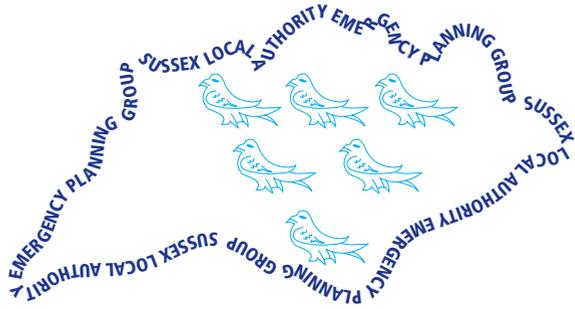


Promoting Business Continuity



Sussex Local Authority
Emergency Planning Group

Emergency Planning – Business Continuity

The Sussex Local Authority Emergency Planning Group consists of representatives from East and West Sussex County and District/Borough Councils. Its role is to promote Local Authority Emergency Planning in accordance with the Civil Contingencies Act guidance and regulations and it is committed to promoting Business Continuity.

This booklet has been produced as part of local authorities' responsibilities under the Civil Contingencies Act to provide advice and assistance to businesses about Business Continuity management.

What is Business Continuity Management?

Business Continuity Management is a process that can be applied to any business, small or large, to help manage the risks that threaten survival.

The objective is to identify hazards that may affect critical functions or activities and to ensure that these can be reduced or responded to in an effective way.

“Nearly 1 in 5 businesses suffer a major disruption every year”

More than 50% of companies, who do not have a Business Continuity Plan and are hit by a disaster, go out of business within 12 months!

The process, as shown in the diagram below, is a continuing cycle of risk assessment and risk reduction. The plan is simply the written record of the process being applied to your business.

Five Steps to Continuity Planning



1. Analyse and assess the risks to your business

In order to develop a Business Continuity Plan you need to have a thorough understanding of your business. This involves knowing the critical functions of your business, the effect of those functions being disrupted and the priority of those functions. This process is known as a Business Impact Analysis.

If your organisation operates over multiple sites, then each site will need a separate continuity plan of its own, based on the same principles.

Where is your business vulnerable?

Following the analysis of your business processes formulate a list of where your business is vulnerable.

Examples of critical functions are:-

- *Staff wages*
- *Call Centre*
- *IT Department*
- *Sales*
- *Manufacture*
- *Distribution*
- *Goods in*

Effect on Service

You should consider the importance of the function on the survival of your business (percentage of income or work load, how critical the function is to other functions, etc.) and how quickly each function must be re-established.

For each of the time spans, identify what the effect of the loss of the Critical Function would be.

For example, disruption to the Goods-In function could have the following effect:

First 24 hours

- *Lack of stock causing orders not to be completed on time*
- *Storage space for part-processed goods causing concern*

24-48 hours

- *Cut manufacturing hours due to lack of stock*
- *Company reputation damaged*

Up to one week

- *Financial implications of missed deadlines*
- *Need to outsource work to maintain market share*

Up to 2 weeks

- *Loss of customers to competitors*
- *Temporary or permanent reduction in staff numbers*

Assess the Risks

2. Assess the Risks

To identify risk you must look at the vulnerable areas of your business, as well as considering some of the more generic “what if” scenarios e.g. what if the power failed; what if a virus wiped out your IT system. Look for single points of failure in your technology or processes.

The essential part of Risk Assessment is that you ask three simple questions for each risk that you identify:-

1. How likely is it to happen?
2. What impact will it have on your business?
3. What factors can reduce the likelihood or effect or mitigate the risk entirely.

Always try to consider the worst case scenario when carrying out your risk assessment. This will mean that less serious incidents will be easier to manage.



Changing the ethos

It is essential to have the active support of the senior team in your organisation. It is possible that during your planning you will have the opportunity to convince your staff of the importance of Business Continuity Management and promote the concept internally and externally.

With this approach Business Continuity becomes the normal process of day to day activity.

Business Continuity must be included in the preparation of new contracts, partnerships and business processes.

It is every manager's responsibility to ensure Business Continuity is an integral part of their normal business activity.

You can not do this alone!

3. Develop your Business Continuity Strategy

Most likely the board will consider the options for continuity which will often be one of the following strategies:

1. **Accept the risks and change nothing**
2. **Accept the risks, but make a mutual arrangement with another business (competitor/Business Continuity Specialist) for help**
3. **Attempt to reduce the risks**
4. **Attempt to reduce the risks and make arrangements for help after an incident as in 2**
5. **Reduce all risks to the point where you should not need outside help**

All of these approaches will still need a detailed plan to outline the arrangements for the incident.

You will also need to consider how quickly recovery will need to occur for the strategic areas of your business or various departments. It may be useful to draw a chart of the timescales involved in re-establishing certain functions.

One essential decision is how you respond to risks that cannot be reduced.

4. Develop your plan

Your business continuity plan should contain the key areas as listed below. This is not an exhaustive list and you may find other key pieces of information that may be required as part of your strategy.

