Chapter 6
Business continuity management

Summary

- The Act requires Category 1 responders to maintain plans to ensure that they can continue to exercise their functions in the event of an emergency so far as is reasonably practicable. The duty relates to all functions, not just their emergency response functions (paragraphs 6.1–6.13).
- Category 1 responders must have regard to assessments of both internal and external risks when developing and reviewing business continuity plans (BCPs) (paragraphs 6.14–6.16).
- Business continuity plans may take the form of generic plans – which set out the core of a Category 1 responder's response to any BCM event – or specific plans dealing with particular risks, sites or services (paragraphs 6.17–6.19).
- There must be a clear procedure for invoking the business continuity plan (paragraph 6.20).
- BCPs must include arrangements for exercises for the purpose of ensuring the plan is effective, and arrangements for the provision of training to those involved in implementing the plan. Plans must be reviewed and kept up to date (paragraphs 6.21–6.28).
- Category 1 responders are required to publish aspects of their BCPs insofar as making this information available is necessary or desirable for the purposes of dealing with emergencies (paragraphs 6.29–6.31).
- The Business Continuity Institute's five-stage business continuity management cycle provides a useful framework to help Category 1 responders to fulfil their duties. However, responders may adopt other models to deliver the legal requirements where there is a compelling case for doing so (paragraphs 6.43–6.46).
- Examples of good practice drawn from Category 1 responders already active in business continuity management may help others with developing and reviewing their own BCPs (paragraphs 6.38–6.118).

What the Act and the Regulations require

Scope of the duty

6.1 The Act requires Category 1 responders to maintain plans to ensure that they can continue to perform their functions in the event of an emergency, so far as is reasonably practicable.[1]

6.2 This duty relates to all the functions of a Category 1 responder, not just its civil protection functions. For Category 1 responders to help others in the event of an emergency, they first need to be able to keep their own crisis response capabilities going. However, Category 1 responders also need to be able to continue to deliver critical aspects of their day-to-day functions (eg law enforcement, looking after vulnerable people, attending minor fires) in the event of an emergency, if the impact on the community is to be kept to a minimum.

6.3 It may, therefore, be helpful to think of the business continuity management (BCM) duty in the Act as being separated into two strands. In practice, the Act requires Category 1 responders to maintain plans to ensure that they can:

- **Continue to exercise their civil protection functions:** The legislation requires Category 1 responders to maintain plans to deal with emergencies (see Chapter 5) and put in place arrangements to warn and inform the public in the event of an emergency (see Chapter 7). The BCM duty requires Category 1 responders to maintain plans to ensure that they can deliver these capabilities when they are required.
- **Continue to perform their ordinary functions:** Category 1 responders perform a range of functions that are important to the human welfare and security of the community and its environment (eg provision of health care, detection of crime, fighting fires). This is particularly true in an emergency situation, where operational demands often increase and the operating environment can become more challenging. The legislation requires Category 1 responders to make provision for ensuring that their ordinary functions can be continued to the extent required.

6.4 It is an established tenet of BCM that organisations should not only look at the resilience of internal structures and processes, but also those of organisations they rely on, or deliver services through.

6.5 The Act requires Category 1 responders to put in place plans to ensure that they can continue their functions in the event of an emergency.[2] This requires them to ensure that those organisations delivering services on their behalf (eg contracted-out services) or capabilities which underpin service provision (eg information technology and telecommunications providers) can deliver to the extent required in the event of an emergency. This is because services remain part of an organisation's functions even if they do not directly provide them.

Limits on the duty

Definition of emergency

6.6 BCM is a flexible framework designed to help organisations to continue operating in the face of a wide range of different types of disruptions right the way along the spectrum of severity.

6.7 However, the BCM duty is determined by the definition of emergency in the Act. The Act therefore imposes a duty on Category 1 responders to put in place plans to ensure that they can continue to exercise their functions in the event of a much narrower range of disruptive challenges.[3]

6.8 The duty applies only to those events or situations defined as an emergency in section 1 of the Act – events or situations that threaten serious damage to the human welfare, environment or security of a place in the United Kingdom. This should be read in conjunction with section 2(2) of the Act, which provides that an event or situation is only an emergency when it overwhelms existing response arrangements, and cannot be dealt with within existing resources or procedures (see Chapter 1 for an in-depth description of the definition of "emergency" underpinning Part 1 of the Act).

6.9 While the duty focuses on the most challenging situations, it is likely that plans put in place to fulfil their duty under the Act will help Category 1

[1] s. 2(1)(c)
[2] s. 2(1)(c)
[3] s. 2(1)(c)

responders to prepare for a much wider range of day-to-day (ie non-emergency) interruptions. By putting in place plans to keep themselves going in the event of an emergency, Category 1 responders will build resilience to a wider range of less serious events.

Practicability

6.10 Ideally, Category 1 responders would be able to continue all of their functions at ordinary service levels in the event of an emergency. In practice, this may not prove possible, and therefore the duty is qualified.

6.11 The Act requires Category 1 responders to put in place arrangements to ensure that they continue to exercise their functions in the event of an emergency so far as is reasonably practicable.[4]

6.12 The qualification "so far as is reasonably practicable" has three elements to it:

- **Criticality:** Category 1 responders should focus on ensuring that they can deliver critical functions. Which of its functions are critical is a matter that can be determined only by the organisation itself, and may depend on the nature of the emergency in question. Category 1 responders should not lose sight of the common supporting infrastructure underpinning these functions. The following guiding principles should be used when deciding whether or not a service or activity is critical. It is not intended to be a definitive list, but rather a series of useful indicators:
    - **Emergency management/civil protection:** Functions that underpin the Category 1 responder's capability to respond to the emergency itself, and take effective action to reduce, control or mitigate the effects of the emergency.
    - **Impact on human welfare, the environment and security:** The significance of services to the effective functioning of the community in the event of an emergency.
    - **Legal implications:** Statutory requirements on Category 1 responders and the threat of litigation if a service is not delivered, or is delivered inadequately.
    - **Financial implications:** Loss of revenue and payment of compensation.
    - **Reputation:** Functions that impact on the credibility and public perception of a Category 1 responder.
- **Service levels:** The Act does not require Category 1 responders to continue to deliver their functions at ordinary levels in the event of an emergency. Some critical functions may need to be scaled up, while others (which are non-critical) may need to be scaled down or suspended. Acceptable levels of service in the event of an emergency are a matter for the Category 1 responder itself to determine in the light of its capabilities, constraints and the needs of the community.
- **Balance of investments:** No organisation will be in a position to commit unlimited resources to BCM. It is the role of the Category 1 responder itself to decide the level of protection sought in the light of resource availability and appetite for risk.

6.13 Category 1 responders must therefore put in place a process for effectively managing the prioritisation of services – and getting high-level endorsement for these decisions – prior to an emergency occurring. The Business Impact Analysis process described later in this chapter gives a methodology for undertaking this work.

Risk assessment

6.14 It is important that Category 1 responders identify the significant risks threatening the performance of critical functions in the event of an emergency, as this will enable them to focus resources in the right areas, and develop appropriate continuity strategies.

