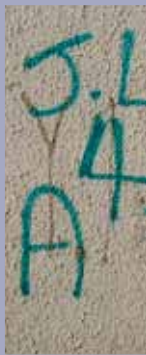A guide to

business continuity planning

for business and
voluntary organisations

Facts

80% of businesses suffering a major disaster go out of business in 3 years

40% of businesses that suffer critical IT Failure go out of business within a year

Contents

Every year **1 in 5** businesses face a **major disruption of service**

1 in 10 businesses that have suffered a major disaster will **cease trading** as a direct result

Image courtesy of Scottish Borders Council

Would your business survive a crisis?

How would you ensure your business survives?

If your premises were to suffer a fire how would you maintain your essential business functions?

The most common threats to your premises are flood, fire, power failure, break-ins / vandalism. These are independent of size, and are the same whether you run a large business employing many staff or a family corner shop. The effects are potentially devastating.

A crisis that threatens the survival of your business could happen at anytime.

Start now - you never know what tomorrow can bring.

This Guide is a tool to help you develop business continuity within your organisation: you will have to adapt elements within this Guide to meet your needs and requirements.

What would happen if your business were involved in a major incident?

What is it?

No one expects to be affected by a major incident or disaster. If we are affected, we hope that "someone, somewhere" will know what to do. We know that any serious incident will be dealt with initially by the emergency services but do we know what will happen next?

How will we be kept informed?

How will we get back to business?

This is where Business Continuity Planning (BCP) comes in. Any number of events can bring businesses grinding to a halt and the purpose of Business Continuity Planning is to ensure that we can respond sensibly, as a company and as individuals.

Simply put, business continuity is about anticipating the crises that could affect you and planning for them.

A Business Continuity Plan will identify all the requirements, which are essential to keeping your business running, and will include processes to keep disruption to customers and employees to a minimum. It is all about ensuring that we can manage a crisis effectively.

Why should I use a Business Continuity Plan?

In this day and age when customer and brand loyalty is becoming a thing of the past the ability to quickly and efficiently get back to "business as usual" is critical. Without a structured and rehearsed plan your organisation could become one of the organisations that ceased trading because they were not prepared enough to survive.

Protecting the future and reputation of a business, whatever the size, has to be the number one priority for every business. The smaller your business, the more important it is to have a contingency plan in place. Any incident, no matter how small, is capable of impacting on your business and affecting profitability. Even a sole trader is advised to have systems in place to be able to continue their work in case of theft, flooding, fire, IT and utility failures.

Experience shows that businesses are far more likely to survive a disaster if they have thought about it in advance, and planned accordingly.

Banks, investors, insurers, customers and suppliers will take a company that has a Business Continuity Plan much more seriously.

Business Continuity Plans build employee confidence. Employees will appreciate the fact that the business is doing all it can to protect their safety and place of work.

"We don't have a plan, so nothing can go wrong"

Spike Milligan

Legislation and guidance

General

The Civil Contingencies Act 2004 requires organisations designated as Category 1 responders (emergency services, Accident and Emergency hospitals, Primary Care Trusts, local authorities, Health Protection Agency, Maritime and Coastguard Agency, Scottish Environment Protection Agency) to maintain plans to respond to emergencies. It also requires them to make provision for ensuring that their ordinary functions can be continued.

The Act also requires local authorities to provide general advice and assistance to businesses and voluntary organisations in relation to business continuity management. This duty is an integral part of the Act's contribution to building the UK's resilience to disruptive challenges. For specific advice local authorities are entitled to levy a charge.

Guidance

British Standards Institute
BS25999-1 Business Continuity Management
– Code of Practice

This standard is intended to be used by any organisation that wants an understanding of how to develop a Business Continuity Strategy.

How would you ensure your business survives?

A crisis that threatens the survival of your business could happen at any time.

Day

Night

Weekend

Holidays

The most common threats to your premises are fire, flood, power cut, break-ins / vandalism. These are the same regardless of the organisations size.

Start now – a disaster could strike today.

Community Risk Registers can provide businesses with useful information on the risks in the local area. Community Risk Registers are available online.

What type of incidents should I plan for?

Incidents that could affect your business:

Severe weather – for example, flooding caused by heavy rain, or wind damage following a storm. If your business is in a remote location you may be more susceptible to this type of disruption.

Theft or vandalism – theft of computer equipment, for example, could be very detrimental. Similarly, vandalism of machinery or vehicles could not only be costly but also pose health and safety issues.

Fire – few other situations have such potential to physically destroy a business.

Loss of utility – loss of power or water for an extended period could have serious consequences. What would you do if you suffered a loss of heat and light or couldn't use IT or telecoms systems or operate other key machinery or equipment?

IT system failure – computer viruses, attacks by hackers or system failures could affect employees' ability to work effectively.

