



Preparing a business continuity plan

Disaster strikes when you least expect it. Hopefully, a disaster will never happen, but if it does you need to be prepared so that the disruption to your business is kept to the absolute minimum. Whilst you are not operating at full capacity, your income could be significantly reduced and your business may never fully recover.

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In the event of a serious incident your premises may need to close during the rebuilding period. For listed buildings or where compliance with local planning regulations or fire prevention legislation introduces additional requirements, the time taken to complete reinstatement of the property could run to several years. What is the anticipated result of such a prolonged closure?

- Considerable revenue and custom may be lost
- You may lose your competitive advantage
- Key staff may seek employment elsewhere
- Inability to deliver products or services to customers
- Reputational damage
- Penalties and fines from regulators.

It is therefore of vital importance that the business gets back to business as soon as possible after a disaster.

Remember that serious interruption to your business can be caused by disasters other than fire, such as storm damage, pandemic, floods or terrorism.

Recent pandemics and terrorist attacks have raised the awareness of the business community in general to the need for some form of contingency planning in the event of a disaster.

There are a number of benefits of developing and maintaining a business continuity plan. Businesses with a

business continuity plan are more resilient and the existence of a plan can help build customer confidence in your business, reassuring them you will be on hand to support them whatever happens.

In the course of developing a business continuity plan you may also identify efficiency savings as you review the various work processes and procedures involved.

Having a robust business continuity programme in place will help your business recover from a disaster in a timely and effective manner.

A carefully considered insurance programme is an important part of your business continuity plan. The two should complement each other, with the insurance programme providing financial reimbursement in the event of a loss, e.g. a serious fire or flood, and the business continuity plan focusing on organisational resilience to keep your business running.



The first step

On the basis that prevention is better than cure, it is preferable not to suffer a loss in the first place.

To this end, you should carry out a risk assessment to identify the likelihood and impact of a range of possible events, for example fire, can have on the business. The best people to carry out this exercise are the staff themselves, as they will have first-hand knowledge of the business and the time critical services that would need to be reinstated in the event of a disaster.

Key areas to focus on include Buildings, People, Services, Plant and Equipment.

Developing your business continuity plan, you will need to consider the impact each identified risk could have on the business, prioritising your response to those risks that could impact more time sensitive areas of operation.

The complexity of your business continuity plan will vary with the size and nature of your business and should be integrated with other risk management plans for the business.

Your business continuity plan should sit within a business continuity management programme for the business, including a business continuity policy setting out the businesses business continuity strategy. The policy should

clearly define roles and responsibilities of those involved in response to any disaster, the timescales for recovery of your activities and the budget available to support this.

The programme should be driven from the top down to ensure buy-in at all levels and a named 'senior' person should be assigned responsibility for the programme.

Once the policy and plan have been signed off by senior management the broad objectives of the plan should be communicated to all staff so they know what to do in the event of a disaster.

Many risks can be reduced or controlled by adopting proactive loss reduction measures.

Preparing the plan

Having carried out the risk assessment, you will be aware of the hazards which face the business. You can now prepare plans that can be put into effect, should an identified risk materialise.

A team of representatives from across the business should be used to develop and then be tasked with implementing the plan. Team members should have a good understanding of the business.

1. Appoint a business continuity committee/team

This team will assume control in the event of a disaster occurring. Selected from senior management the team should:

- have commitment from the top
- ensure allocation of sufficient resources
- consist of representatives from all main areas of the business, e.g. administration, operational, maintenance, catering
- receive appropriate training to support the delivery of assigned responsibilities.

Note: do not have all your key personnel in the team – you will still need someone to run the operation.

2. The Business Continuity Plan (BCP) Co-ordinator

This is the person in charge of the team; there should also be a deputy co-ordinator. The nominated person should:

- be a senior executive
- have appropriate authority to ensure decisions are implemented immediately.

3. Objectives of the BCP

The main purpose of the BCP is to enable the business to:

- continue to operate as normally as possible
- progress back to normal working with as short a delay as possible
- cause the least possible inconvenience to all parties
- minimise the risks of accident, injury or ill health to all.

The BCP is comprised of two parts: The first part is the emergency plan and the second part is the recovery plan.

As you develop the plan you will need to consider and assign responsibility for implementation of activities to members of the business continuity team.

In the event of a disaster occurring a record of the incident, including the actions taken to mitigate the consequences and the associated cost should be maintained. This can be used to support any subsequent insurance claim and reviewed at a later date to help refine/improve the plan for the future.

4. Emergency plan

This relates to the first 24 hours of any emergency e.g. in the event of:

- fire
- flood
- storm
- terrorist alert/explosion
- serious injury to staff, volunteers and others.

Below is an 'aide-memoire' covering many of the points to be considered when formulating the emergency plan.

(a) Evacuation procedure

- Who telephones the emergency services?
- Who sounds the fire alarm system?
- Who is in overall charge?
- Where is the evacuation assembly point?
- Does anyone attempt to fight the fire?
- Who does a roll call?
- Who inspects the buildings to ensure that the evacuation is complete?

(b) Liaison

- Who will liaise with emergency services? (how will they be identified?)
- Who will liaise with interested parties?
- Who will deal with visitors?
- Who will deal with the press/media?

(c) Treatment of casualties

- Is anyone trained in first aid?
- Where are the first aid kits kept?
- Who is trained in lifting/carrying?
- Where will casualties be treated?
- Counselling – to whom/by whom?