6.15 In this context, there are two strands to risk assessment, relating to external threats (ie risk of an emergency occurring) and internal risks (ie business risks) that could cause loss or disruption of critical services required to control, reduce or mitigate the effects of an emergency.

6.16 The Act requires Category 1 responders to identify and assess significant risks of an emergency occurring in their area[5] – in accordance with their

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[4] s. 2(1)(c)
[5] s. 2(1)(a)

particular functions – as a basis for performing their other civil protection duties (see Chapter 4). The Regulations require Category 1 responders to have regard to assessments of risk maintained pursuant to the Act when developing BCPs.[6] The Act requires Category 1 responders to consider whether a risk assessment makes it necessary or desirable to review a BCP.[7]

Generic and specific plans

6.17 As with emergency plans, the Regulations provide that Category 1 responders may use generic plans, specific plans, or a combination of the two in business continuity planning. A generic plan is a core plan which enables a Category 1 responder to respond to a wide range of possible scenarios, setting out the common elements of the response to any disruption (eg invocation procedure, command and control, access to financial resources).

6.18 Specific plans may be required in relation to specific risks, sites or services. Specific plans provide a detailed set of arrangements designed to go beyond the generic arrangements when these are unlikely to prove sufficient.

6.19 Specific plans will usually operate within the framework established by the generic plan. It is a matter for Category 1 responders themselves to decide – in the light of assessments of risk – what, if any, specific plans are required.

Plan invocation

6.20 The Regulations specifically require Category 1 responders to establish a procedure for determining when an emergency has occurred which affects its ability to continue to perform its functions.[8] In other words, there must be a clear procedure for invoking the plan. Where continuity of key functions is threatened in the event of an emergency, there should be a clearly laid out escalation procedure. This should be identified, agreed and documented within the plan. The Regulations specifically require this procedure to:

- identify the person who should determine whether such an emergency has occurred;

- specify the procedure that person should adopt in taking that decision;
- specify the persons who should be consulted before such a decision is taken; and
- specify the persons who should be informed once a decision has been taken.

Exercising BCPs

6.21 A BCP cannot be considered reliable until it is exercised and has proved to be workable, especially since false confidence may be placed in its integrity.

6.22 The Regulations require Category 1 responders to put in place arrangements for exercising BCPs in order to ensure that they are effective.[9] These arrangements should encompass the three principal purposes of exercising:
- **validating plans** – to verify that the plan works;
- **rehearsing key staff** – to familiarise key staff with what is expected of them in a crisis and preparing them for crisis conditions; and
- **testing systems** – to ensure that systems relied upon to deliver resilience (eg uninterrupted power supply) function correctly and offer the degree of protection expected.

6.23 The frequency of exercises will depend on the Category 1 responder's need and the environment in which it operates. But the exercising programme should be flexible, and the focus and frequency of exercises should be responsive to:
- **the rate of change** – where the pace of change (eg to the organisation or risk profile) is particularly rapid, exercises may need to be more frequent; and
- **outcomes of previous exercises** – the identification of particular weaknesses and subsequent changes to plans may necessitate further exercising.

Training key staff

6.24 It is important to ensure that relevant people across the Category 1 responder – and in other organisations where appropriate – are confident and competent concerning the plan. It is particularly important that staff receive appropriate training prior

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[6] regulation 19
[7] s. 2(1)(e)
[8] regulation 19
[9] regulation 25(a)

to exercising. This will ensure that they are adequately prepared for what can be a challenging experience.

6.25 The Regulations require Category 1 responders to put in place a training programme for those directly involved in the execution of the BCP should it be invoked.[10] This should be reflected in plans. This should cover:

- **the contents of the plan** – How is the plan invoked? What are the key decision-making processes? Who else needs to be involved?
- **their role in implementing the plan** – What is expected of them? How do they fit into the wider picture?
- **key skills and knowledge required in crisis response**.

Reviewing and maintaining BCPs

6.26 The Act specifically requires Category 1 responders to maintain business continuity plans to ensure that they can continue to deliver key services in the event of an emergency.[11] This means that Category 1 responders must not only put plans in place, but ensure that they are reviewed and kept up to date.

6.27 Category 1 responders exist in a dynamic environment – organisations themselves and the environment they operate in are subject to change. BCPs need to be reviewed and updated to ensure that they remain valid. The following aspects of plans should be reviewed:

- **personnel** – staff turnover means that contact details will need constant updating;
- **the responsibilities of the Category 1 responder** – where a Category 1 responder takes on new functions or delivers new services, this should be reflected;
- **organisational structures** – where responders have experienced restructuring this may need to be reflected in plans;

- **suppliers or contractors** – ensuring that the details of suppliers and contractors are kept up to date;
- **risk assessments** – the Act requires Category 1 responders to review plans in the light of changes to risk assessments;[12] and
- **business objectives/processes**.

6.28 The frequency of plan review will depend on the rate of change within the organisation and the environment it operates within. Plan maintenance should take place on an ongoing basis, but all business continuity plans should be comprehensively reviewed at appropriate intervals.

Publication of BCPs

6.29 Communication with customers or service users – who may need information about service continuity in the event of an emergency – is important to community resilience. Emergencies cause serious disruption to people's lives and increase reliance on public sector bodies – provision of information about what they can and can't expect from Category 1 responders in the event of an emergency may help to minimise this disruption.

6.30 The Act requires the publication of aspects of BCM plans in so far as this is necessary or desirable for the purposes of preventing, controlling or mitigating the effects of an emergency or otherwise responding to the emergency.[13]

6.31 Category 1 responders need only publish information where there is a positive benefit in doing so. For example, a Category 1 responder need not publish internal management information which would be of little relevance or interest to the public. Furthermore, the Regulations prohibit the publication of sensitive information (eg commercially confidential information, personal data) where consent has not been received from the originator of the information, or where the

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Box 6.1: Further advice and information

Also included in this chapter is further advice about BCM and useful information that is not supported directly by the Act. There is therefore no direct obligation under the Act for responders to have regard to it. These sections of text are distinguished by inclusion in a text box like this one.

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[10] regulation 25(b)
[11] s. 2(1)(c)
[12] s. 2(1)(e)
[13] s. 2(1)(f)

public interest in disclosure fails to outweigh the interests of the organisation or individual concerned.

How the Act and Regulations apply in Scotland, Wales and Northern Ireland

Scotland

6.32 The Act and the Regulations apply in Scotland to bodies outside devolved competence in the same way as they apply in England.

6.33 The Regulations made by the Scottish Ministers make provision as to how Category 1 responders in Scotland that fall within devolved competence should exercise their duty under the Act to maintain business continuity plans.

Wales

6.34 The Act and the Regulations apply in Wales in the same way as they apply in England.

Northern Ireland

6.35 The Act and the Regulations apply to Category 1 responders exercising functions in Northern Ireland in the same way as they apply in England.

Collaborative arrangements

6.36 The Government is keen to give Category 1 responders the flexibility to make the best use of the resources and expertise available to them. The Regulations permit Category 1 responders to enter into collaborative arrangements in order to fulfil the BCM duty.[14] Category 1 responders may:
- deliver the duty separately;
- deliver the duty jointly (eg by forming a joint BCM unit or resource);
- agree that one Category 1 responder will facilitate the delivery of a BCM programme on behalf of a number of other Category 1 responders; or
- enter into collaborative arrangements in which one or more Category 1 responder gives assistance to others in fulfilling their BCM duties (eg managing the overarching programme, developing framework plans).

