



TITLE OF REPORT Business Continuity & Emergency Planning Internal Audit Report	DATE
THE COMMITTEE THE REPORT IS GOING TO (or Council meeting if appropriate) For the attention of the Audit Committee	

Linkage to Council Strategy (2019-23)	
Strategic Theme	Business Continuity & Emergency Planning Audit
Outcome	Limited
Lead Officer	Audit, Risk & Governance Officer
Cost: (If applicable)	n/a in-house resource

Auditor:	Audit Risk & Governance Officer
Distribution:	Audit Committee Chief Executive Director of Environmental Services Head of Health & Built Environment
Completed: February 2021	

All matters contained in this report came to our attention while conducting normal internal audit work. Whilst we are able to provide an overall level of assurance based on our audit work, unlike a special investigation, this work will not necessarily reveal every issue that may exist in the Council's internal control system.

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Introduction

This internal audit was completed in accordance with the approved annual Audit Plan for 2020/21. This report summarises the findings arising from a review of the Business Continuity Plan and Emergency Planning for the Council which was allocated 10 audit days.

In 2016/17 internal audit completed an audit of Business Continuity and Emergency Planning which received an overall level of assurance of limited. For 2019/20, Moore NI followed up on prior year recommendations and noted that a number of their recommendations had been implemented and progress had been made in the outstanding recommendations.

Executive Summary

Through our audit we found the following examples of good practice:

- An Emergency Plan exists which details the processes to be followed in the event of an emergency. The plan has been updated following system changes and personnel changes and accountability for updating the plan has been assigned to a nominated officer. The emergency plan includes the latest system configurations and provides information regarding the steps to be followed in the event of an emergency.
- Council officers along with other agencies including first responders participated in an external exercise simulation of the testing of the Emergency Plan for Old Bushmills Distillery on 28/01/20.
- The Emergency Control Centre (ECC) has been fully established and located in the large committee room in Cloonavin. It was tested during exercise simulation on 28/01/20. Council also received funding through the Northern Emergency Planning Group to provide Wi-Fi and 3 hard/fixed telephone lines into the building. The secure cabinet contents within the room containing equipment and materials required in the event of an emergency has been reviewed in partnership with the Northern Resilience Manager.
- SLT performed a test in Riada house to ensure that they can conduct business in the event of other facilities being unavailable.

Some areas (Priority 2) where controls could be enhanced were noted during this review.

- An overarching business continuity plan was presented to Council in December 2020 and approved. Internal audit notes the document is quite lengthy. Audit recommends that the document be reviewed so that it can be streamlined, containing only the required information at a corporate level so that it is more user friendly.
- At the time of this internal audit, the business continuity plan and the majority of individual service plans had not been updated to reflect the current pandemic with an increased focus on this area.

The following table summarises the total number of recommendations from our audit (all recommendations being accepted by management):

Issue	Number of recommendations & Priority rating		
	1	2	3
Review Corporate Business Continuity Plan	-	2	-
Update Corporate Plan to reflect Service Continuity Plans	-	2	-
Service Continuity Plan Testing	-	2	-
Independent Verification of Plans	-	-	3
Business Continuity Policy/Strategy	-	2	-
Business Continuity Training	-	-	3
Total recommendations made	-	4	2

Based on our audit testing we are able to provide the following overall level of assurance:

Satisfactory

Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified this should not significantly impact on the achievement of system objectives.

The weaknesses identified during the course of our audit have been brought to the attention of Management. The weaknesses outlined are those, which have come to our attention during the normal audit work and are not necessarily all of the weaknesses, which may exist. Although we include recommendations, it is the responsibility of Management to determine the extent of the Business Continuity Planning and Emergency Planning arrangement appropriate to the Council.

The content of this report has been discussed with the Chief Officer to confirm factual accuracy. The assistance and cooperation received during the course of our review is gratefully acknowledged.

Objective

The main objective of the audit was to review the progress made by the Council and to ensure that effective arrangements are in place for Business Continuity Planning and Disaster Recovery within CCGBC.

This report has been prepared for Causeway Coast and Glens Borough Council and should not be disclosed to any third party, quoted or referred to without prior written consent.

Background

This audit is made up of two distinct areas for Causeway Coast and Glens Borough Council.

Emergency Planning

The Civil Contingencies Framework 2005 (refreshed November 2011), Department for Communities provided guidance to Councils in relation to emergencies.

Business Continuity Planning

Business continuity is a process that helps manage risks to ensure the smooth running of an organisation or delivery of a service, ensuring continuity of critical functions in the event of a disruption, and effective recovery afterwards. Causeway Coast and Glens Borough Council have assessed all its services to determine what level of business continuity plans they require.

