Protect Your Business: Guidance to Local Businesses

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Sutton

Foreword

London faces challenges from a diverse range of evolving risks. The recent major incidents across the Capital, including the Kenley flooding, Croydon tram derailment and Westminster Bridge terrorist attack, are evidence that businesses need to be prepared for the adverse impacts these incidents will create.

Sutton is not exempt from these risks. Despite the Borough being one of the safest Boroughs in London with consistently low crime and disorder, there are a number of risks identified through the Borough's Risk Register that highlight what incidents could occur, and the impact these could have on the Borough's communities and local businesses.

This guidance document is part of a suite of information available on the Council's website intended to support local businesses to plan for the potential impacts they could face from these incidents; ensuring they can continue to thrive in the local economy and recover from disruption.

The Council encourages all businesses within the Borough to invest the time to create their own arrangements and plans, providing assurance to customers, employees, business partners, and importantly, to business owners, that robust plans are in place to continue to operate a functioning business during disruptive incidents.

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Introduction

This booklet has been produced by the Safer Sutton Partnership Service (SSPS) to support the local businesses of Sutton to prepare and plan for disruptive incidents that could threaten the operation of their business.

Disruptive incidents present major challenges to all businesses affected. It is estimated that 80% of businesses that suffer a major incident either never reopen or close within 18 months, after an inability to recover from the incident impacts.

The process of preparing and planning for incidents, and responding to incidents as they occur, is referred to as 'Business Continuity'. It is the process of ensuring your business will continue to operate and will survive the incident.

As a statutory responsibility, the Council has a duty under the Civil Contingencies Act 2004 to promote business continuity planning to local businesses and voluntary sector organisations.

The benefit of preparing plans and arrangements for your business includes:

- Gaining a greater understanding of your business by understanding and prioritising the key/critical activities;

- Helping your business to continue operating effectively during an incident and to recover quickly reducing financial losses which may lead to business closure;

- Building or restoring customer confidence, and assuring current and potential customers that you can continue providing your services in most circumstances;

- Making your business more resilient to incidents, giving you a competitive edge over other businesses/organisations who may not have arrangements in place;

- Promoting confidence and reassurance within your business- employees will appreciate you are considering how to protect their place of work; and

- Ensuring that your business maintains a good reputation.

Experience shows us that planning in advance and considering the impact to your business greatly increases the chance of your business surviving the incident.

The planning for incidents may be simpler than you think and this booklet will provide advice on how to create your own arrangements to better prepare your business.

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What are the risks to your business?

Businesses have their own individual risks which result from:

- The activities taking place within the business;
- The people working within the business, especially in relation to ICT security;
- How the business operates; and
- The location of the business.

The below table is a list of generic foreseeable risks that may be applicable to your business. This list is not exhaustive, but is a useful start for you to consider what could impact you.

Potential Risks	Impacts
• Fire; • Flooding; • Act of terrorism; • Unsafe building; • Extreme weather conditions.	Loss of workplace / premises
• Industrial action; • Pandemic influenza or other communicable disease; • Extreme weather causing transport difficulties; • Acts of terrorism (Fear of attending workplace).	Loss of staff
• Loss of server access; • Loss of power; • Theft or crime; • Cyber-attack or poor virus protection.	Loss of IT – Computers
• Power failure affecting phone exchange or server; • Loss of service due to supplier issues; • System overload.	Loss of Communications – Phones
• Phishing attacks • Lack of data security / encryption	Loss of Information / Data
• Contamination of water supply; • Loss of supply – On site; • Loss of supply – Off site.	Loss of utilities (Gas, power, water)
• Supplier going into receivership; • Severe weather; • Financial issues; • Transport issues; • Industrial action.	Loss of supplies
• Poor decisions/actions; • Poor media response; • Poor service.	Damage to reputation
• Industrial action or public protest at depot; • Scarcity of supply; • Technical problem with the fuel infrastructure.	Fuel Shortage
• Lack of sufficient budget or financial control.	Financial

How to protect your business

Taking measures to protect your business does not need to be complicated. We suggest completing the following 5 steps:

- Analyse your business;
- Identify the risks to your business;
- Determine your strategy for protecting your business;
- Plan for responding to incidents; and
- Test your plans.