6.37 However, BCM must be owned and driven within the organisation itself – and engage the expertise and resources of its staff – in order to be effective. While collaborative arrangements can be used to make use of BCM expertise or resources in other Category 1 responders, responsibility for the robustness of BCM arrangements must remain within the organisation.

Delivering BCM in partnership

Humber Emergency Planning Service provides a comprehensive emergency planning service to all four councils in the Humber area and encourages them to address business continuity collaboratively, both internally within each council and collectively by working together on specific issues. This has enabled good practice, lessons learned and plan development to be shared between the four councils and other stakeholders.

Business continuity has become an integral part of the council-wide, multi-directorate emergency planning groups established in each of the councils in the Humber area. Senior officer representatives from each directorate/department with specialist knowledge of their particular disciplines, along with emergency planning professionals, come together on a quarterly basis to discuss and progress emergency planning matters. Included in this process is the development of internal business continuity arrangements that fit within each council's emergency management arrangements.

All four councils in the Humber area have been encouraged by the Humber Emergency Planning Service to develop their service area emergency plans to include business continuity arrangements to ensure that essential council services can be maintained in emergency and crisis situations. It is recognised that those responsible for delivering a service must be responsible for ensuring its continuity in the event of an emergency.

John Whiteman, Emergency Planning Manager, Humber Emergency Planning Service

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[14] regulation 8

Effective BCM is built on 'seven Ps'

1 **Programme** – proactively managing the process
2 **People** – roles and responsibilities, awareness and education
3 **Processes** – all organisational processes, including ICT
4 **Premises** – buildings and facilities
5 **Providers** – supply chain, including outsourcing
6 **Profile** – brand, image and reputation
7 **Performance** – benchmarking, evaluation and audit

Business Continuity Institute, 2003

How the requirements of the Act and the Regulations may be carried out

6.38 This section provides practical guidance on taking forward a BCM programme within a Category 1 responder. It will:

- describe the discipline of BCM;
- outline a methodology for implementing it; and
- highlight good practice examples drawn from Category 1 responders who are already active in the business continuity area.

Category 1 responders must have regard to this material and may find it useful in fulfilling their duties under the Act. While the Government considers this to be a sound approach, Category 1 responders may use other models to deliver statutory requirements in this area where there are compelling reasons for doing so.

What is BCM?

6.39 BCM is a management process that helps manage the risks to the smooth running of an organisation or delivery of a service, ensuring it can continue to operate to the extent required in the event of a disruption. These risks could be from the external environment (eg power outages, severe weather) or from within an organisation (eg systems failure, loss of key staff).

6.40 BCM provides the strategic framework for improving an organisation's resilience to interruption. Its purpose is to facilitate the recovery of key business systems and processes within agreed time frames, while maintaining the Category 1 responder's critical functions and the delivery of its vital services.

6.41 BCM is an ongoing process that helps organisations anticipate, prepare for, prevent, respond to and recover from disruptions, whatever their source and whatever aspect of the business they affect.

6.42 BCM is a generic management framework that is valid across the public, private and voluntary sectors. It is about maintaining the essential business deliverables of an organisation in an emergency. The primary 'business' of private sector organisations is the generation of profit, a process that BCM seeks to protect. Category 1 responders provide services to the public, and it is equally important that these are protected and resilient.

BCM methodology

6.43 The Business Continuity Institute has developed a five-stage process, which has become widely accepted and has been incorporated into a British Standards Institute Publicly Available Specification – PAS 56. This model provides a generic framework that is applicable across the public, private and voluntary sectors.

6.44 Figure 6.1 illustrates this approach. The rest of the chapter describes this process, and outlines how a Category 1 responder can use this framework to fulfil its duties under the Act.

6.45 Work is underway to integrate the methodology set out in PAS 56 into a British Standard. This work is not expected to change radically the five-stage process set out in this guidance. However, Category 1 responders should familiarise themselves with subsequent developments in good practice and reflect on the implications for their BCM work.

6.46 As Figure 6.1 shows, the five stages of the process are:

- **Stage 1: Understanding your business:** Using business impact and risk assessments to identify the Category 1 responder's critical deliverables, evaluate recovery priorities and assess the risks that could lead to a disruption to service delivery.
- **Stage 2: BCM strategies:** Identifying the alternative strategies available to the Category 1 responder to mitigate loss, assessing their potential effectiveness in maintaining the Category 1 responder's ability to deliver its critical functions.
- **Stage 3: Developing and implementing a BCM response:** Developing the response to business continuity challenges and the plans underpinning this.
- **Stage 4: Establishing a BCM culture:** This stage looks at the need for Category 1 responders to ensure that a continuity culture is embedded in their organisation by raising awareness throughout the organisation and its key stakeholders, and offering training to key staff on BCM issues.
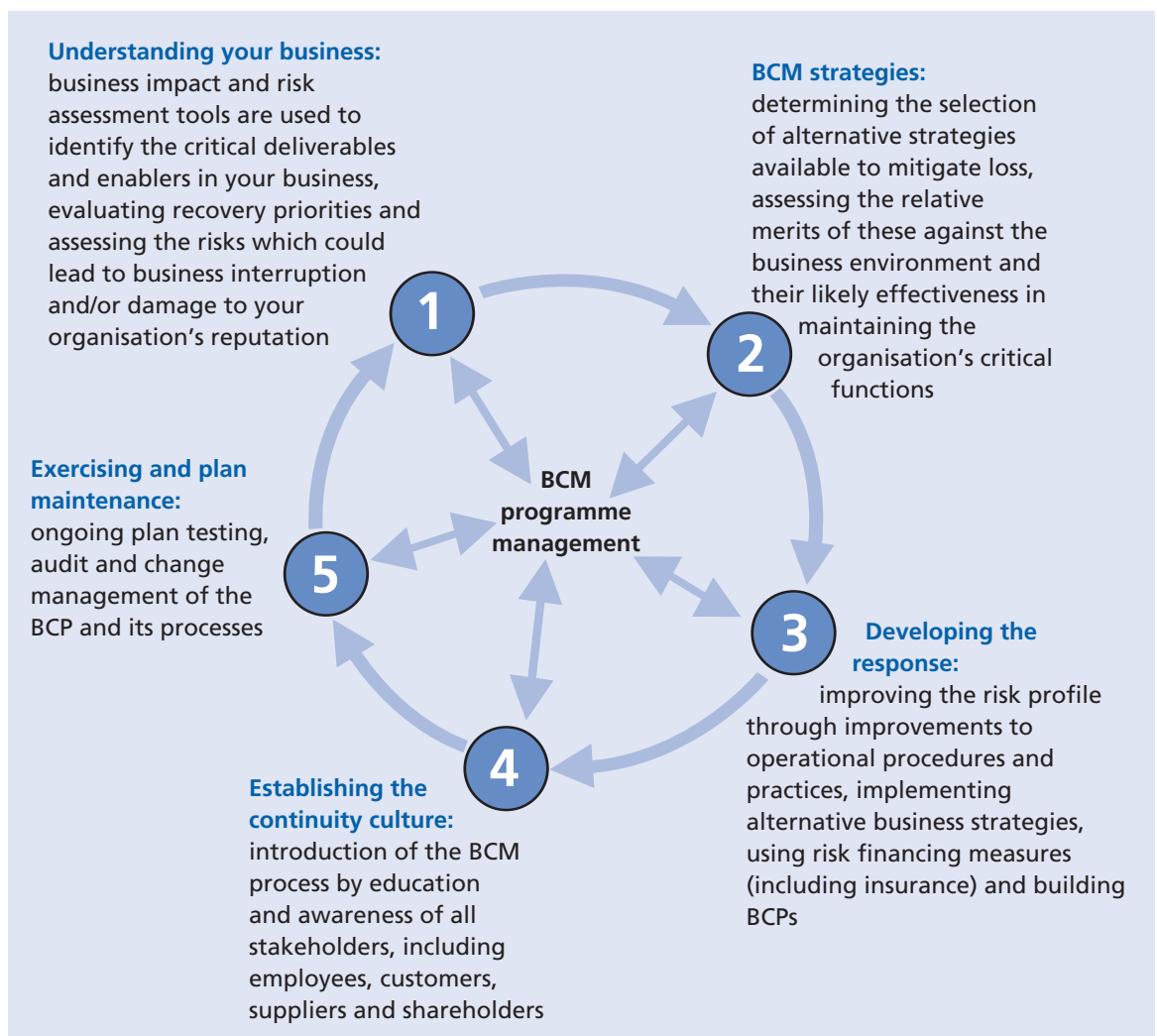- **Stage 5: Maintaining and auditing BCM:** Ensuring plans are fit for purpose, kept up to date and quality assured.

