

CHESHIRE EAST COUNCIL

Audit and Governance Committee

Date of Meeting:	27 th March 2012
Report of:	Lead Emergency Planning Officer for Cheshire East Council
Subject/Title:	Business Continuity Management Update

1.0 Report Summary

1.1 The purpose of this report is to inform the Committee of the proposed way forward for the future delivery of the Business Continuity Management function.

2.0 Recommendation

2.1 That the Constitution Committee be asked to consider recommending to Council that

- (1) responsibility for considering business continuity management issues be referred to the Sustainable Communities Scrutiny Committee in relation to service issues, together with emergency planning issues, the latter of which at present are not reported through to any committee; and
- (2) business continuity remain on the agenda for the Audit and Governance Committee for risk management purposes as the Committee needs to be made aware of the arrangements in order to form a view on whether they are robust or not and at the very least as part of the training for Members, but possibly not as frequently as at present.

3.0 Reasons for Recommendations

3.1 Traditionally, Business Continuity has been reported through to the Audit and Governance Committee due to its link to risk. However, it is thought appropriate that it might also be better to report to the Sustainable Communities Scrutiny Committee together with emergency planning issues which at present are not reported through to any committee. However, this will not preclude the Audit and Governance Committee needing to be made aware of the arrangements and form a view on whether the authority's business continuity arrangements are robust or not. Business Continuity Management preparedness will still be reported to the Audit and Governance Committee as part of the corporate risk plans but service issues will be considered via the Sustainable Communities Scrutiny Committee.

4.0 Wards affected

4.1 Potentially all.

5.0 Local Ward Members

5.1 Potentially all.

6.0 Policy Implications (including Climate Change/Health)

6.1 The effects of climate change are likely to increase the instances of environmental emergencies such as heatwaves, drought and flooding, and it is important that the Council anticipates and prepares to respond to such events.

7.0 Financial Implications (Authorised by the Borough Treasurer)

7.1 Effective business continuity planning can lead to reduced costs by protecting assets, working more efficiently, assurance of third party providers of services (who may be required to demonstrate effective resilience as part of any tender), and lower insurance premiums, where the Council can demonstrate proactive management of continuity risks.

7.2. CIPFA's "A Toolkit for Local Authority Audit Committees" addresses the issue of business continuity under training and awareness and it talks about a training regime that authorities should strive to achieve, Under Risk Management it talks about the committee needing to understand the requirements of the Civil Contingencies Act 2004 and how the authority manages its own contingency and business recovery plans.

7.3 In accordance with the Council's Constitution there is nothing specific about business continuity but it would fall under risk management, the Committee being responsible for ensuring any Council's Risk Management arrangements are operating effectively is the Audit and Governance Committee.

7.4 The Council's Risk Management Policy has one of its six key objectives of the approach to risk management is to embed an effective business continuity management framework to provide continuous service delivery in the event of an emergency. These objectives will be achieved by preparing and testing contingency plans to secure business continuity where there is a potential for an event to have a major impact upon the Council's ability to function.

7.5 In terms business continuity going to a Scrutiny Committee, the role of scrutiny is to review policy and challenge whether the executive has made the right decisions to deliver policy goals. This is different from the role of the Governance and Audit Committee which exists to provide assurance that there are adequate controls in place to mitigate key risks.

7.6 The Sustainable Communities Scrutiny Committee will fulfil the functions of an Overview and Scrutiny Committee as it relates to performance management, Corporate Resources and Strategy and in particular but not restricted to Community Strategies, and Crime and Disorder matters as provided by Section 19 of the Police and Justice Act 2006 and the specific portfolio holder responsibilities

of Civil Protection / Emergency Planning and Risk Management It would therefore appear that there seems to be a degree of overlap.

