

Appendix 1: Annual assurance report on business continuity management arrangements

Introduction

The information in this appendix is based around a 'cycle of internal control framework' which consists of five aspects; define and document; clearly communicate; effectively embed; meaningfully monitor and review and refine.

1. Define and document

1.1. Policy and Strategy

1.1.1. Leeds City Council implemented a 'Business Continuity Policy' and 'Business Continuity Strategy' documents. The current versions are due review in August 2021.

1.1.2. 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 Business Continuity Management (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.

1.1.3. 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 (BCP's) detailing the steps to be taken during and after an incident or disruption;
- Build and embed a BCM culture by raising awareness throughout LCC, its key stakeholders and commissioned service providers;
- Exercise, maintain, audit and self-assess to ensure that BCP's remain fit for purpose and can be effectively activated.

1.1.4. The Business Continuity Strategy is outcome focussed, setting out what is required of the BCM Policy and providing the framework for directorates and service areas in understanding the requirements for developing, implementing and maintaining business continuity arrangements for their critical or prioritised services and functions.

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1.1.5. Underpinning the Policy and Strategy, there are 82 Business Continuity Plans documented across council services, each subject to an annual review to ensure their details are up to date (see 4.1.2). Future reviews in 2021 will take into account best practice and lessons learned from the COVID-19 pandemic, as detailed in 5.2.4 below.

1.2. Roles and responsibilities

1.2.1. The Civil Contingencies Act 2004 is the overarching Act of Parliament that makes provision about Civil Contingencies. The Act imposes a clear set of roles and responsibilities on those organisations with a role to play in preparing for and responding to emergencies. The main roles and responsibilities for business continuity management within the council are:

- The council's Executive Board has high level decision making responsibility for business continuity management with this authority delegated to the Director of Resources and Housing. Linked to this, the Deputy 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.
- The Corporate Governance and Audit Committee has responsibility for reviewing the business continuity management arrangements and gaining assurance that they are fit for purpose, up to date and routinely complied with. The Committee receives an annual report on the adequacy of the council's business continuity management arrangements.
- 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 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.
- Directorate Resilience Groups (DRG's) are key business continuity stakeholders and their primary role is to provide 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.
- Service Managers have responsibility to complete Business Impact Analysis (BIAs) to identify the criticality of their services and, based on the results, develop business continuity plans and ensure that they 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.
- Resilience & Emergencies Team (RET): Provide 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 business continuity

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plans; undertaking exercises to test the plans and completion of assessments on their. The RET manage and update the Business Continuity Management Toolkit and report progress with completion of annual reviews. Business continuity advice and guidance to Leeds' commercial sector and voluntary organisations is also provided by the RET.

- In November 2020 corporate oversight for business continuity management, including reporting to Elected Member Boards and Committees, transferred to the council's Intelligence and Policy Service (IPS). The IPS has existing responsibility for corporate risk management arrangements and these align closely with those for business continuity management. The RET will continue to provide support as detailed in the above bullet point.

1.2.2. Underpinning the roles and responsibilities is an emphasis on business continuity being everyone's responsibility and seen as a 'live' process of continuous improvement rather than just a routine 'success by checking' mechanism.

1.3. Democratic Oversight

1.3.1. In addition to the democratic responsibilities seen in 1.2.1 above, further oversight is provided via annual reporting on the implementation of the BCM Policy and Strategy to the Corporate Governance & Audit Committee. The Annual Corporate Risk Report to Executive Board includes assurance details for two Corporate 'Standing' Risks, City Resilience and Council Resilience. The assurances cover what the risks are, the main controls in place to manage them and any further work planned to treat them. The Annual Corporate Risk Report is also provided to the Strategy & Resources Scrutiny Board.

1.3.2. Executive Board receive regular reports on the COVID pandemic and also BREXIT arrangements. These reports include business continuity related updates.

2. **Clearly communicate**

2.1. Training

2.1.1. The RET provide business continuity related training which can take the form of one to one assistance or workshop style events to support the completion of business impact analysis' and development of business continuity plans.

2.1.2. The RET can facilitate exercises on request. These are usually 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 are used to inform future update and development of the business continuity plans.

2.1.3. Training sessions can also be delivered for the critique/assessment of externally provided business continuity plans such as those of commissioned service providers or contractors. Several such workshops have been delivered for Adults & Health staff to develop familiarisation of what the content of a business continuity plans should include so that officers can complete their own assessments.

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2.1.4. General briefing sessions can be provided in relation to business continuity awareness, for example, as part of the programme at commissioned service provider workshops for Adults & Health.