Delivering BCM arrangements

Programme management

6.47 In order to be successful, BCM must be regarded as an integral part of a Category 1 responder's normal management processes.

6.48 Achieving top-level buy-in is vital to developing robust BCM arrangements. Engaging senior officers is

Figure 6.1: The BCM model

Understanding your business: business impact and risk assessment tools are used to identify the critical deliverables and enablers in your business, evaluating recovery priorities and assessing the risks which could lead to business interruption and/or damage to your organisation's reputation

BCM strategies: determining the selection of alternative strategies available to mitigate loss, assessing the relative merits of these against the business environment and their likely effectiveness in maintaining the organisation's critical functions

Exercising and plan maintenance: ongoing plan testing, audit and change management of the BCP and its processes

BCM programme management

Developing the response: improving the risk profile through improvements to operational procedures and practices, implementing alternative business strategies, using risk financing measures (including insurance) and building BCPs

Establishing the continuity culture: introduction of the BCM process by education and awareness of all stakeholders, including employees, customers, suppliers and shareholders

Business Continuity Institute, 2002

crucial to the success of any major programme because of the influence they have over resource allocation and the culture of an organisation. However, the commitment of the top level is particularly important in relation to BCM because:

- it requires the leverage they exert across the organisation in order to be effective;
- it requires decisions about attitudes to risk and service prioritisation that can only be taken at the top level; and
- the top team is responsible for ensuring that effective governance arrangements are in place.

Leadership

6.49 Experience has shown that there is merit in giving a member of the executive management board overall responsibility for the BCM process by being appointed as the champion within the organisation. This will ensure that the profile of BCM issues is increased and decisions are made at the appropriate level.

6.50 BCM is an ongoing process and it is important to gain the support and endorsement of the board at the end of each stage of the cycle. Critically, it should be the responsibility of senior management to provide the assurance that BCM arrangements are robust and meet the requirements of the Act.

BCM co-ordinator

6.51 Experience has also demonstrated the importance of clearly establishing working-level responsibility for taking the programme forward. The best approach for programme management will vary by organisation, but the programme is most likely to succeed if:

- **an overall BCM co-ordinator is appointed, and reports directly to the executive member responsible for BCM.** This person would ideally be someone who has:
  – a good understanding of the critical aspects of the business and its key personnel and dependencies;
  – an understanding of BCM methodology and awareness of emergency management issues;
  – an awareness of relationships with other Category 1 responders; and
  – good programme management, communication, interpersonal and leadership skills; and

- **BCM is part of every manager's normal responsibilities.** The BCM co-ordinator must ensure that all senior managers (eg service heads) understand the importance of BCM, the Category 1 responder's approach to BCM and their responsibilities in relation to BCM. Ultimately, senior managers themselves must be responsible for embedding the programme within their service areas.

BCM team

6.52 For larger operations, it may be appropriate to consider a 'matrix' approach to managing the BCM process within an organisation. If this approach is employed, it is to be expected that the network of responsible officers will not be full-time members but will be required to dedicate appropriate time to the BCM process, and have this reflected in their job descriptions.

6.53 The team should be drawn from existing managers within key divisions and/or locations within the organisation. Consideration should be given to the composition of the team. It should contain the right mix of skills and experience and comprise individuals with the authority to make decisions and commit resources on behalf of services.

6.54 Figure 6.2 illustrates how the Metropolitan Police Service manages its BCM programme.

The BCM life cycle

6.55 The BCM life cycle is a phased, iterative process consisting of five stages. These stages are illustrated in Figure 6.3.
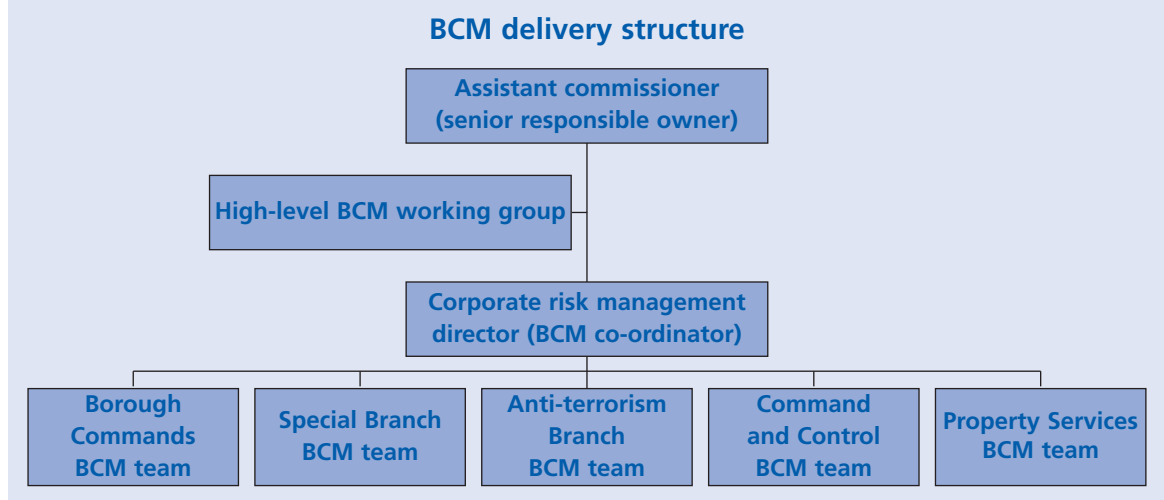
Stage 1: Understanding your business

6.56 An accurate assessment of the Category 1 responder's organisation and its business is critical, as it will provide the basis upon which all subsequent BCM policies and processes are based.