7.7 In summary, business continuity is one aspect of risk management and the Audit and Governance Committee will still need assurance with regard to Risk Management arrangements. At the very least CIPFA is arguing that the Audit and Governance Committee needs to be made aware of the arrangements and form a view on whether they are robust or not. The Borough Treasurer suggests, therefore, that even if business continuity is also reported through to Scrutiny it still needs to remain on the Agenda for the Audit and Governance Committee at least as part of training for Members but possibly not as frequently as present.

8.0 Legal Implications (Authorised by the Borough Solicitor)

8.1 As well as the requirement to be legally compliant, general principles of good governance require that the Council should identify risks which threaten its ability to achieve its strategic aims, and to operate its business, and put into place key controls in the form of business continuity plans to mitigate these risks.

9.0 Risk

9.1 Business Continuity is managed and co-ordinated by the Joint Cheshire Emergency Planning Service and is, an integral part of risk management within the authority.

10.0 Update

10.1 Under recent restructuring in the Places Directorate, the Business Continuity Management responsibilities were transferred to the Joint Cheshire Emergency Planning Team under the auspices of the Lead Emergency Planning Officer for Cheshire East Council, in order to provide a corporate strategic co-ordination role for the function. It is the intention that the officer would deal with corporate business continuity issues and set the framework for its delivery.

10.2 However, it is acknowledged by the Strategic Director for Places and Organisational Capacity that this is a role that cannot be carried out in isolation, and this paper sets out the way forward in order to accommodate this. The weakness of the current arrangements is that business continuity across the organisation was seen as an individual responsibility rather than a common corporate managerial one. It is, therefore, thought necessary to bring together a group of key people to provide a common framework and to ensure that services realise the importance of and the need for effective business continuity planning, and allocate some resource to make this happen.

10.3 Assistance will be provided by designating named individuals to provide this common framework. The CMT has agreed that there will be an officer to support the Places and Organisational Capacity Directorate, and an officer each from Children's Services and Adult Services and one to cover HR, Finance, Business Services and Legal and Democratic Services. It is envisaged that they will assist

individual section heads in preparing their business continuity plans. It is intended to train those officers who require it.

10.4 These four officers, together with the Lead Emergency Planning Officer, will form the nucleus of a proposed Emergency Planning and Business Continuity Task Group, in order to embed emergency planning and business continuity across the authority. The support officers would also be responsible for cascading down the organisation the decisions and requests of the group. In addition, it is also thought appropriate to also have on the task group representatives from IT, Human Resources and Assets, as, invariably, these are the areas that are usually most affected in a business continuity context.

10.5 The support from CMT is crucial to the delivery of business continuity across the Council and consequently, CMT has agreed to inform all Heads of Service of the importance attached to the authority's internal resilience and to ask them to regularly include on DMT/ SMT agenda updates on the progress of individual business continuity plans. The business continuity support officers might also be present at each meeting for this item in order to provide a point of contact with the main group. This will be further reinforced, by linking business continuity to inclusion of the production and testing / review of Business Continuity & Emergency Plans in the Directorate service planning cycle, as recommended in the recently released Internal Audit report on major emergency response planning in Cheshire East Council, as this would provide a set a defined framework for its delivery.

10.6 The designation of the Director of Places to be a "champion" of business continuity will greatly assist the process and by also sitting on the Emergency Planning and Business Continuity Task Group will give the group some weight and influence.

10.7 Whilst traditionally Business Continuity has been reported through to the Audit and Governance Committee with its link to risk, it is thought more appropriate that it might be better to report to the Sustainable Communities Scrutiny Committee together with emergency planning issues which at present are not reported through to any committee.

11.0 Joint working with other Local Authorities

11.1 Regular meetings are routinely held with Cheshire West and Chester Business Continuity Representatives and Shared Services representatives to ensure that there are robust continuity plans in place for HR, Finance and IT.

12.0 Access to Information

12.1 The background papers relating to this report can be inspected by contacting the report writer:

Name: Martin Grime

Designation: Lead Emergency Planning Officer for Cheshire East Council

Tel No: 01244 973866

Email: martin.grime@cheshireeast.gov.uk