

Audit and Governance Committee report



13 January 2010

Report of Head of: HR, IT and Customer Services

Report no. 91/09

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To: Audit and Governance Committee

Date: 13 January 2010

Joint Business Continuity Strategy

Recommendation

That the Audit and Governance Committee recommends to Executive the adoption of the business continuity strategy accompanying this report.

Purpose of Report

1. For South's Audit and Corporate Governance Committee (ACGC) and Vale's Audit and Governance Committee (ACG) to review the accompanying joint Business Continuity Strategy 2009 to 2012, and to recommend that South's Cabinet and Vale Executive respectively approve it.

Relationship with corporate plan

2. Having an up to date business continuity strategy will help the councils in meeting their shared strategic objective of 'managing our business effectively'.

Background

3. Cabinet approved South's original business continuity strategy on 3 August 2006. We reported our business continuity arrangements to ACGC on 22 January 2009, providing background information with a summary and progress made on our arrangements. It was resolved that the committee were of the view that based on the information presented the council had an adequate approach to business continuity and that a verbal review of the

effectiveness of one service's business continuity plan would be given at the next meeting of the committee.

4. Councillor Harrison conducted a detailed analysis of ICT's disaster recovery plan, ICT's business continuity plan and the crisis management plan and reported his findings to committee on 25 March 2009. One recommendation was made by committee in that the Chief Executive be on the list of those officers that can invoke the disaster recovery procedure. The Head of HR, IT and Customer Services agreed this recommendation.
5. Although Vale has no formally adopted business continuity strategy, the then Deputy Director for Commercial Services introduced a Strategy Statement on 1 September 2007. A recent Internal Audit review highlighted that the strategy statement had not been approved by either the Audit and Governance committee or the Executive. We have implemented this recommendation by presenting this joint strategy to this committee and Executive.
6. Separately, South's Audit and Corporate Governance Committee recommended a joint risk management strategy to Cabinet and it was approved on 2 July 2009. Vale's Audit and Governance recommended the same strategy to Executive and it was approved on 7 August 2009. The risk management strategy includes a section on business continuity stating that 'the Civil Contingencies Act 2004 places a duty on councils to assess the risk of an emergency occurring and to maintain plans for the purpose of ensuring that if an emergency occurs, the councils are able to perform their functions'. Both councils are already meeting the requirements of this Act by each having (separate to the risk management strategy) an emergency plan and business continuity arrangements'.
7. In order to implement a joint approach to business continuity we need a strategy that is consistent to both councils.

A joint approach to business continuity

8. As a consequence of the shared management arrangements between the two councils, management team asked South's business improvement team to facilitate and coordinate the rationalisation of the two existing approaches to business continuity in each council. In addition to risk management, an element of the corporate risk officer's role is business continuity and the two councils are joint funding this.
9. The approach to business continuity at each council is similar as both councils used the same external contractor to assist in the original implementation of their business continuity arrangements.
10. To rationalise our approach, we have produced a business continuity plan template that is common to both councils and reflects the revised management structure. Each service area has two business continuity plans as there is one for each council, and a nominated plan administrator for each plan. We intend to have two additional plans, one for the facilities team (currently for South only) and one for Cornerstone as the Economy, Leisure and Property service contains widely differing functions from a business continuity perspective.
11. The new joint approach to business continuity to be adopted by both councils is described in the joint business continuity strategy accompanying this report. This:
 - outlines the councils' approach to business continuity

- illustrates our business continuity arrangements
- describes the documentation used as part of our arrangement
- describes disruption scenarios
- provides guidance on recovery strategy elements
- sets out how plans are tested, maintained and reviewed
- provides an overview of the key roles, responsibilities and structures in place for our business continuity arrangements
- complies with government guidance and Statutory Instruments relating to business continuity
- will demonstrate the commitment of South's Cabinet, Vale's Executive and management team to effective business continuity arrangements

Financial, legal and any other implications

12. There are no direct financial implications of this report other than both councils are joint funding the corporate risk officer post, within existing budgets. The post is in the budgeted establishment at South, with Vale contributing 10 per cent of salary costs for business continuity and 40 per cent for risk management (total 50 per cent).
13. The Accounts and Audit Regulations 2003 require us to be responsible for ensuring that we have a sound system of internal control which facilitates the effective exercise of the councils' functions. We have to demonstrate our business continuity arrangements in the Annual Governance Statement.
14. In addition, the Civil Contingencies Act 2004, places a duty on councils to assess the risk of an emergency occurring and to maintain plans for the purpose of ensuring that if an emergency occurs, the councils are able to perform their functions. Both councils are already meeting the requirements of this Act by each having (separate to the risk management strategy) an emergency plan and business continuity arrangements.
15. The adoption of the business continuity strategy, together with progress made towards implementing the joint approach, will help the council to meet these duties.

Conclusion

16. The strategy describes how the councils are approaching business continuity, the links to the existing process of risk management, and the benefits of rationalising the process between the two councils.
17. The adoption of the business continuity strategy will help the councils to:
- continue public services in the event of a business disruption
 - embed business continuity arrangements by setting out the means of continuing service delivery in the event of a disruption
 - meet their strategic and operational objectives and improve service delivery
 - simplify arrangements and achieve economies of effort through having a single process at both councils
 - comply with the Civil Contingencies Act 2004 and audit regulations.

Recommendation

18. We are asking South's Audit and Corporate Governance Committee and Vale's Audit and Governance Committee to review the accompanying joint business continuity strategy and recommend its adoption to Cabinet and Executive.

Accompanying papers: Business continuity strategy