6.57 As described in the first section of this chapter, it is important that Category 1 responders put in place a process for identifying critical functions, and identifying acceptable levels of service provision. If a declared set of aims and objectives exists, this will help identify the critical functions the BCM process

Figure 6.2: BCM programme management in the Metropolitan Police Service

- The Metropolitan Police Service's (MPS's) BCM programme is managed by the Corporate Risk Management Unit (CRMU) based at New Scotland Yard. The unit works to the director of corporate risk management, who co-ordinates the work of the MPS on BCM. An assistant commissioner has top-level responsibility for the programme.
- CRMU produces the BCM templates for each MPS business group. Each business group appoints an officer who will manage the local component of the BCM arrangements in close liaison with CRMU, which also supports crisis management in the event of an emergency.
- The MPS also convenes a high-level working group – comprising heads of every business group – to drive this work forward throughout the organisation.

BCM delivery structure

Assistant commissioner (senior responsible owner)

High-level BCM working group

Corporate risk management director (BCM co-ordinator)

Borough Commands BCM team | Special Branch BCM team | Anti-terrorism Branch BCM team | Command and Control BCM team | Property Services BCM team

should focus upon. BCM is also about understanding the inputs, infrastructure and processes that delivery of these critical functions depends on.

6.58 Category 1 responders have many dependencies both internally and externally that support their critical processes and functions. It is important to identify these at an early stage. The involvement of representatives from these key dependencies – which can include suppliers, service contractors and other partners – will add value to the process.

6.59 Category 1 responders have many external influences that can affect the critical processes and functions. These can include other government departments, regulators, competitors, trade bodies and pressure groups. It is important to identify these at an early stage and to take their influence into account.

6.60 Having identified the critical processes and functions, it is important to determine what the impact would be upon the Category 1 responder's goals if these were disrupted or lost – this stage is known as business impact analysis (BIA). BIA is the

crucial first stage in implementing BCM, and helps measure the impact of disruptions on the organisation. It will provide information that will underpin later decisions about business continuity strategies.
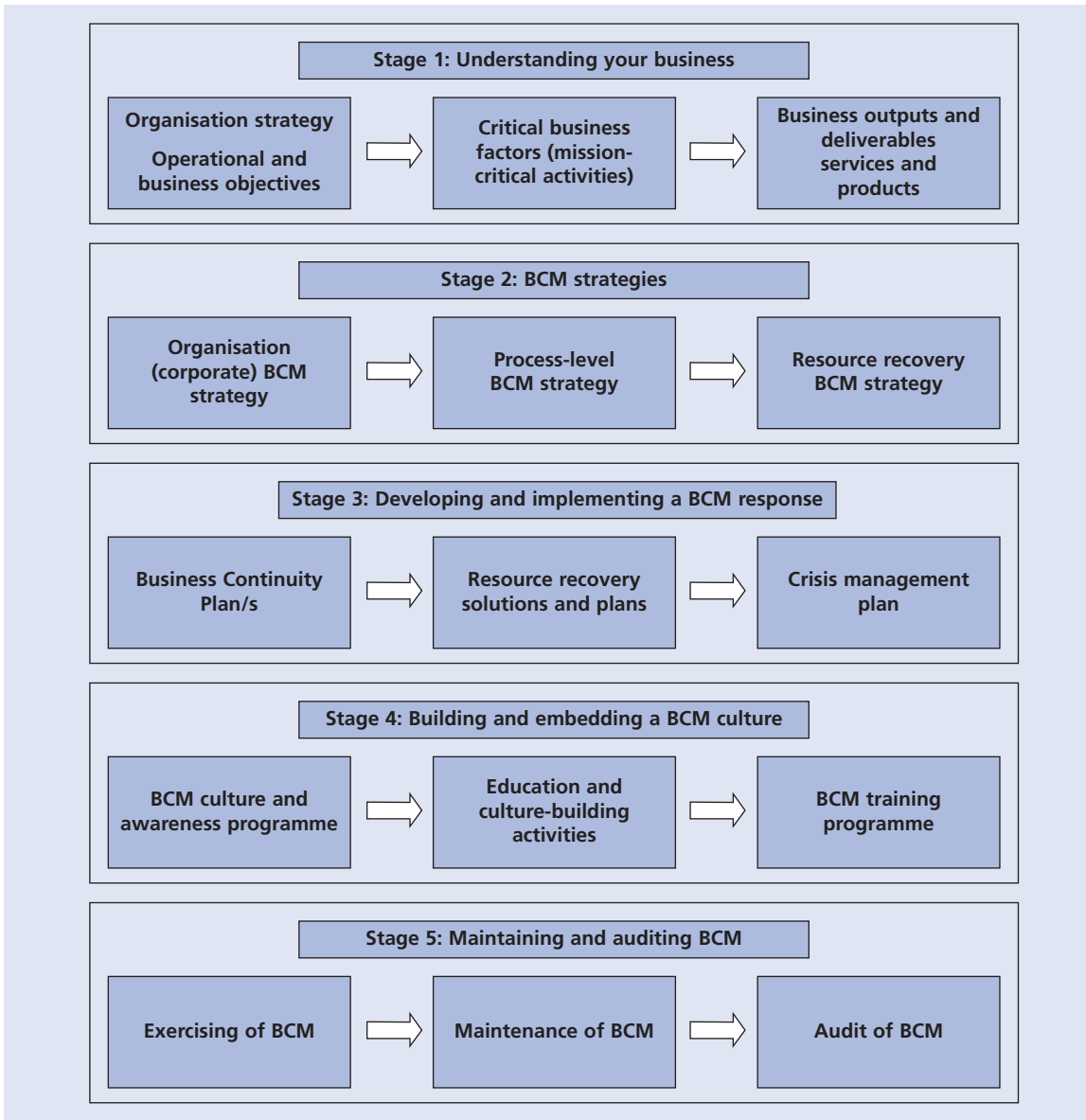
6.61 The Gloucestershire County Council experience, for example, has demonstrated that there are four key elements to the BIA process:
- defining business processes;
- mapping the distinct stages of the process;
- determining the impacts of a disruption; and
- defining recovery objectives and minimum resources needed to meet these objectives.

6.62 Once those critical processes and functions have been identified, a risk assessment can be conducted to identify the potential threats to these processes – this is the next stage of the process.

6.63 Potential sources of disruption to a Category 1 responder's operations are almost limitless. However, the impacts of any disruption are much fewer in number, for example: loss of critical system(s), denial of access to premises, damage to premises, loss of key

Figure 6.3: The BCM life cycle

Stage 1: Understanding your business

| Organisation strategy Operational and business objectives | → | Critical business factors (mission-critical activities) | → | Business outputs and deliverables services and products |

Stage 2: BCM strategies

| Organisation (corporate) BCM strategy | → | Process-level BCM strategy | → | Resource recovery BCM strategy |

Stage 3: Developing and implementing a BCM response

| Business Continuity Plan/s | → | Resource recovery solutions and plans | → | Crisis management plan |

Stage 4: Building and embedding a BCM culture

| BCM culture and awareness programme | → | Education and culture-building activities | → | BCM training programme |

Stage 5: Maintaining and auditing BCM

| Exercising of BCM | → | Maintenance of BCM | → | Audit of BCM |

Adapted from Business Continuity Management: Good Practice Guidelines,
edited by Dr David Smith, Business Continuity Institute, 2002

staff and key resources, all of which produce similar disruption. To this end, the BIA enables the Category 1 responder to focus its efforts on key areas that threaten the continuity of the responder's work in the event of an emergency, rather than adopting a scattergun approach.

