 59).

20. The IPS is available to facilitate short desk top based exercises to test both the business continuity plans and staff in a range of disruptive scenarios. Such exercises help with staff familiarisation of the plan's content. The outcomes from exercises informs the future update and development of the business continuity plans. As noted in Opportunities for Improvement (point 67), the BC Plan testing programme is to be reviewed and updated in 2022.

21. In September 2021, a desktop review exercise was undertaken with the Resources Leadership Forum[5]. The exercise required participants to consider the business continuity implications of an IT systems outage and what their services could do to prevent a cyber-attack. Similar desktop cyber-resilience exercises are planned for the four other council directorates in early 2022.

22. Guidance and information

23. The main source of guidance and information is the [Business Continuity Management toolkit](#), available on the council's InSite. The toolkit comprises the Business Continuity Policy and Strategy, guidance and templates for Business Impact Analysis' and Business Continuity Plans, an Assessment Checklist and Core Responder Planning Assumptions. The blank templates include guidance to aid completion. The Assessment Checklist provides a tool to assess the content of the business continuity plans including those provided externally such as from suppliers. Guidance has been developed on how to use the new central SharePoint 'Teams' site and is to be used as part of the training being delivered when the application is rolled out to BC Plan key contacts in early 2022.

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[5] Resources Leadership Forum consists of officers in the Resources Directorate at JNC pay level (mainly Chief Officers and Heads of Service)

24. Information on Business Continuity Management is available externally on Leeds.gov as part of information on 'how to prepare your business for an emergency'.

25. Leadership

26. In July 2021, the Corporate Leadership Team agreed a number of changes to Business Continuity Management and Emergency Planning arrangements. These changes included commencing the routine quarterly reporting of Business Continuity and Emergency Planning matters to Directorate Management Teams (on the same agenda that their risks are reported). The reports provide a holistic view of the threats facing the council, how they can be managed and acts as a route for the two-way escalation and discussion of significant business continuity matters between directorates to the Corporate Leadership Team.

27. In autumn 2022, Business Continuity and Emergency Planning reports were discussed at all Directorate Management Teams, with the Intelligence and Policy Manager and Emergency Planning Officer in attendance to present the reports and answer questions on them. The matters escalated to CLT for discussion included winter pressures, the increase in UK threat level and ongoing cyber-resilience work.

28. These reporting arrangements demonstrate that BCM is given appropriate attention at high-level across the council.

Effectively Embed

29. Stakeholders

30. The main business continuity management stakeholders can be seen in the Roles and Responsibilities section of this report (points 12 to 14 above).

31. Stakeholders are engaged with using a range of methods that demonstrate engagement is both 'top-down' and 'bottom-up':

- Routine reporting to DMTs and CLT on business continuity matters (see point 26 above)

- Directorate Resilience Groups who meet to discuss operational business continuity management matters

- The IPS and RET attend Service Management Teams to discuss operational business continuity matters e.g., how to review, update and test BC Plans. This engagement includes risk management and emergency planning as well as business continuity, as demonstrated in the Resources Directorate Leadership Forum held in September 2021 (see point 21 above).

- The council has a business continuity email address (businesscontinuity@leeds.gov.uk.) for use used by staff, Elected Members and the public to get in touch regarding BCM matters. The email address is included on both the Leeds.gov and Insite pages.

- The Intelligence and Policy Manager responsible for central Business Continuity arrangements meets regularly (usually weekly) with the Emergency Planning Officer to share information and progress joint actions outlined in the Review and Refine section of this report. Recent meetings focussed on the piloting and testing of the central SharePoint 'Teams' site

- Regular meetings continue to take place between IPS's Intelligence and Policy Manager and the Head of Internal Audit to share information, including matters relevant to business continuity management.

32. Members of the IPS and RET are part of West Yorkshire Prepared, the local resilience forum that has responsibility for co-ordinating the actions and arrangements between responding services to prepare for and respond to civil emergencies when they occur. The Intelligence and Policy Manager attends the Business Continuity Sub-group which provides a conduit for sharing business continuity management information and updates e.g., incidents of note, lessons learned and topical matters such as winter weather preparations. The work of West Yorkshire Prepared informs the review and update of the council's corporate risks on City Resilience and Council Resilience. Relevant information from West Yorkshire Prepared is fed back to the relevant DRGs, DMTs and CLT as required.