2.2. Guidance

2.2.1. A BCM Toolkit is available on the council's internal 'InSite' and comprises the Business Continuity Policy and Strategy, Business Impact Analysis and BCP blank templates, an Assessment Checklist and Core Responder Planning Assumptions. A link to the Civil Contingencies Act 2004 is also included.

2.2.2. The blank templates include guidance to aid completion, this can be supplemented by one to one assistance and workshop events if required. The BCP template when completed provides a good baseline on which managers can add further detail over time and develop a plan which fully meets the continuity needs of their service.

2.2.3. The Assessment Checklist provides a tool to assess the content of the business continuity plans including those provided externally such as from suppliers.

2.3. Leadership

2.3.1. Corporate leadership is fully briefed via DRG chairs on the type of training and support available from RET. Requests for training or exercising can be requested by leadership to explore and address specific issues or continuity challenges. Examples include City Development, where leadership requested half day exercises to cover themes such as the importance of business continuity planning in recovery from a terrorist attack and a business continuity scenario based on denial of access to Merrion House.

3. Effectively embed

3.1. Stakeholder engagement

3.1.1. DRG meetings provide the main opportunity to discuss the effectiveness of the business continuity plans, take a view on exercising and consider lessons to be learned arising from exercises and activations.

3.1.2. The DRGs are fully engaged with the annual review process to ensure that each plan is fully reviewed as a minimum once a year. Groups are provided with a 'Business Continuity Summary Report' for each meeting, setting out the status of annual reviews in the form of a Red, Amber or Green (RAG) rating. Although RET maintain the annual review process, DRG's provide intervention where annual reviews have slipped and become overdue. As each group is chaired by a Chief Officer, this top down approach is effective in quickly addressing and resolving issues as and when they arise.

3.1.3. During COVID, three of the five DRG's have continued to meet and use the opportunity to examine how services have responded to the COVID outbreak and to use their experiences to inform planning and preparedness for future waves. Two groups have decided not to meet during this period, they are confident that learning from the first wave is being picked-up and discussed in other forums.

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4. Meaningfully monitor

4.1. General

- 4.1.1. 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.
- 4.1.2. An Annual Review process is coordinated by RET and supported by the DRG's. There is an 'Annual Review Monitoring Sheet' listing all 82 critical service plans, the contact details of the managers responsible for maintenance of each plan and the current status of each plan against its scheduled date of annual review. An individual 'Business Continuity Annual Review Summary' is provided for each DRG meeting.
- 4.1.3. A detailed MS Project Plan is maintained by RET containing data relating to each annual review such as the outcome/results, issues and actions and any corrective action identified. The MS Project Plan contains historical data for each business continuity plan from its initial development through to implementation and ongoing maintenance.
- 4.1.4. Any non-conformity and evidence of deficient business continuity management performance is resolved at service level between the managers responsible and dialogue with RET, however escalation to DRG's can be taken where issues are more challenging to resolve.

4.2. Benchmarking

- 4.2.1. The opportunity to identify and share good practice and experiences between the other West Yorkshire Local Authorities and other partner organisations is facilitated via the West Yorkshire Resilience Forum (WYRF) Business Continuity Sub Group. There is also the Yorkshire & Humber Resilience Group which along with RET's wider network of contacts provides an effective conduit for sharing learning and best practice across the region. On a national scale, the Core Cities Civil Contingencies Group meet quarterly or when specific issues occur. The Group met recently to discuss governance in relation to COVID and have met previously to discuss preparedness for the EU Exit. All meetings and forums are currently run virtually due to the COVID restrictions.

4.3. Risks identified and mitigated

- 4.3.1. Development of business continuity plans is based on 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.
- 4.3.2. Local awareness of risk is informed by any external risks that have the potential to disrupt internal services. Horizon scanning for new or emerging external risks will help to inform overall risk awareness and ensure that the plans are developed taking account of both internal and external hazards and threats.