Items to include

Roles and Responsibilities

Make it clear who needs to do what, and who takes responsibility for each action. Always include deputies to cover key roles. Identify a Recovery Team and a Co-ordinator.

Incident Checklists for key staff

Use checklists that readers can follow easily

First Stage

Include clear, direct instructions or checklist for the crucial first hour or so after an incident

Following stages

Include a checklist of things that can wait until after the first hour

Document Review

Agree how often, when and how you will check your plan to make sure it is still current. Update your plan to reflect changes in your organisation's personnel and in the risks you might face

Plan for the worst-case scenarios. If your plan covers how to get back in business if a flood destroys your whole building, it will also work if only one floor is flooded.

Information from outside your business

Consider getting specialist information on the roles of other organisations that may be involved in the emergency such as:

Landlord

If you rent your business space – find out what plans and assistance your landlord or management company may be able to provide

Neighbouring businesses

Nearby businesses may be affected, but you may still be able to help each other

Utility companies

Telephone, electricity, water, gas. Find out what they will need to know and their emergency supply procedures and their main targets for connection.

Your insurance company

What information do they need from you? Do you need their permission to replace damaged critical equipment immediately? Will the existence of a Plan reduce your premiums? They may also be able to give you advice.

Suppliers and customers

How will you contact them to tell them you have been affected by an incident, and find out what their critical timescales are? They will be affected by your decisions, so involve them if you can and they may be reassured by your planning process.

Local Authority Emergency Planning Officer

Find out what your local authority would do in response to a major incident

Emergency Services

What information will the emergency services require from you? How can you help them by ensuring access routes, and providing information (key holders etc.)?

Points to remember

Make your plan usable. Don't include information that will be accessed in other places. Use existing organisational roles and responsibilities and build on them in the plan.

Specify the escalation of the plan. Who decides when to invoke the special arrangements and who manages the process? How will the stand-down process be managed?

Rehearse your Plan

5. Rehearse your plan

Testing and rehearsing your plan is one of the fundamental parts of contingency planning. It gives you an opportunity to test the arrangements and principles of the plan in a “safe” environment, without risk to the business.

There are various levels of rehearsal or evaluation which can be used. They will obviously vary with cost and value, however a planning lifecycle should allow for periodic tests of different types.

Table Top Exercise

Test your plan using a “what if?” written scenario. New pieces of information can be added as the scenario unfolds, in the same way that more details would become clear in a real incident.



Communications Test

With or without warning, a test message is sent out to everyone at the top of the call cascade lists in the plan(s). An audit can then take place on how well the information was communicated through your organisation.

Full rehearsal

A full rehearsal will show you how well different elements in your plan work together, which may not have become clear when you tested the individual parts. However, this can be an expensive way to test your plan.



What should you do next?

What should you do next?

If you have been inspired to consider developing a Continuity Plan for your business, start immediately.

Write yourself a realistic action plan based on the five steps outlined earlier.

Be realistic about timescales, and consider getting colleagues involved. Get the support of all your Senior Managers, Directors, Shareholders and Staff, only a team effort will succeed.

What have you got to lose?

If you don't have a Business Continuity Plan, you may be at risk of losing work to competitors, being exposed to failures in your supply chain, suffer loss of reputation and higher insurance premiums.

Business Continuity affects everyone: customers, staff, the community and ultimately the economy.

Be prepared, and have a Business Continuity plan.



Further information:

Information on Business Continuity and Preparing for Emergencies can be found from a variety of sources:-

Business Continuity Institute
0870 603 8783

www.thebci.org

Business Continuity Magazine

www.kablenet.com/bc

Emergency Planning Society
0845 600 9587

www.emergplansoc.org.uk

The Institute of Risk Management

www.theirm.org

MI5 Advice

www.MI5.gov.uk

There is a specific section on business continuity

Survive Association

www.survive.com

UK Resilience

www.ukresilience.info

Sussex Resilience

www.sussexresilience.org
(from 1st April 2006)

If you are interested in finding out more about Business Continuity then either contact one of the sites above or your Local Authority Emergency Planning Officer.



Contacts

Adur District Council www.adur.gov.uk
Arun District Council www.arun.gov.uk
Brighton & Hove City Council . . . www.brighton-hove.gov.uk
Chichester District Council www.chichester.gov.uk
Crawley Borough Council www.crawley.gov.uk
Horsham District Council www.horsham.gov.uk
Hastings Borough Council www.hastings.gov.uk
East Sussex County Council www.eastsussex.gov.uk
Eastbourne Borough Council . . . www.eastbourne.gov.uk
Lewes District Council www.lewes.gov.uk
Mid Sussex District Council www.midsussex.gov.uk
Rother District Council www.rother.gov.uk
Wealden District Council www.wealden.gov.uk
West Sussex County Council www.westsussex.gov.uk
Worthing Borough Council www.worthing.gov.uk

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