33. Directorate Management Teams and DRG meetings provide the main opportunities to discuss the effectiveness of business continuity management within their remit, discussing current matters arising e.g., feedback from West Yorkshire Prepared, and to consider lessons learned arising from exercises and activations.

34. The Directorate Management Teams and DRGs are engaged with the annual review process to ensure that each BC Plan is fully reviewed as a minimum once a year. A 'Business Continuity Summary Report' is maintained, setting out the status of annual reviews in the form of a Red or Green rating for each plan. Although IPS maintain the annual review process, Directorate Management Teams and/or DRG's provide intervention where annual reviews have slipped and become overdue.

35. The IPS Intelligence and Policy Manager is a member of professional bodies: Chartered Institute of Public Finance & Accountancy, the Institute of Risk Management and ALARM[6], all of which include business continuity management within their remit.

36. Pandemic response

37. Since March 2020, the COVID-19 pandemic has resulted in a test of the council's business continuity arrangements. Some council services temporarily ceased operating, whilst others required staff to work from home, placing an increased demand on the digital infrastructure and systems.

38. The council's pandemic response and recovery actions are driven by 'Silver' command and control arrangements. Ongoing engagement with Chief Officers takes place to deliver an effective and consistent approach to recovery and resumption of services. The council

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[6] ALARM is a risk management organisation that develops industry leading best practice for those managing risk and insurance

continues to follow national guidance. As the council continues to recover from the effects of the pandemic, Cabinet and Executive Board are being provided with an updated picture about the service recovery position across the organisation and actions in hand.

39. The pandemic represented an opportunity to consider lessons learned and best practice for our Business Continuity Management arrangements and acted as one of the drivers for the review of BCM and Emergency Planning (outlined at points 26 and 59 of this report). The revised BC Plan template reflects the up-to-date arrangements for many staff to work at home or from alternative sites if their main workplace is not accessible.

40. The work done to prioritise services during the pandemic has been used to inform the review of the criticality of the current BC Plans (Point 59 below). This has helped identify some plans that are no longer classed as being 'critical' (but which are still maintained), some areas where a completely new plan is required (e.g., Financial Services: Revenue Collection and Business Administration Service) and the scope of some existing plans to be revised (e.g., Financial Services: Exchequer Services and IDS Infrastructure).

Meaningfully Monitor

41. General

42. The standard to which the council aligns development of business continuity is BS EN ISO 22301: 2019 'Business Continuity Management Systems Requirements'. The standard specifies the structure and requirements for implementing and maintaining a business continuity management system. The standard (paragraph 9.1) 'Monitoring, Measurement, Analysis and Evaluation' sets out guidelines to assist organisations.

43. An annual review process of the critical service BC Plans is coordinated by IPS and supported by the Directorate Management Teams and DRG's. An 'Annual Review Monitoring Sheet' is maintained to facilitate the annual reviews and lists all critical service plans, the plan owners and key contacts responsible for maintenance of each plan and the current status of each plan against its scheduled date of annual review.

44. Benchmarking

45. The opportunity to identify and share incidents of note, lessons learned and good practice between the other West Yorkshire Local Authorities and other partner organisations is facilitated via West Yorkshire Prepared.

46. In February 2020, Redcar and Cleveland Borough Council was subject to a ransomware cyber-attack which meant that no one in that council could access their electronic files or shared drives and the majority of work devices became unusable. The subsequent 'Impacts

and lessons from the 2020 cyber-attack' report is being used to inform our cyber-resilience arrangements and each critical service business continuity plan.