Analyse your business:

Analysing your business will enable you to identify your key activities and to prioritise the continuation of those tasks, production processes and services, as relevant. The analysis will also enable you to consider how long you could cope with losing a part of your business, such as ICT systems, equipment, premises, staff, etc.

Identify the risks to your business

Identify all the risks that could impact your business. Consider the likelihood of these incidents occurring and the impact they would have to the activities in your business.

Determine your strategy for protecting your business

What are you going to do to protect your business from those risks? Typically, you have the following options:

- Treat the risk: Attempt to reduce the risk by reducing the likelihood or the impact. For example, identifying secondary suppliers to contact if your primary supplier is lost.
- Tolerate the risk: Accept the risks and do nothing.
- Transfer the risk: The best response may be to transfer the risk through outsourcing, insurance, contractual arrangements.
- Terminate: Cease to provide a particular activity because of the large risk carried.

Plan for responding to incidents

Your plans will detail what you will do to continue the operation of your critical business activities or how you will recover from significant disruptive incidents. This includes:

- Emergency actions (evacuation, emergency grab bags)
- Staff roles and responsibilities
- Staff training
- Prioritisation of activities to determine what will be recovered first
- Contact information for staff, suppliers and stakeholders
- Media arrangements (if appropriate)
- Insurance and salvage arrangements

Test your plan

It sounds obvious, but you must ensure your plan is fit for purpose and will work when you require it. Test the arrangements detailed in the plan, ensure the contact information is accurate, test the lines of communication and check staff understand their roles.

Creating your plan

Templates to create your own plan are available on the Council's website and on the London Prepared website. The below information provides a basic overview of what should be included in your plan.

- Have a defined purpose and scope: why has the plan been created and what will it do?

- Be accessible and understood by all who will use it.

- Be owned by a named person(s) who is responsible for the plan approval and an identified person(s) responsible for reviewing and updating the plan.

- Be aligned with the arrangements of partner organisations/businesses, if appropriate.

- Have defined roles and responsibilities for people and teams having authority during and following an incident.

- Details of when the plan is to be used (trigger points) and how it is activated.

- Contact details for staff, suppliers, partners, stakeholders, etc.

- Procedures to be followed during a disruptive incidents, including:

  o Welfare of staff and individuals;
  o Options to maintain business delivery, where possible;
  o Prevention of further loss of business activities;

- Details of how and under what circumstances the business will communicate with employees and their relatives, key stakeholders and emergency contacts.

- Resources required to continue business operations during the incident and business recovery after the incident.

- What business activities are to be recovered, the time it will take to recover the activities and the minimum level of activity required.

- Details of the business media communication during disruption through websites, social media, spokesperson, etc. Consider template statements to be readily issued.

Loss of premises

Premises can be lost due to both direct and indirect impacts to the space the business is operating within. You need to consider a loss of premises within the context of your business, following a fire, flooding, loss of utilities, etc. Impacts to the surrounding area may also cause you to lose access to your premises, particularly where emergency services need to place cordons to evacuate and ensure public safety.

The severity of a loss of premises varies depending on the activity of a business. Physical businesses (High Street retailers, call centres, office workers, construction companies, etc) rely upon the premises to operate business activities, whilst digital businesses (online buying / selling, advertisement, etc.) are often more mobile and less reliant.

If your premises is lost you need to consider what resources, equipment and information are required for you to operate your critical business activities from an alternative location.

Prior to an incident, you could consider the following options:

- **Identify an alternative work location:** This is often termed 'Work Area Recovery' (WAR) and involves moving from the primary location to a pre-determined location when this becomes unavailable. This could involve agreeing office space with providers or seeking arrangements with third party organisations that provide WAR arrangements.

- **Relocation of staff:** Staff located to other accommodation owned by your organisation. Alternatively, working from home arrangements could be explored but requires identifying the equipment and information staff would need to access and ensure access to ICT systems is possible, if relevant.

- **Mutual aid arrangements:** Seek a location within another organisation or business to deliver part or all of your critical services. This could include reciprocal support from other organisations, including partners and suppliers.