6.64 The process will also take into account the time sensitivity of each business function/process to disruption, and this information will determine the recovery objectives.

6.65 It is necessary to rate the impact of these disruptions upon the critical objectives of the business in the event of an emergency. The rating given may be based on high, medium, low or a scoring system of 1–5. The impact of potential disruptions should be measured with reference to the following (non-exhaustive) list of factors:

- implications for service delivery;
- health, welfare and safety of stakeholders;
- environmental implications;
- statutory duties and legal obligations;
- financial cost to the Category 1 responder;
- resources required to remedy the situation;

- impact of disruption on partners; and
- reputation.

6.66 It is important that all those involved in the critical processes/functions have input to the BIA. Very often these processes are cross-function/division and agreement must be reached on the ratings.

6.67 At this stage the BCM co-ordinator should gain agreement from the board-level/executive sponsor responsible for BCM on the output of the BIA because it identifies the organisation's key vulnerabilities in the event of an emergency, and narrows down the focus of the next stage of the process – risk assessment.

6.68 Risk is a measure of the potential consequences of a contingency against the likelihood of it occurring. The greater the potential consequences and likelihood, the greater the risk. It is important that Category 1 responders identify the significant risks threatening the performance of critical functions in the event of an emergency, as this will enable them to focus resources in the right areas, and develop appropriate continuity strategies.

6.69 In this context, there are two strands to risk assessment, relating to external threats (ie risk of an emergency occurring) and internal risks (ie business risks) that could cause loss or disruption of critical services required to control, reduce or mitigate the effects of an emergency.

6.70 The Act requires Category 1 responders to assess the risk of emergencies occurring ("emergency risk assessment") and use these assessments to inform emergency planning and business continuity planning (see Chapter 4).[15] The development of Community Risk Registers will mean that Category 1 responders have access to up-to-date information about risks in their area. Contingencies that seriously disrupt the activities of the community may also limit the ability to respond to them effectively.

6.71 In order to respond effectively to an emergency, Category 1 responders need to ensure that their systems and processes are resilient to the range of internal risks ("business risks"). Loss of IT, communications or key staff from disruptions internal to the organisation can also undermine the ability of

the Category 1 responder to take effective action in the event of an emergency, and the risk of this occurring must therefore be assessed.

6.72 Utilising recognised risk techniques, a scoring can be achieved. Guidance on conducting risk assessments can be found in Chapter 4 of this guidance. Annex 4F sets out a risk matrix that can be used to score impacts.

6.73 It is now possible to combine findings from the BIA and risk assessment to produce a ranking system identifying those areas where the initial BCM effort should be concentrated. Agreement should be sought from the board or executive member responsible for the rankings produced.

Stage 2: BCM strategies

6.74 Having identified those areas where the Category 1 responder is most at risk, a decision has to be made as to what approach is to be taken to protect the operation.

6.75 As Annex 4F explains, the nature of the risk – defined in terms of its likelihood and impact – will determine which business continuity strategy is appropriate and what, if any, action is required. At one end of the spectrum, disruptions that are low likelihood and low impact may require no specific action, and may merely be dealt with through generic arrangements. Risks that are high impact and high probability, on the other hand, may point to the development of specific plans and risk mitigation strategies.

6.76 A number of the strategies that could be adopted are given below:
- **do nothing** – in some instances top-level management may consider the risk to be acceptable;
- **change, transfer or end the process** – such decisions to alter business process must be taken with regard to the organisation's key objectives and statutory responsibilities;
- **insure** – may provide some financial recompense or support but will not aid the organisation's response and will not meet all losses (eg reputation and other non-financial impacts, human consequences);

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[15] s. 2(1)(a), (b) and (e)

- **mitigate loss** – tangible procedures to eliminate or reduce risk within the business; and
- **plan for business continuity** – an approach that seeks to improve the Category 1 and 2 responders' resilience to interruption, allowing for the recovery of key business and systems processes within the recovery time frame objective, while maintaining their critical functions.

6.77 Any strategy must recognise the internal and external dependencies of the organisation and must have general acceptance by management functions involved. The continuity strategies adopted here will shape the ability of a Category 1 responder to perform its critical functions in the event of an emergency, and it is important that these decisions are taken by the appropriate officers in the full light of the facts.

6.78 It is important to note that the Act only requires Category 1 responders to undertake business continuity planning. While it may be the logical outcome of the business continuity management process, the Act does not require a Category 1 responder to take other action to mitigate the risks to its business continuity (eg purchase equipment).

Stage 3: Developing and implementing a BCM response

6.79 The BCP is at the heart of the BCM process. The BCP provides the framework in which the Category 1 responder mobilises its response to a BCM challenge in the event of an emergency.

6.80 The BCP is also likely to address:
- **solutions** – how will the BCM event be managed?
- **objectives** – what are the recovery objectives and when should they be achieved by?
- **tasks and activities** – what needs to be done in order to meet recovery objectives?
- **procedures and processes** – what is the route-map for delivering the response?
- **personnel** – who is involved in delivering the response? What are their roles and responsibilities? How will they be notified?
- **command and control** – who has the authority to make which decisions? How will these be communicated?

6.81 In defining and reflecting the recovery objectives of the organisation, the BCP should have regard to the key resources which underpin the delivery of its critical functions. The box below shows some of these key resources.

6.82 In the event of an emergency some (non-critical) functions may need to be enhanced, reduced or suspended, depending on the nature of the function and the emergency that is taking place. The plan needs to describe the management process for making these decisions (eg how will the prioritisation be made? Who makes this decision and on what basis?), and then the operational process for implementing them:
- Where a service needs to be enhanced in the event of an emergency, where will the additional resources come from?
- Where a service needs to be scaled down, how will demands on it be managed?
- Where a service is withdrawn, how will staff and customers be informed?

6.83 In developing the plan, consideration should be given to:
- **keeping it short, simple and user-friendly** – it will need to be read and understood in challenging and pressured circumstances;
- **ensuring the assumptions contained are realistic** – eg numbers of staff directly affected by the incident, the effect of the 'backlog trap' (ie the impact of the accumulation of tasks left uncompleted on recovery);
- **references to other sources of information and supporting documentation** – eg guidance, databases, lists of key contacts, resources and suppliers;
- what **action plans and checklists** should be provided;
- **ownership of key tasks** – these should be reflected in job descriptions;
- **pro-formas** – giving templates and model documentation;
- **version control** – the need to implement document management procedures, including a list of all plan holders, which has to be maintained, together with a distribution and change control process; and
- **communications** – effective communication with stakeholders and, where appropriate, the media is crucial to an effective response.