Risks

The risks identified relating to Business Continuity Planning and Emergency Planning and agreed with management are as follows:

1. The Council may have inadequate Business Continuity and Emergency Plans (and associated Service Unit business continuity plans), leading to inadequate planning and a negative impact on Council's ability to respond effectively to adverse incidents.
2. There may be an inadequate governance structure in place within the Council in relation to business continuity and emergency management leading to an uncoordinated approach to the implementation of the Business Continuity.
3. The Council and Council staff may not be aware of their roles and responsibilities in the event of an emergency or business interruption resulting in the Council being ill prepared for internal and external incidents and to a longer period of disruption to Council staff and services.
4. Testing of the Business Continuity and Emergency Plans may not be carried out on a regular basis and lessons learned from tests may not be implemented, leading to inadequate preparation for implementation of the Plans and potential failure to respond as a result of vulnerabilities in the Plans.

Audit Approach

Our audit fieldwork comprised:

- Documenting the systems via discussions with key staff
- Consideration of the key risks within each audit area
- Examining relevant documentation
- Carrying out a preliminary evaluation of the arrangements and controls in operation generally within the Council
- Testing the key arrangements and controls
- Testing the completeness and accuracy of records.

The table below shows the staff consulted with and we would like to thank them for their assistance and co-operation.

Job title
Chief Executive
Director of Environmental Services
Head of Health and Built Environment

Findings and Recommendations

This section of the report sets out our findings in relation to control issues identified and recommendations.

6.1 Risk 2 – Inadequate Governance Structure

Issue 1 – Corporate Business Continuity Plan

Observation-

In 2016/17 Moore NI recommended ‘the Council should develop and implement a Business Continuity Plan to ensure that there is clarity as to the procedures to be followed and roles and responsibilities to activate and respond to emergency situations as they arise. Once developed, responsibility for reviewing and updating the Plan should be clarified and a programme of training rolled out to staff and elected members.

If appropriate, consideration should be given to following a model business continuity template such as ISO 22301: 2012 that provides a universal framework for organisations to follow, to ensure that business continuity plans are fit for purpose.’

A Corporate Business Continuity Plan document was presented to the Environmental Services committee on 8th December 2020 and ratified at full Council in 5th January 2021. Internal audit has reviewed the document and notes that it contains details in relation to each service area meaning that the document is quite lengthy with 245 pages.

Each Head of Service is responsible for compiling and maintaining their own business continuity plan, which is appropriate to their business area. The corporate continuity plan is repetitive with a number of sections repeated e.g. there are six separate lists of external contacts.

Implication-

The current corporate business continuity plan could result in a disjointed approach being adopted in the event that Council is required to respond to an adverse event.

This may lead to increased exposure to operational, financial or reputational risks.

Priority Rating-

2

Recommendation-

The overarching Corporate Business Continuity Plan should provide an operational document that sets out priorities, management structures and communication mechanisms to ensure an appropriate response to any disruption.

Audit recommends that the Corporate Business Continuity Plan be reviewed and its format considered with a view to shorting the document to make it more user friendly in the event of an incident. A corporate document should be produced shorter in length containing one list of internal and external interdependencies.

As previously recommended Council should consider following the outline ISO 22301 in the future.

Management Response - A review of the plan will be undertaken with a view to align more closely with the format suggested in ISO 22301. This will be incorporated in the Health & Built Environment Business Plan 21-22. Individual service area business plans will supplement as appendices. It is requested that a review of responsibilities in respect of Business Continuity be undertaken in addition to the adequacy of the resources provided to ensure that a satisfactory level of assurance for this function can be provided.

Responsible Officer & Implementation Date- Head of Health & Built Environment:
August 2021

6.2 Risk 3 – Roles & Responsibilities may be unclear

Issue 2 – Corporate Continuity Plan to reflect Service Plans Updates
<p>Observation- The Corporate Business Continuity Plan should be supported by individual Service Continuity plans that are aligned with and make reference to the corporate plan. These should also refer to IT Recovery Disaster Plan and the current risk register for the service area. The actions to take in the event of a disaster should be listed and aligned to the resources required to support the critical systems.</p> <p>On review of the Corporate Business Continuity Plan it was noted that some Service Continuity Plans had not been updated since commencement of the pandemic. With 5 out of the 14 service areas referring to the current pandemic or seasonal flu, others had either no been updated or did not refer to a pandemic.</p>
<p>Implication- There was a lack of internal co-operation in the development of the Corporate Business Continuity Plan which could result in a loss of key services to the Council.</p>
<p>Priority Rating- 2</p>
<p>Recommendation-</p> <p>Revised and updated Service Continuity Plans should be forwarded to the Head of Health and Built Environment to allow the Corporate Document to reflect the current position. Service Contingency plans should be updated to reflect the effect of the pandemic on service delivery and to ensure that all risks are addressed.</p> <p>Each directorate should ensure that there is alignment between the Corporate Business Continuity Plan and the ICT disaster recovery plan in the areas for which they hold responsibility.</p>
<p>Management Response- Agree.</p>
<p>Responsible Officer & Implementation Date- SLT August 2021</p>

6.3 Risk 4 – Testing of Business Continuity Plans

Issue 3 – Service Continuity Plan Testing

Observation-

Audit noted that not all Service Continuity Plans had been tested. The Corporate BCP does not make reference to the testing arrangements of the plan, including scenarios to be tested and how often tests will be undertaken.