- **Transferring work:** This includes temporarily outsourcing your business to other organisations that can deliver your business. This may incur a cost but will maintain the provision of your business, parts of your revenue and maintain your reputation.

- **Construction of temporary premises:** If your premises is unavailable for a long period of time and sufficient space is available, a temporary building could be an option. This would include temporary structures, such as portakabins, and be provided through external companies.

- **Ensure adequate insurance cover:** Where you have business interruption insurance or commercial property cover, ensure you understand what your policy includes.

- **Seek support from your local Chamber of Commerce:** Your Chamber of Commerce can support you with disaster recovery planning.

- **Ensure staff are aware of the arrangements:** Whatever option you decide, ensure your staff are aware of what to do and where to go when necessary.

Loss of utilities

There are very few businesses that operate without utilities to support them, which include electricity, gas and water supplies.

Prior to utility supply disruption:

- Ensure you have the emergency contact details for suppliers to report disruption.

- Locate all meters and stop-taps and understand how to operate the systems. Localised utility outages to your premises may originate from electrics being tripped, defective wiring / pipes, etc.

- Ensure equipment is regularly serviced by competent and qualified staff.

- Have manual workarounds for electronic activities.

During disruption to any utility:

- Notify and seek advice from your utilities supplier to establish extent of the disruption, remedial action being taken and the length of time before the utility is restored.

- Turn off stop-taps if applicable.

- Invoke manual / alternative workarounds.

- Consider the impact on staff and the health and safety of the public. E.g. Loss of power affecting fire alarms, lighting, heating, swipe cards; or loss of water affecting sanitation and catering.

For electricity utility failure:

- Consider purchasing a generator to maintain power. Alternatively, there are companies that can be contracted to deliver and set-up a generator at your premises when notified.

- The cost of the generator can be considerable for smaller businesses, so consider sharing that cost with neighbouring commercial premises or those co-located within your premises.

- Uninterruptable Power Supplies (UPS) can be purchased and installed to power hardware during a power failure and allow you save / recover any data before this is lost during the power cut. UPS can often last for over 4 hours.

For water utility failure:

- Consider having a stock of bottled water for staff and the public but note that health and safety regulation state that staff are to be sent home or to an alternative location in the event welfare facilities become unavailable.

Loss of supplier

A loss of supplier can completely stop your business activity. Consider what the impact would be to your business if your key suppliers, contractors or partners were unable to supply the goods or the service you require to operate.

From your perspective, you need to understand who your key suppliers, contractors and partners are, where they are located and which ones you rely on to undertake your critical business activities?

This could include anything from the supply of goods such as, stationary, raw materials and utilities, to outsourced services such as IT, call centres or transport.

The below list provides options to make your business more resilient to losing a suppler:

- **Have resilient suppliers:** Have your suppliers got plans to protect their business and are these tested to ensure they work? It is worth considering encouraging or requiring your suppliers, contractors and partners to have such plans to ensure they can provide you the good/service when they are impacted by the disruptive events.

- **Contract clauses:** In addition to requiring a supplier to have plans to protect their business, you could consider adding penalty clauses within your contract if a supplier fails to deliver. However, it could be your reputation which suffers is a supplier lets you down.

- **Multiple suppliers:** Where you have goods or services that are critical to your business that you buy in or outsource, consider having dual supply or sourcing from several suppliers. This ensures if a key supplier is disrupted, you have alternatives to maintain your business.

- **Identify alternative suppliers:** Who else could provide you with the goods or services your critical activities require? Identify them and have their contact information.

- **Consider the location of your suppliers:** Using more local suppliers can help, but not so close that they may be affected by the same incident.

- **Build relationships:** Understand the implications and options available within the supply chain. What are the risks to your supplier?

Loss of staff

Your staff are integral to your business and losing them greatly undermines your business activity. This is particularly important to staff who provide / deliver your critical activities.

The loss of staff can be both temporary (short-term) or prolonged (long-term). For example, scenarios for loss of staff include:

- Short-term:
    - Domestic issues (childcare, household utility disruption, etc)
    - Transport disruption
    - Sickness / illness.