Key resources

Key resource	Description
Data	The use, location and protection of critical information and documentation
Facilities	The requirements for workspace covering critical functions
Communications	The information and communications technology (ICT) requirements of the operations
People	The essential personnel requirements to deliver the agreed level of service
Equipment	The equipment requirement, who supplies it and where it is stored for each critical activity

6.84 The structure, content and detail of the BCP will depend on the nature of the Category 1 responder, risk and the environment in which it operates. In particularly large or complex organisations, it may be necessary to have departmental plans which integrate into one high-level plan. Further advice on plan presentation can be found in Chapter 5.

Stage 4: Building and embedding a BCM culture

6.85 Documenting the BCP is one element of developing a BCM strategy. Its success, however, depends upon:
- **implementation** of the recommendations made, across the entire Category 1 responder;
- a programme of **training** for those directly involved in the execution of the plan; and
- an **education and awareness programme** to ensure understanding and adoption of the plan in relevant parts of the organisation – this applies to both internal and external stakeholders (eg employees and suppliers).

6.86 It is essential to commit to implementing all recommendations and strategies identified in the BCP, otherwise investment made in its preparation will be redundant.

6.87 Similarly, Category 1 responders should deliver a programme of training and awareness to ensure that the relevant parts of the organisation are confident and competent concerning the plan. All parties must appreciate the importance of BCM to the operation's survival and their role in this process. This means that business continuity issues should be 'mainstreamed' in emergency management issues and should be a core element of the emergency planning culture the Act establishes.

6.88 As the first part of this chapter notes, the Regulations require Category 1 responders to give appropriate training to those involved in implementing BCPs.[16] That section of the chapter also sets out the objectives of such training programmes and what they should cover.

6.89 Training will need to be done on a rolling basis to cover staff turnover. BCM co-ordinators should consider establishing a training database to monitor the take-up of training opportunities.

6.90 It is also important to ensure that awareness of BCM issues is raised throughout the organisation, to ensure that all relevant staff have confidence in its ability to manage in a crisis, and know how they should respond in the event of a disruption. For example, some organisations distribute 'z-cards' to all staff, setting out what they should do in the event of a range of contingencies (eg details of secondary sites or evacuation points). The box below sets out some of the key messages and the means of getting them across.

6.91 The challenge of building and embedding a continuity culture requires a programme of activity not only within the organisation itself, but also with key stakeholders (eg suppliers, contractors, partners, customers).

6.92 Category 1 responders should extend their awareness-raising activities to those third parties upon whom the Category 1 responder depends in both normal and crisis operations. They need to be aware of how the response will develop when a BCM event occurs, and what this will mean for them.

6.93 Category 1 responders also have an interest in ensuring that their suppliers and contractors have in

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[16] regulation 25(b)

Box 6.2: The business case for BCM

Part of embedding a 'continuity culture' within an organisation is to convince senior staff of the business case for BCM. It makes sense to put in place BCM arrangements because they help to:

- **develop a clearer understanding of how the organisation works**. To ensure the continuity of an organisation, you first have to understand how it works. The process of analysing the business can yield sources of increased operational effectiveness and efficiency;

- **protect the organisation, ensuring that Category 1 responders can help others in an emergency.** For Category 1 responders to help others, they first have to be able to keep themselves going in the face of a disruption. BCM will help ensure that they can mobilise the capabilities they need to deal with the emergency. It will also help ensure that the impact of the emergency on the day-to-day functions of the Category 1 responder is kept to a minimum, and that disruptions to vital services do not deepen the impact of the emergency on the wider community;

- **protect the reputation of the Category 1 responder.** The community expects continuity of critical services, even in the most challenging of circumstances. They expect you to be fully in control, and to be seen to be in control – your organisation's reputation is at risk if you are not. Maintaining the reputation of statutory services in an emergency is a vital element for public reassurance;

- **produce clear cost benefits.** Identifying, preventing and managing disruptions in advance can reduce the costs to an organisation in terms of financial expenditure and management time. The demands of the insurance market have also increasingly become an important driver; and

- **ensure compliance and corporate governance.** Category 1 responders are – to varying degrees – subject to performance standards, corporate governance requirements and in some cases specific requirements to do BCM (eg NHS Trusts). Establishing BCM arrangements pursuant to the requirements of the Act will help ensure compliance with this wider framework of responsibilities and expectations.

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place robust BCM arrangements. To ensure the resilience of operations, it is necessary to ensure that other aspects of the delivery chain are resilient too. It is important to build BCM into procurement and contract management processes. The Office of Government Commerce provides detailed advice on these issues which is freely available on its website: http://www.ogc.gov.uk

6.94 Civil protection is very much a multi-agency activity, where Category 1 responders must work together – and understand each other's capabilities and vulnerabilities – if they are going to be effective.

6.95 In the emergency planning area, it is essential for Category 1 responders to be aware of each other's plans. BCM arrangements underpin emergency management capabilities – it is important that Category 1 responders have an awareness of the continuity issues facing their partners in the event of an emergency. Which functions will be discontinued? How will functions be scaled down or up in the event of an emergency? Where are partners' contingency sites?

6.96 The Local Resilience Forum (LRF) provides a framework for dialogue about business continuity issues. Category 1 responders should consider using the LRF process as a means of raising mutual awareness, ensuring that plans dovetail, developing frameworks for mutual assistance, and sharing best practice.

6.97 The Act requires Category 1 responders to publish aspects of their BCPs in so far as this is necessary or desirable for the purposes of dealing with emergencies.[17]

6.98 The purpose of this requirement is to ensure that Category 1 responders make relevant information available to the public about what will happen in the event of an emergency. There are three principal classes of information which Category 1 responders should consider communicating to the public:

- a descriptive account of the business continuity plans they have in place for the purposes of reassuring the public;
- information about the implications of emergencies for the continuity of a Category 1

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[17] s. 2(1)(f)

The importance of training in implementing BCM

"Training senior staff is a crucial step in implementing BCM within a local authority. Gloucestershire County Council's Emergency Management Service instituted a training programme in three key stages:

1. giving chief officers an understanding of how BCM would fit into the set of 'management tools' already in use;
2. piloting training with service managers on a one-to-one basis, which helped to raise awareness of the benefits the process can deliver; and
3. delivering a half-day training course for all senior managers. The aim of these sessions is to set the overall context of BCM within local authorities, demonstrate its effectiveness as one of a series of management tools and to give an illustration of how it can add value in practice (through a discussion exercise).

"Feedback from the training was extremely positive. Gloucestershire County Council has now agreed a priority list of critical services, and BCM delivery has now been built into the authority's performance management process.

"As part of this process, the Emergency Management Service will give service delivery managers further training and support. This will enable us to ensure consistency of approach in preparing the overall authority-wide plan. The lessons identified in the process of training staff and implementing BCM across the authority will be fed back into the training and implementation process, ensuring consistent improvement.

"Gloucestershire County Council Emergency Management Service has produced an information video and a booklet explaining their BCM process. A copy was sent in autumn 2004 to every local authority in England and Wales."