Disruption to fuel supplies – would you be able to operate company vehicles in the event of a fuel crisis, would your staff still be able to get to their workplace, would your suppliers be able to deliver goods to you?

Restricted access to premises – how would your business function if you could not access your workplace – for example, due to a gas leak?

"You can't prepare for everything – but you can prepare for anything"

Paul Youngjohns

What type of incidents should I plan for? *continued*

Illness of key staff – if any of your staff are central to the running of your business, consider how you would cope if they were incapacitated by illness.

Outbreak of disease or infection – depending on your type of business an outbreak of an infectious disease among your staff, for example, seasonal or pandemic flu outbreak in your premises could seriously deplete your workforce or present serious health and safety risks.

Malicious attack – although this is less likely for small businesses it may be worth considering the risk of malicious incident (eg animal rights groups) depending on the nature of your business. If you're based in a large city you may suffer the effects of an attack on a neighbouring or shared building.

Disasters affecting suppliers – how would you source alternative supplies?

Disasters affecting customers – will insurance or customer guarantees offset a client's ability to take your goods or services?

Although you may feel that some of these situations would not affect your business, it is sensible to give them consideration.

5 steps to business continuity planning

Step 1: Acceptance of business continuity

Step 2: Understanding your business

Step 3: Develop your strategy to deal with business risks

Step 4: Developing and implementing your plan

Step 5: Test and update your plan

Step 1 Embedding BCM in the organisation's culture

Step 2
Understanding the organisation

Step 3
Determining BCM strategy

Step 4
Developing and implementing BCM response

Step 5
Exercising, maintaining and reviewing

BCM programme management
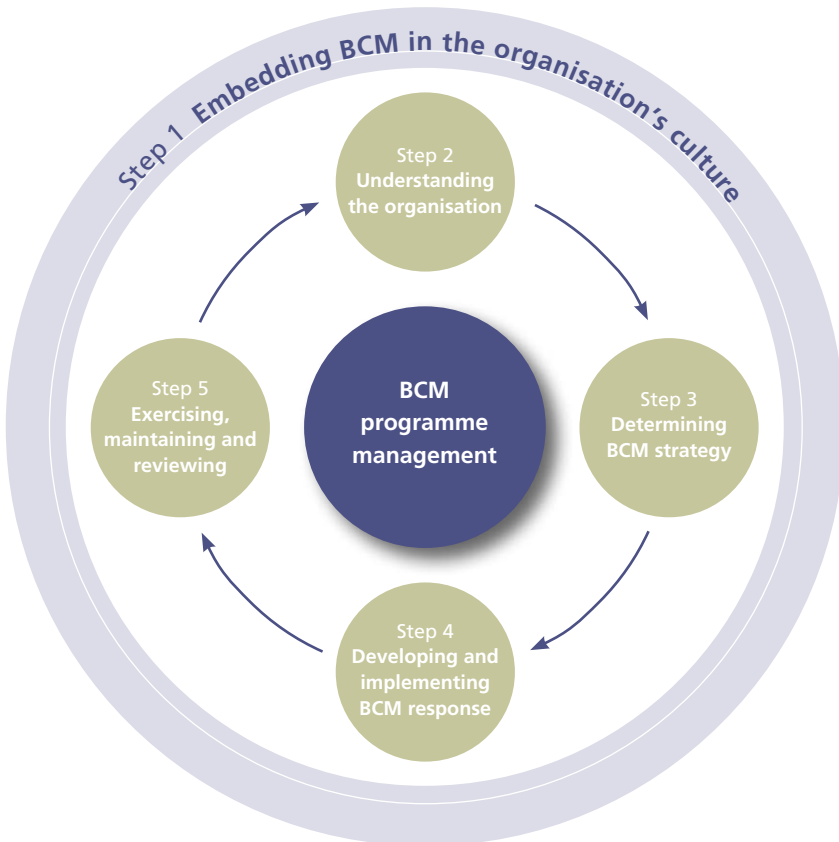
5 steps to
business continuity planning *continued*

1 **Acceptance of business continuity**
> Treated as a normal part of your normal business
> Has to be promoted by the top managers
> Everybody is involved in business continuity

2a **Understand your business**
What is the purpose of your business?
How is that achieved?
What are your products / services?
Who is involved (internal and external)?
What deadlines do you work to?

2b **Assess the risks to your business**
What could affect your business (internal and external)?

> Power cuts
> Staff illness / lottery win
> Fire
> Flood / water leak
> Theft / break-in
> Unable to gain access

3 **Develop your strategy to deal with your business risks**
A strategy will protect your business – it will identify:

> What needs to be done
> How 'actions' need to be done
> Who needs to perform these 'actions'
> Why 'actions' are needed
> Where 'actions' should be performed, ie, on site
   or at a different location

4   **Developing and implementing your plan**

The plan can be as simple as you want – the simpler it is the more flexible it will be.

ie, if there has been a fire – how are you informed, what do you need to do first, do you need to connect telephones first to contact customers, does this need to be done at an alternative site, do all of your staff need to relocate to this alternative site – or can some of them work from home etc?