- Longer-term:
    - Acute medical conditions
    - Loss of family/friends
    - Pandemics

Whilst the impact of losing staff varies between different businesses, key strategies for handling such a loss include:

- **Train staff to undertake key roles:** This provides the flexibility to your business that if one of your key staff is absent, you are able to move another employee into that position that is trained to undertake that role.

- **Re-task staff from non-essential roles:** Similar to the above, where other staff are trained to undertake the key role who usually operate in non-essential roles or elsewhere in the organisation, these can be re-deployed.

- **Consider use of agency staff or contractors:** There are multiple agencies that can be contacted who may have personnel available to work in the role. Likewise contractors may also have staff that can be seconded to your business.

- **Postpone any non-essential activities:** Particularly relevant when multiple critical staff are absent from the business. Prioritisation would be assigned to your critical activities and where staff are re-deployed from non-essential activities, it may require completely suspending that non-critical area.

- **Consider outsourcing activities where applicable:** Could any of your suppliers, contractors or partners provide the critical activity? Alternatively, there may be separate businesses who could support the delivery of that critical activity.

- **Process documentation:** Staff can gain an understanding of the critical activities by studying pre-prepared documentation. Processes and procedures relating to the critical activity are important. Additional information could include user manuals for machinery, job descriptions and role profiles, contact information for partners/customers, etc.

- **Keyman Insurance:** Particularly useful for some organisations where sudden loss of a key senior figure within the organisation would have detrimental effects on how the organisation runs. Keyman insurance will help pay the costs of temporary filling the role until normal recruitment procedures can take place.

Loss of data

Below outlines the process of protecting and recovery your data during disruptive events.

Understand your information / data

You need to understand:

- **What data you hold:** For example, documents with supplier contract information and contracts, staff shift rotas, customer information, etc.

- **What format data is held in and where it is stored:** Hardcopy, electronic (saved to computer drive, data server, cloud?)

- **Why you are holding the data**: Consider the requirements of the General Data Protection Regulation (GDPR).

- **How this data is used:** For example, organising workforce shifts, re-ordering stock and supplies, etc.

- **What is important to your critical activities:** What information is absolutely needed to continue the critical business activities?

- **How the data or information can be lost:** Consider the risks to your data- fire, flooding, utility failure, theft, etc.

Disaster Recovery Plans (DRPs)

The Disaster Recovery Plan should state the procedures a business is to take before, during and after an incident to protect and recover the ICT infrastructure; minimising critical activity downtime and data loss.

Prior to an incident consider how you could prevent data being lost. For example:

- Ensure electronic devices are encrypted;
- Ensure passwords are not shared and are regularly updated;
- Keep security software up-to-date;
- Secure confidential documents (password protect, securely store);
- Keep hardcopy back-up documents in a secure and accessible location; and
- Only giving access to information to those who need to have access.

During an incident, your plan needs to detail the actions you are to take to maintain your critical activities. Following the incident, your plan will detail the process for recovering data and restoring normal business activity. Both the incident response and recovery processes should consider the maximum tolerable period of disruption to your critical activity and the order in which your data will be recovered (starting with the most critical data).

Like with any contingency or communications plan, once it is created it needs to be tested.

Useful contacts

If you require advice developing your plans and arrangements then contact the Council's Emergency Planning Service:

Email: emergency.planning@sutton.gov.uk
Telephone: 020 8649 0608

Additional information is also available from:

London Borough of Sutton- Business Continuity
Advice to businesses to plan for disruptive events and incidents:
https://www.sutton.gov.uk/info/200514/community_safety_and_policing/1426/protecting_your_business

London Prepared- Preparing your business
Guidance to businesses on preparing and responding to business continuity incidents:
https://www.london.gov.uk/about-us/organisations-we-work/london-prepared/preparing-your-business

Metropolitan Police Service
Advise to businesses regarding the detection and reporting of crime:
https://www.met.police.uk/

Business Continuity Institute
Contains best practice guidance, materials, resources and information to develop your own business continuity arrangements:
http://www.thebci.org/

Emergency Planning College
Offers are range of training courses regarding civil protection, including business continuity and risk management:
http://www.epcresilience.com/

London First
http://londonfirst.co.uk/