Maddi Bali, Senior Emergency Management Officer, Gloucestershire County Council

responder's ordinary operations – eg possibility of service suspensions or adjustments. Proactively publishing this sort of information in advance of an emergency allows the public to think about their preparations. For example, parents might find it useful to know under which circumstances schools might be closed in the event of severe weather;
- sources of information and advice about service continuity issues that the public could consult in the event of an emergency.

6.99 This communication can take place through a variety of means, including websites and other publications. This could also be achieved by integrating business continuity issues within mission statements, statements of service and other public information brochures, relating either to the authority as a whole or to individual services.

Stage 5: Maintaining and auditing BCM

6.100 The Regulations require Category 1 responders to put in place arrangements to exercise BCPs to ensure they are effective.[18] The objectives of the exercise programme and the frequency with which exercises should be undertaken is dealt with in the first part of this chapter.

6.101 When developing a BCM exercise programme, Category 1 responders will need to consider:
- the **focus** of the programme;
- **types** of exercise to be used;
- the **involvement of senior management** in developing, executing and quality-assuring the programme;
- the **process** for delivering exercises; and
- the relationship between the BCM exercise programme and the exercising of **emergency plans**.

6.102 Exercises should focus on impacts and test capabilities. While there is an infinite number of scenarios and possible responses, the list of impacts

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[18] regulation 25(a)

Key messages for staff

Key messages
- BCM is important.
- Who is involved (BCM team).
- What to do in the event of a plan being invoked.
- The level of service that will be provided at the time of an emergency.
- Support from senior executives.
- Examples of where BCM has been effective in the organisation or similar bodies.

Techniques for raising awareness
- Incorporating BCM in the staff induction process.
- Items in staff newspapers.
- E-mail bulletins.
- Intranet pages.
- Workshops and exercises to coincide with the National Business Continuity Awareness Week.
- Videos.
- Booklets and prompt cards.
- Posters, mousemats, other promotional items.
- Contact details on building passes.

and capabilities is limited. This will help Category 1 responders extract maximum value from the programme. A non-exhaustive list of the impacts and capabilities Category 1 responders will need to consider testing is set out in the box below.

6.103 Exercising can take various forms, from a test of the communications plan, a desk-top walk-through, to a live exercise. Chapter 5 sets out in more detail the range of exercise types and discusses when each type might be applicable. Chapter 5 also sets out the documentation that Category 1 responders may need to produce in support of exercises.

6.104 The exercise programme should have the full support of the executive lead for business continuity issues. But the involvement of senior management should not be limited to defining the structure of the programme. In addition to taking part in exercises, senior management should be involved in quality-assuring the exercise programme and endorsing the outcomes.

6.105 Figure 6.5 suggests a process for carrying out an exercise programme. Exercising is not about 'passing' or 'failing', it is all about learning lessons. There should be a debrief after each exercise in order to capture the experience of all the participants. What is important is that the captured data is recorded and considered as part of the post-exercise analysis.

6.106 In the event of a live crisis occurring, it may (depending upon circumstances) be expedient to defer (or even cancel) a planned exercise until the live crisis has been dealt with, a debriefing session held and the lessons identified and incorporated into the learning cycle. The decision to either reschedule or cancel a planned exercise will rest with senior management.

6.107 The post-exercise analysis is usually undertaken individually by the exercise manager or as a meeting of the exercise-planning group. The analysis considers the objectives and aims of the exercise against the data captured in the debrief(s) and from it a 'lessons learned' report can be compiled.

6.108 The 'lessons learned' report will highlight the essential parts of the post-exercise analysis that will drive the implementation of changes to the BCP, as well as form part of any future exercising programme by the business continuity managers.

6.109 The 'lessons learned' report will form the key supporting evidence of the post-exercise report. This will combine all the captured data, post-exercise analysis and 'lessons learned' report into a report to the executive lead for business continuity within the Category 1 responder. It will make recommendations that the executive lead will be asked to approve, or support, through the Category 1 responder's approval procedure.

6.110 Once approval has been obtained, the changes can be implemented to the BCP. The process described will have provided the audit trail of BCP maintenance and testing.

6.111 Once the cycle has been obtained, it will be time to consider the next programme of exercises that will test the plan, or parts of the plan, that have been changed or have thus far gone untested. The process described is flexible – a simple table-top or syndicate exercise of a small part of the plan can follow the same process.

6.112 The output may be a simple memorandum to the effect that the test was completed satisfactorily (ie a post-exercise analysis) and the section tested is current (ie a 'lessons learned' report), and listing any changes that may be required (a post-exercise report). For example, a call-out cascade exercise that tests the contacts listed within the plan for activation may result in a memo to the organisation's executive lead for business continuity that the test took place, was completed satisfactorily and that all the contacts listed in the BCP are correct. The memo has therefore created the audit trail of that aspect of plan testing.

6.113 Category 1 responders should not forget the close synergies between emergency plans and BCPs when learning the lessons of exercises and making changes as a result. Business continuity exercises may have implications for emergency plans, and the exercising of emergency plans may highlight issues in relation to business continuity.

6.114 The purpose of this exercise programme is to test the robustness of BCPs in the event of an emergency – will it enable the Category 1 responder to cope effectively with disruptions to the provision of critical services? One such critical function will be the emergency response function itself.

6.115 It is important that business continuity planning and exercising are not done in isolation from wider emergency planning work. In part, BCPs are in place to ensure that Category 1 responders are able to deliver their emergency response function in the event of an emergency. The exercising of emergency plans should have regard to business continuity issues, and aspects of both classes of plan can be exercised at the same time where appropriate.

6.116 The Act specifically requires Category 1 responders to maintain BCM plans to ensure that they can continue to deliver key services in the event of an emergency.[19] This means that Category 1 responders must not only put plans in place, but also ensure that they are reviewed and kept up to date.

6.117 A process should be established whereby the BCM team is informed of relevant changes and developments, and that these are incorporated into the plan. Effective version control procedures should be implemented to ensure that relevant members of staff are working from the correct edition of the plan.

6.118 Plan maintenance should therefore be an ongoing process. It is good practice to undertake a comprehensive review of the state of the plan periodically.

Impacts and capabilities

Impacts
- Denial of access or damage to facilities.
- Loss of key staff/skills.
- Loss of critical systems.
- Loss of key resources.

Capabilities
- Mobilisation (eg invoking plan and assembling key players).
- Command and control (eg crisis management).
- Communications (eg media and stakeholder communications).

[19] s. 2(1)(c)

Figure 6.4: Exercising your BCP – the learning cycle

Business Continuity Plan

Exercise
This can be a test of a part or the whole of the plan

Debrief
There should be a debrief after each exercise in order to capture the experience of all the participants

Post-Exercise Analysis

'Lessons Learned' Report
This post-exercise report should collate the output of all debriefs with the post-exercise analysis of the exercise outcomes

Review Plan

Changes must be clearly understood and embraced by the service areas upon which they impact

Implement changes

Having made changes to the BCP, it is important to review the plan in its entirety before disseminating the 'current version'

Approval and acceptance of recommendations by business continuity strategic lead with organisation

Post-Exercise Report
This report closes the exercise programme and outlines the full outcome of the programme. It makes recommendations for changes to BCP

Audit BCP
The BCP should be audited against the LLR and necessary changes identified