Contact numbers, resources, procedures would be set out in this plan.

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5   **Test and update your plan**

It is essential to update your plan on a regular basis and each time something changes, for example, changes in supplier contact details. Remember to inform your insurance company that things have changed.

It is also essential that the plan is tested. Involve all of your staff and familiarise them with their roles and what to expect.

"An untested plan is only a strategy"

Richard Gagnon

Frequently asked questions

What is a Business Continuity Plan?

A Business Continuity Plan should be a set of instructions of what to do and what not to do at the time of a crisis. It is about thinking ahead and planning for any crisis which could affect your business. The plan should set out clear roles and responsibilities and list a series of actions which allow key business activities to continue in the most difficult circumstances.

How does Business Continuity Planning differ from a disaster recovery plan?

Disaster recovery plans traditionally focus on the IT recovery of the business. A Business Continuity Plan addresses all the essential requirements to keep the business running. In addition it should include processes to keep disruption to customers and employees to a minimum.

How long will it take to create a Business Continuity Plan?

It should not take long to create your first plan, but obviously this will depend upon the complexity of your business. The smaller the size of your business generally the less time it is likely to take.

"better to have the business continuity plan and not need it, than to need the plan and not have it"

Anon (Australia)

What will it cost to create a Business Continuity Plan?

The cost will be relatively little and at the end of the exercise you will have a plan to protect your business. The benefits of having a working continuity plan will outweigh any small expenditure. The price of not planning could be a lot higher than many companies anticipate.

Isn't my business too small to have a Business Continuity Plan in place?

No, even a sole trader is advised to have systems in place to be able to continue work in case of theft, fire, flooding, IT and utility failures etc. Any incident, no matter how small, is capable of impacting your business and profitability. The size of any plan will depend on the risks facing each business – it will be as large or small as needed.

Image courtesy of Scottish Borders Council

10 top tips for business continuity

1 Plan for the effects of an incident, not the cause. At the time of a crisis what happens may well be more important than what caused it.

2 Remember that prevention is better than cure.

3 Test systems, exercise plans and rehearse the people involved on a regular basis. Maintain the plans – keep them up to date, build in a regular review of your plan.

4 Back up data regularly and store copies off site in a secure place. Practise restoring the data in an IT system outside your own to ensure that it works.

5 Ensure that important paper documents, such as contracts and employee information are protected. Make copies and use fire resistant and water proof storage.

6 Keep a list of contact details for your staff, customers and suppliers off-site so that you can contact them if you do not have access to your usual premises. Review regularly.

7 Be clear about what your insurances cover and what they don't. Keep copies of the relevant policies off-site so that you know immediately what to do in event of an incident.

8 Have an emergency pack which will include your business recovery plan, key telephone numbers, as well as a first aid kit, torch, megaphone, spare keys, cash, credit card, stationery etc.

9 Make arrangements for a temporary base – you may not be able to operate out of your existing premises for weeks or even months. Remember, any temporary accommodation still has to comply with health and safety rules.

10 Make an inventory of equipment, materials, products and any other assets to give you an overview of the business. This will make it easier to work out losses and identify gaps in core resources after an incident.

"Failing to plan is planning to fail"

Alan Lakein

10 minute checklist

This checklist can be used as a diagnostic tool to measure your preparedness for business continuity.

	Yes	No	Don't know
Do you have a Business Continuity Plan (BCP)?			
If yes, have you tested and reviewed it in the past 12 months?			
Do you have a written policy to invoke your plan?			
Are your staff regularly trained on the plan?			
Is business continuity supported by your highest management level?			
Does someone have responsibility for business continuity in your organisation?			
Is the plan easily accessible to your staff?			
General assessment			
Have you made a list of your important contacts telephone numbers (customers, clients, suppliers)?			
Have you got your employees contact details?			
Do you store your vital computer information on back up disks or servers away from your premises?			
Do you and your staff know the location of stopcocks, valves and electrics mains switch?			
Check that your plumbing is in good condition and protect from frost			

"The only thing harder than planning for an emergency Is explaining why you didn't"

Anon

	Yes	No	Don't know
Do you have an emergency pack?			
Is it stored in a safe place and with access to key personnel?			
If you have a pack have you included the following essential items			
Business recovery plan			
Employees contact details			
Details of IT providers			
Contact details for clients			
Contact details for suppliers			
Plan of the site			
Spare keys			
IT back up disks			
First aid kit			
If you have a pack have you included the following useful items			
Torch			
Spare batteries			
Stationary			
Mobile phone with credit			

10 minute checklist *continued*

	Yes	No	Don't know
Disposable camera			
Petty cash			
Safety checks			
Do you check all staff have left the premises at the end of each day?			
Do you turn off appliances?			
Do you check all doors and windows are shut and locked?			
Do you have a clear desk policy?			
People matter			
Do you have employee information on file (would you know how to contact an employee's next of kin)?			
Do you and your employees know what to do in an incident?			
Do your staff know who is in control during an incident?			
Are your staff allocated tasks during a crisis?			
Do you have members of staff trained in first aid?			