47. Data Security Protection Toolkit

48. The Data Security Protection Toolkit (DSPT) requirements are ten standards applying to all health and care organisations (including the council). The Caldicott Guardian annual report to this Committee includes the council's performance against the requirements of the DSPT. The 2020/21 DSPT submission raised that more work was needed in an aspect of business continuity management. The council has acknowledged this, and work was immediately initiated by the Intelligence and Policy Manager in conjunction with IDS to address this compliance gap. This work, which involves obtaining scores on the criticality of the information covered by each BC Plan, is scheduled to be completed by municipal year end 2021/22 in time for the DSPT submission on 30th June 2022. The Caldicott Guardian will report to this Committee at their February 2022 meeting.

49. Risks identified and mitigated

50. Development of the business continuity plans considers risk, identifying the threats and hazards that might impact a critical service or function and the arrangements to avoid, mitigate and recover should such risks occur.

51. Information sources of business continuity and resilience type risks (both internal and external) include the council's Corporate and Directorate Risk Registers, horizon scanning, and the West Yorkshire Community Risk Register which is derived from the National Risk Register. The National Risk Register, produced and updated every two years by the Cabinet Office, outlines the key malicious and non-malicious risks that could affect the UK in the next two years. The assessment is based on extensive data provided by lead government departments, the intelligence community and relevant risk experts. The 2020 assessment contains 38 risks organised into seven categories.

52. The West Yorkshire Community Risk Register (publicly accessible from the West Yorkshire Police Website) identifies the main risks that residents and businesses in West Yorkshire may face. The register forms the basis of multi-agency emergency planning, with each risk in the register having its own risk assessment. The risks contained within the register are shared with the DRG's and DLTs and are used to inform development of directorate response and recovery capabilities and development of business continuity plans.

53. The council's Corporate Risk Register contains a range of strategic, cross-cutting risks including a number linked to business continuity management: 'City Resilience', 'Council Resilience', 'Major cyber-incident' and 'Major Flooding'. The corporate risks are reviewed by the Corporate Leadership Team four times per year and include up to date commentary on progress and actions. As seen in the Democratic Oversight section of this report (points 15 and 16), the corporate risks are reported annually to Executive Board.

54. <u>Escalation process in placed and used appropriately</u>

55. In the event of any hazards or threats arising which cannot be mitigated at service level directly with the managers responsible, the issues can be escalated to the DRG and/or DMT for consideration and resolution. Escalation also acts as a way of reporting matters 'for information' e.g., the recent increase in UK threat level to 'severe', winter pressures and the National Risk Register update. Should a significant business continuity issue arise requiring attention at director level, this can be escalated to the Corporate Leadership Team as part of routine risk reporting (point 26 above), or more urgently via the Director of Resources.

Review and Refine

56. <u>Legislation and guidance</u>

57. The Civil Contingencies Act requirement to 'put in place Business Continuity Management arrangements' has been implemented in the council using the guidance contained within BS ISO 22301:2012 'Business Continuity Management Systems – Requirements'. BS ISO specifies the requirements to implement, maintain and improve a management system to protect against, reduce the likelihood of the occurrence of, prepare for, respond to and recover from disruptions when they arise.

58. <u>Up to date and fit for purpose</u>

59. As seen at point 26 of this report, earlier in 2021, CLT approved a review of Business Continuity arrangements and the organisation wide Emergency Management Plans to help ensure there is sufficient organisational resilience as the council moves out of the pandemic and that it continues to comply with civil contingency responsibilities. The Business Continuity Management aspect of the review considered the following:

- reflecting the recent organisational changes on the business continuity plans: that the plan owners and key contacts are fully up to date, whether each plan should still be classed as 'critical', whether any new plans are required, and whether the scope of any existing plans needs to be updated

- reviewing and updating the format of the business continuity plan template to ensure it is easy to understand and use and is 'agile'

- the development of a central, accessible, secure location for holding electronic copies of BC Plans and Incident Response Plans

- whether the current business continuity arrangements fully reflect how services and functions would deal with a prolonged cyber-outage and that they are not over reliant on the council's Integrated Digital Service (IDS) to provide solutions.

- Lessons learned to date from the impact of the Covid 19 pandemic.

- The routine reporting of Business Continuity and Emergency Planning matters to each Directorate Management Team (point 26 above).