(d) Hazardous substances

- Asbestos in buildings, register and location plan
- Release of chemicals into the atmosphere/water courses
- Risks to neighbours.

(e) Temporary accommodation

- After initial evacuation, where will everyone congregate? Bear in mind that the time period involved could be lengthy
- Where will the business continuity team meet to implement the business continuity plan?
- Are communication systems available?
- What are the toilet facilities?
- Arrangements for hot food and drinks
- Are medical facilities available?

(f) Communications

- Who needs to be informed?
- How will those involved be kept informed of progress?
- How will people working off site be informed?

(g) Telephone tree

- Ensures all relevant people are informed
- Do not leave one person to make all the telephone calls
- Each person needs to make only two telephone calls.

(h) Protection of property

- Site security to be arranged
- Salvage to be protected
- Contact suppliers of electricity, gas, and water, and intruder/fire alarm provider
- Contact local authority – they will decide whether or not the structure is safe.

Site security

- Who will provide such security?
- Is fencing required?
- Is a 24-hour guard necessary?
- Vehicle parking arrangements
- Is the building habitable?

Salvage

- General furniture, carpets etc
- What specialist firms are required for computers, machinery and plant, antiques, works of art etc?
- Removal of debris – availability of local skip hire firms and contractors
- Are demolition contractors required?

Service suppliers

- Contact each supplier
- Is supply suitable for reconnection?
- Are temporary lighting, heating, electricity, water supplies necessary?

Local authority

- Is the building salvageable?
- Can the building be occupied?
- Are structural repairs needed?

(i) Claims notification

- Contact insurance company/broker
- Location, nature, time of occurrence
- Details of circumstances
- Extent of damage
- Current situation
- Who should the loss adjuster contact on site?

(j) Useful telephone numbers

This is a list of people/businesses for which you should hold emergency telephone numbers. An emergency telephone numbers template is available from our website.

5. Recovery plan

This is the second part of the BCP. It should be designed to come into action after the full extent of the disaster is known.

Following an emergency, the immediate requirements are likely to be:

- Alternative premises
- Furniture
- Plant and machinery
- Specialist equipment
- Telephone/communication equipment
- Stationery.

(a) Premises

- What kind of building is required?
- Preferred location
- Consider the options
- Any specialist features required?
- Contact local commercial property letting agencies
- What services are required – where are they available?
- Planning regulations etc.

(b) Furniture etc.

- What is needed e.g. chairs, carpets, beds, lighting etc.?
- Who are the local suppliers?

(c) Plant, machinery and equipment

- What is required?
- Available new/second-hand
- Delivery periods
- Specialist equipment requirements
- Modifications required.

(d) IT recovery plan

- Computer equipment suppliers
- Software suppliers
- Back-up records kept – location
- PC system, local network, mainframe requirements.

(e) Telephones and communication equipment

- Requirements
- Mobile telephones
- Suppliers/engineers.

(f) Stationery

- Requirements
- Suppliers
- Over-printed/self-adhesive labels.

6. Communication

(a) It is important for everyone to be kept informed of the business' progress towards full recovery. This continued involvement is not only good public relations practice but will help to preserve relationships for the future.

Communication can be by many means, such as:

- newsletters
- telephone calls
- social media
- text messages
- email
- website.

Effective communication is important for other reasons:

- Will reassure people that you are still 'in business'
- Will let people know how to contact you
- Will supply your (new) address and telephone number.

(b) Keep suppliers informed: they will need to know where to deliver goods and also changes in normal deliveries of supplies.

(c) Keep Royal Mail informed – so they will know where to deliver mail.

7. Distribution and storage of the BCP document

The BCP document should be easily accessible and easy to follow. It need not be a bulky document – you should, in fact, aim for a fairly short document. Full copies of the document should be kept with:

- BCP Co-ordinator with copies held on and off site
- Deputy BCP Co-ordinator with copies held on and off site
- with each member of the BCP team.

It may be possible to reduce the length of the plan for other members of the BCP team to cover their specific areas of responsibility – each person should keep two copies (one copy held at two different locations).

Copies of the plan should be kept in fire-resisting cabinets where possible.

8. Other points

The plan must be kept up to date.

It is important that the BCP stays a 'living document'. The plan should be reviewed regularly to:

- ensure that any new activities are taken into account
- ensure that suppliers' details are accurate and current
- take into account any changes in personnel.

We would recommend your plan is reviewed at least annually but more frequent review may be necessary where there are significant changes to your business.



Carry out a practical exercise

Your BCP should be periodically tested to ensure it remains fit for purpose. Testing should involve all areas of the business and we recommend this is undertaken on at least an annual basis.

You can test your plan in a number of different ways, including desktop exercises and full recovery/interruption tests. Initially a desktop exercise is recommended. A trial recovery of systems, including IT networks, should also be completed to validate these can be reinstated within the recovery times defined in your plan.

This does not involve any drastic measures but simply requires you to arrange for the BCP team to meet and carry out a 'desktop' exercise, assuming that the business has suffered a serious fire or other disaster – what would you do?

Further Advice and Support

For further advice SEIB customers can contact Liam Casserley on **07388 379203** or email lcasserley@seib.co.uk and Liam will call you back as soon as possible.

A free to download software package called ROBUST is also available from RISCAuthority, a funded research facility supported by a significant group of UK insurers. This is a comprehensive toolkit with all the details on how to complete a BCP. For further details and to download visit <https://robust.riscauthority.co.uk/>.

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