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- 4.3.3. A good example of how an emerging risk was identified and used to inform planning was the threat in March 2020 of COVID 19. Although risk to the UK population at the time was considered low, there was increasing likelihood that cases would be imported into this country. From a business continuity perspective, managers began to assess the potential impact on the council's services, workforce, supply chain, customers, etc. and a review and refresh of business continuity plans was recommended.
- 4.3.4. Sources of risks (both internal and external) include Corporate and Directorate Risk Registers and the West Yorkshire Community Risk Register which is currently derived from the 2019 National Security Risk Assessment (NSRA).
- 4.3.5. The 2019 NSRA provides a 'top down' approach to managing risks in the UK. Produced and updated every two years by the Cabinet Office, the 2019 assessment contains 121 risks that threaten the UK. The assessment is based on extensive data provided by lead government departments, the intelligence community and relevant risk experts.
- 4.3.6. Work to progress with the review of the 2019 assessment to identify the risks applicable to the West Yorkshire region to inform revision of the West Yorkshire Community Risk Register was stalled due to the COVID outbreak. Work to restart the review is in hand and being led by WYRF.
- 4.3.7. The current version of the West Yorkshire Community Risk Register (published September 2018) contains 40 risks applicable to West Yorkshire and is publicly accessible from the West Yorkshire Police Website. The risks contained within the register are shared with the DRG's and used to inform development of directorate response and recovery capabilities and development of business continuity plans.
- 4.3.8. The council's Corporate Risk Register contains a range of risks including two 'standing' risks having business continuity implications. 'City Resilience' and 'Council Resilience'. Both risks are reviewed quarterly and include up to date commentary relating to progress and issues. The most recent review (October 2020) included commentary relating to the councils response to COVID, climate change and BREXIT.
- 4.4. Escalation process in placed and used appropriately
 - 4.4.1. 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 for consideration and resolution.
- 5. Review and refine**
 - 5.1. Up to date and fit for purpose
 - 5.1.1. 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.

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- 5.1.2. By aligning the council's business continuity management arrangements with the latest BS ISO standards, the Corporate Governance & Audit Committee have assurances that implementation is aligned with best practice, is fit for purpose and meets the aims and objectives of the council's Business Continuity Policy and Strategy.
- 5.1.3. An annual review process co-ordinated by RET ensures that each business continuity plan is reviewed as a minimum each year. As seen in 1.2.2 above, emphasis is placed on business continuity seen as a 'live' process of continuous improvement rather than just a routine 'success by checking' mechanism.
- 5.1.4. Further assurance was provided on the council's business continuity management arrangements via a report entitled 'Business Continuity during COVID 19' which was presented to the Strategy and Resources Scrutiny Board on 7th September 2020 ([seen here - agenda item 8](#)). The report informed the Board on how the council's business continuity plans performed and supported the council's critical services during the initial days of the COVID 19 outbreak and how the outbreak will inform business continuity going forward.

5.2. Pandemic response and future challenges

- 5.2.1. In 2020, the COVID-19 pandemic resulted in the biggest test to date of the council's business continuity arrangements. Many council services temporarily ceased operating, whilst others required staff to work from home, placing an increased demand on the digital infrastructure and systems. In response to the challenges, the council's Digital and Information Service (DIS) implemented numerous interventions such as the accelerated roll out of Microsoft Teams video conferencing to ensure services could continue to operate remotely. Over 11,000 items of equipment were provided to support staff working from home,
- 5.2.2. 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 continues to follow national guidance and has developed a Lifting Lockdown in Leeds Plan to coordinate the resumption of services across the organisation.
- 5.2.3. As is good practice, significant incidents such as the pandemic should result in a review of an organisations business continuity management arrangements and plans, taking into account lessons learned, emerging best practice and changes in staffing responsibilities. As well as the report to Strategy and Resources Scrutiny Board (seen in 5.1.4 above), a further review will take place in 2021 to help keep the council's business continuity management arrangements 'live and agile' and demonstrate how meaningful responses can be provided to new risks as they arise.
- 5.2.4. The business continuity management arrangements are being further impacted by changes in the council's staffing structure, in particular the programme of service reviews taking place across the organisation and the loss of over 120 staff (to date) as part of the Early Leavers Initiative.

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- 5.2.5. The workforce response to the financial challenges has involved a managed four step approach to support service continuity cognisant of the council's [People Strategy \(2020-2025\)](#). The council is currently in the third step – adopting a range of voluntary measures, predominately the Early Leavers Initiative (ELI). The ELI scheme will result in between 5% to 8% reduction in the total headcount by the end of the current financial year. This represents a significant challenge. However, a range of mitigations have been implemented, including all exits being determined by a formal business case that addresses service continuity, enables service reconfigurations and workforce deployment. Cases that do not support essential business continuity will not be approved by the Corporate Panel. In addition, and in most cases, there is a notable lead time between approval to exit and departure from the council, allowing managers to carefully consider handover and continuity. The council has also developed the 'Supporting Futures' toolkit that includes the Talent Pool process that directly supports staff upskilling and reskilling, particularly ensuring the redeployment of resource to cover essential service areas. The toolkit also provides additional and targeted support for staff and managers on change, wellbeing and personal development.
- 5.2.6. Business continuity arrangements with key partner organisations is another aspect where further work is planned. Although many aspects of partnership working are included in the two corporate risks (Major incident in the city and Major incident in the council) and in multi-agency emergency response arrangements, more can be done to check the alignment of partner business continuity plans and whether there are any significant gaps that need to be addressed.