60. Work in progress update

61. Work progresses to complete the review of Business Continuity arrangements. The following progress is noted:

- As part of the most recent round of quarterly reporting, each DMT received and discussed a report on Emergency Planning and Business Continuity Management.

- Each DMT or DRG has considered whether their plans are still 'critical' or not. Key contacts for the plans have been reviewed and updated.

- The format of the BC Plan template has been reviewed and updated. The new version is currently being piloted across a sample of critical services with a wider roll-out planned for 2022 once feedback has been considered. The guidance on how to create BC Plans has been updated to reflect the new format.

- A central, accessible SharePoint 'Teams' site has been developed to house the BC Plans. The site was recently tested to check its usability and positive comments were received on its ease of use. Additionally, the externally hosted Resilience Direct[7] site is to be used to house copies of BC Plans 'off network'. These arrangements aim to make the plans accessible in the event of a network outage.

- In September 2021, West Yorkshire Prepared hosted Exercise Emmett, a regional 'desktop' testing exercise that considered how organisations would deal with a major cyber-outage occurring at the same time as an emergency incident. The debrief report from the exercise has recently been published and the actions from it are being prepared in conjunction with colleagues from IDS.

- The outcomes from Exercise Emmett, the planned directorate cyber-resilience exercises (point 20) and the lessons learned report from Redcar and Cleveland Borough Council's cyber-attack (point 46) provide a driver for reviewing the arrangements documented in each BC Plan to deal with the prolonged unavailability of the systems they use.

62. Survey of Internal Control

63. In May 2021, the council undertook a new Survey of Internal Control[8] in order to provide first line assurance in relation to all key systems of internal control by seeking an assessment from operational managers as to how the arrangements underpinning the Corporate Governance Code and Framework are working on the ground.

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[7] Resilience Direct is a web-based service built on a proven resilient and secure platform. It is accredited to hold electronic documents.

[8] A smart survey conducted amongst senior officers to support the review of internal control underpinning the Council's Annual Governance Statement

64. The Survey included questions relating to arrangements for Business Continuity Management. Respondents were asked to rate the extent to which staff were aware of and working in accordance with the following:

- Business Continuity Plans developed for the service
- Arrangements for monitoring, testing and review of business continuity plans.

65. The results, which are set out in the charts below, whilst generally positive, indicate that due to the high level of 'somewhat' responses, there is room for improvement regarding the development and testing of Business Continuity Plans. As outlined in this report, the review of the business continuity arrangements includes changes to the format of the BC Plans, their accessibility and a review of the criticality of the plans. The review includes a fresh look at how the plans are tested. It is noted that the results were obtained prior to the work outlined in points 58 to 61 above.