In the Interim Report to those charged with Governance the NIAO noted that ‘the business continuity plan has not been fully tested for finance or payroll to ensure that these functions can operate from an alternative site should the Coleraine office be unavailable’. At the time of writing this report business continuity testing remains outstanding for payroll.

Implication-

In the absence of business continuity plan testing, business areas may be unsuccessful in the event of enactment if they have not been previously tested.

Priority Rating-

2

Recommendation-

Business continuity plans should be tested periodically. This should include:

- a) Recovery of critical applications systems at alternate site(s)
- b) Compatibility of IT and workspace facilities (e.g. printers, telecommunications)
- c) Notification of updates to procedures and lines of communication
- d) Recovery of critical business processes.

All tests should include IT and officers from the relevant section. Tests should be documented and discussed with SMT to ensure all issues are resolved.

Management Response-

Responsibility for testing function area Business Continuity Plans rests with the Head of Service responsible. A test plan will be incorporated into the revised Business Continuity Plan. A testing regime for other functional areas will be agreed through Councils internal Emergency Planning Implementation Group (EPIG). It will be the responsibility of each Head of Service to test their own specific function Business Continuity arrangements and provide a written report of the outcome to the Head of Health & Built Environment

Responsible Officer & Implementation Date- Head of Health & Built Environment
October 2021. All Heads of Service Dates to be confirmed.

Issue 4 – Independent verification of Business Continuity Planning

Observation-

There has been no independent verification of the Councils Business Continuity Planning or individual Service Continuity Plan's in place. Best practice would suggest these should be independently verified on a periodic basis.

Implication-

Priority Rating-
3

Recommendation-

These plans should be independently reviewed on a periodic basis to ensure that they are fit for purpose.

Management Response-
Accept subject to resource.

Responsible Officer & Implementation Date- Members of EPIG. Date to be confirmed.

6.5 Risk 4 – Testing of Business Continuity Plans

Issue 5 – Business Continuity Policy

Observation-

Audit noted that there is no Business Continuity Policy in place for the Council. In the absence of a policy service areas have no guide to complete their service continuity plan. In the absence of a council strategy in this area resourcing requirements are unknown with could lead to gaps in the continuation of services in the event of an incident.

Implication-

Council may have insufficient policy to adequately manage services in the event of an incident.

Priority Rating-
2

Recommendation-

A Business Continuity Policy should be developed for Council that clearly aligns the Councils strategic objectives including resources and ICT.

Management Response- Agreed
TBC

Responsible Officer & Implementation Date- Head of HBE Oct 2021

6.6 Risk 3 – Roles & Responsibilities may be unclear

Issue 6 – Business Continuity Training	
Observation-	Following the implementation of the business continuity plan, no training or awareness programmes have been rolled out to officers and elected members in the area of business continuity.
Implication-	Council may have an incoherent approach in the event of an incident.
Priority Rating-	3
Recommendation-	<p>Council should ensure that regular training takes place for officers likely to be called on to lead or be part of the business continuity management and support team.</p> <p>Elected members who also are likely to attend emergency situations should undertake any training also. Lessons learnt from these training exercises should be used to determine any amendments required to the business continuity plan.</p>
Management Response-	To be prepared and implemented following review and approval of the Business Continuity Plan. A training plan will be prepared and agreed via the internal Emergency Planning Implementation Group. Training will be provided to both elected members and employees. It will be necessary to provide sufficient resources in order that the training may be delivered.
Responsible Officer & Implementation Date-	Head of Health & Built Environment. March 2022

Appendix I: Definition of Assurance Ratings and Hierarchy of Findings

Satisfactory Assurance

Evaluation opinion: Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified this should not significantly impact on the achievement of system objectives.

Limited Assurance

Evaluation opinion: There are significant weaknesses within the governance, risk management and control framework which, if not addressed, could lead to the system objectives not being achieved.

Unacceptable Assurance

Evaluation opinion: The system of governance, risk management and control has failed or there is a real and substantial risk that the system will fail to meet its objectives.

Hierarchy of Findings

This audit report records only the main findings. As a guide to management and to reflect current thinking on risk management we have categorised our recommendations according to the perceived level of risk. The categories are as follows:

Priority 1: Failure to implement the recommendation is likely to result in a major failure of a key organisational objective, significant damage to the reputation of the organisation or the misuse of public funds.

Priority 2: Failure to implement the recommendation could result in the failure of an important organisational objective or could have some impact on a key organisational objective.

Priority 3: Failure to implement the recommendation could lead to an increased risk exposure.

Appendix II: Points for the Attention of Management

Minor Management Point 1 :		
Observation	Implication	Recommendation
From review of the business continuity plan in respect of Ballycastle Museum specifically friends of Ballycastle museum and seasonal staff it was noted that a 'key is held in a lockbox in SPAR Ballycastle for collection and return daily'.	There is a risk that an unauthorised individual may have access to the key and use it in the absence of Council officials.	Management should perform a risk assessment to ensure the controls around the key held in SPAR with alternative more secure options considered.
		To be referred to Head of Service responsible