A guide to business continuity planning

	Yes	No	Don't know
Security			
Do you have an installed security system?			
Do you have a security policy?			
Do you check references?			
Are contractors fully checked?			
Do you regularly check external doors, windows and fences?			
Premises			
Do you have evacuation procedures?			
Are all fire exits marked?			
Do you have evacuation points?			
Does your building have a back up generator?			
Do you have regular checks of the generator, do you know how to manually activate it?			
Do you have an alternative building to use in an emergency?			

"What we anticipate seldom occurs: But what we least expect generally happens"

Benjamin Disraeli

10 minute checklist *continued*

	Yes	No	Don't know
Documents			
Do you keep back up for your important information?			
Are your backed up paper documents in reinforced containers?			
Do you have back up copies of your computer files stored in a separate location?			
Company equipment			
Do you have an asset register for your company?			
Have you identified the most critical equipment for your organisation?			
Have you any arrangements to buy or lease your most critical equipment if it was destroyed?			
Do you have stock control procedures?			
Computer recovery			
Is your computer system critical to your organisation?			
Do you have a computer recovery plan?			
Is your anti-virus software up to date?			

"However beautiful the strategy,
You should occasionally look at the results"

Winston Churchill

	Yes	No	Don't know
Are all computer users fully aware of e-mail and internet threats?			
Is your computer system part of a larger network?			
Do you know how long it would take to recover IT functions?			
Suppliers			
Do your suppliers have Business Continuity Plans?			
Have you seen them?			
How long could you operate if your suppliers could not deliver your stock?			
Customers			
Do you have the correct contact details for your customers?			
Do you have any customers you need to contact in an emergency?			
Would it affect your business if one of your key customers went out of business?			
Do any of your customers require you to have a Business Continuity Plan?			

10 minute checklist *continued*

	Yes	No	Don't know
Insurance			
Do you have sufficient insurance to cover:			
Disruption to business			
Costs of repair			
Hiring equipment			
Temporary staff			
New stock			
Temporary accommodation leasing			
Location			
Have you considered environmental risks to your organisation, ie:			
Flooding			
Climate change			
Have you considered external risks to your organisation, ie:			
Pollution			
Fire			
Water leaks or no water			
Smoke damage			

Notes

Strathclyde Emergencies Co-ordination Group (SECG)

The Strathclyde Emergencies Co-ordination Group (SECG) is one of eight such groups established within each of Scotland's Police Force areas to facilitate partnership working in planning for the effective response to emergencies whose consequences impact, or threaten, the health, safety and wellbeing of the population our environment and the physical infrastructure that supports community life.

SECG membership includes the following organisations:

> Argyll and Bute Council

> British Transport Police

> Crown Office and Procurator Fiscal Service

> East Ayrshire Council

> East Dunbartonshire Council

> East Renfrewshire Council

> Glasgow City Council

> Inverclyde Council

> Maritime and Coastguard Agency

> Military (MOD)

> NHS Ayrshire and Arran

> NHS Greater Glasgow and Clyde

> NHS Highland

> NHS Lanarkshire

> North Ayrshire Council

> North Lanarkshire Council

> Renfrewshire Council

> Scotland Gas Networks

> Scottish Ambulance Service

> Scottish Environment Protection Agency (SEPA)

> Scottish Government

> Scottish Gas

> Scottish Power

> Scottish and Southern Energy

> Scottish Water

> South Ayrshire Council

> South Lanarkshire Council

> Strathclyde Fire and Rescue

> Strathclyde Police

> West Dunbartonshire Council

Useful contacts and links

UK Resilience website
www.ukresilience.info

The Scottish Continuity Group
www.scottishcontinuitygroup.com

Continuity Forum
www.continuityforum.org

Business Continuity Institute
www.thebci.org

BSI British Standards
www.bsi-global.com

For more information, please contact:

CCS | **CIVIL CONTINGENCIES SERVICE**

RENFREWSHIRE   INVERCLYDE   EAST RENFREWSHIRE

www.civilcontingenciesservice.co.uk

Strathclyde Emergencies Co-ordination Group members gratefully acknowledge the generous support received from the following organisations in granting permission to reproduce the images, text and format of their original design.

East Lothian Council   Highland Opportunity   Midlothian   NORTH AYRSHIRE COUNCIL   Scottish Borders COUNCIL   Braintree District Council