Monitoring, testing and review of Business Continuity Plans
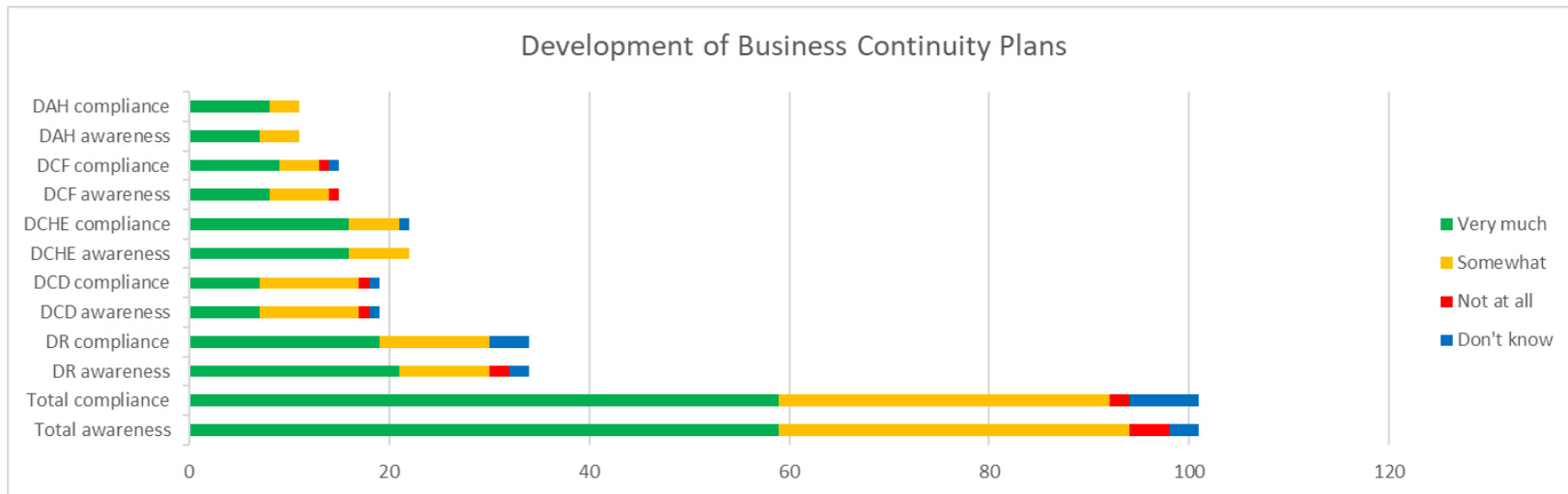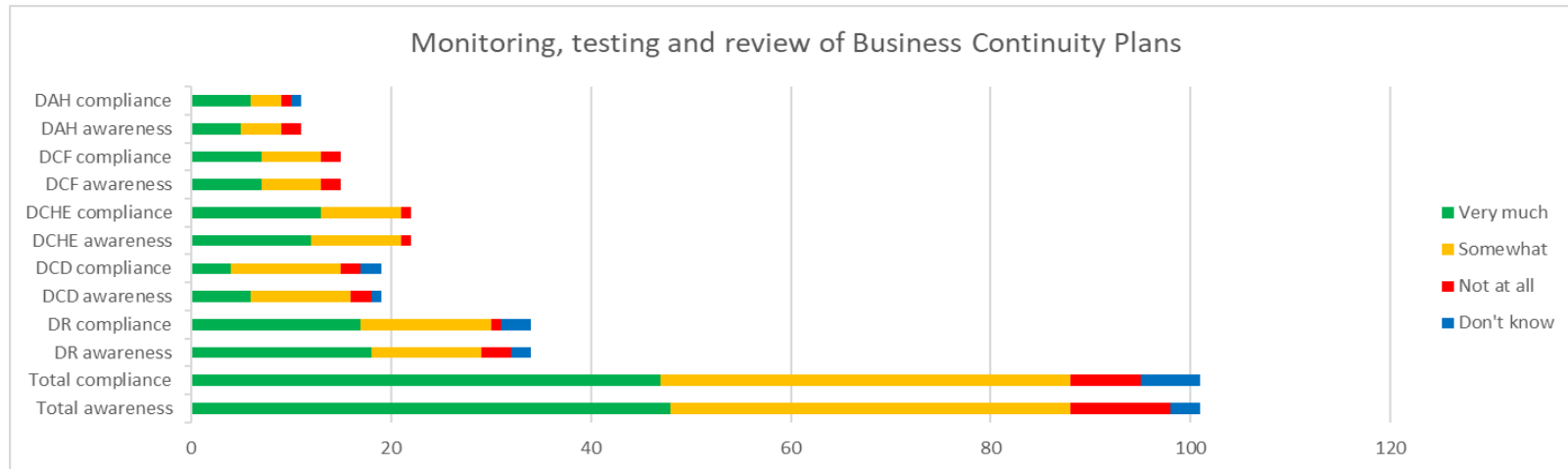
66. Opportunities for Improvement

67. In addition to the ongoing work detailed above (points 58 to 61), the main opportunities for improvement over the coming year are:

- The Business Continuity Policy and Strategy (including the Insite toolkit) are scheduled for review and update in 2022/23.

- The programme used to test the BC Plans is to be reviewed and updated, ready for use with the BC Plans once they have adopted the new streamlined template.

- Once Business Continuity plans have adopted the new template, a programme of peer reviews, where services check each other's plans to make sure they make sense and fully reflect any common aspects, is planned.

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