



Business continuity annual update

Purpose

1. This paper provides the Audit and Compliance Committee with an update on SFC's business continuity arrangements.

Background

2. SFC has had in place a Business Continuity Plan for many years. In response to a recommendation in a 2016 internal audit review, a Business Continuity Strategy was established last year (paper ACC/16/32), within which sits the Business Continuity Plan.

2016 internal audit report

3. The 2016 internal audit report represented a major review of SFC's business continuity arrangements and was considered at the Committee's June 2016 meeting (paper ACC/16/17). Across all control objectives internal audit concluded: "No major weaknesses in control but scope for improvement" ('yellow' rating). Progress with implementing the report's recommendations has been reported to the subsequent Committee meetings, including this one (ACC/17/27).

Business Continuity Strategy

4. A copy of the current Business Continuity Strategy is attached at Annex A. When this was considered by the Committee in September 2016, no changes were proposed.
5. Management has reviewed the Strategy and has concluded that it remains fit for purpose.

Business Continuity Plan

6. Over this last year the Business Continuity Plan has been revised twice, mainly to reflect changes in personnel. It has also been reviewed by the Senior Management Team to confirm its continued suitability.

Risk assessment

7. The contents of this paper are relevant to the risk of SFC being unable continue priority operations.

Equality and diversity assessment

8. There are no diversity or equality implications arising from this paper.

Recommendation

9. The Audit and Compliance Committee is invited to note this update.

Financial implications

10. There are no financial implications arising from this paper.

Publication

11. This paper will be published on the Council website following the Committee meeting.

Further information

12. Contact: Martin Fairbairn, Chief Operating Officer (telephone: 0131 313 6524; email: mfairbairn@sfc.ac.uk).

Annex A –Business Continuity Strategy

Background

1. In recent years the adoption by organisations of sound corporate governance processes to meet requirements laid down by various corporate governance requirements has dictated the need to implement business continuity management. Even for those organisations which do not need to comply with such directives and legislation, there is a moral and ethical imperative to ensure that staff welfare is safeguarded and the future of the business is secured should the unthinkable happen in today's uncertain world.
2. According to the Business Continuity Institute, Business Continuity Management is “an holistic management process that identifies potential threats to an organization and the impacts to business operations that those threats, if realized, might cause, and which provides a framework for building organizational resilience with the capability for an effective response that safeguards the interests of its key stakeholders, reputation, brand and value-creating activities”.

Business Continuity Objective

3. The overall objective of the plan is to provide for both continued operation of business critical services following a disaster or major incident and an orderly and timely recovery from such an event.
4. The general objectives of the Plan are to ensure that in the event of an incident or crisis situation:
 - There will be a logical recovery of SFC's operations
 - Impacts will be kept within acceptable levels
 - Operations will continue as usual, as far as possible.
5. The Plan addresses the following key priorities:
 - Continuing to make payments to the bodies funded by SFC whose cash flows are critically dependent on funding from SFC
 - SFC's payroll.

Policy

6. It is the policy of SFC to:
 - Maintain a strategy for reacting to, and recovering from, adverse situations which is in line with senior management's level of acceptable risk
 - Maintain a programme of activity which ensures SFC has the ability to react appropriately to, and recover from, adverse situations in line with the business continuity objective
 - Maintain appropriate response plans underpinned by a clear escalation process
 - Maintain a level of resilience to operational failure in line with the risk faced, the level of negative impact which could result from failure and senior management's level of acceptable risk
 - Maintain employee awareness of SFC's expectations of them during an emergency or business continuity threatening situation
 - Take account of changing operational needs and ensure that the response plans and business continuity strategy are revised where necessary
 - Remain aligned with best practice in business continuity management.

Business Continuity Plan

7. Priority operations can continue to be supported in the event of a complete loss of SFC's office, contents and infrastructure through utilising a combination of the ICT Continuity Strategy and manual procedures.
8. The Business Continuity Plan exists to allow incidents to be managed effectively and for return to business as usual status in the optimum time. This incorporates an ICT Continuity Strategy.

Crisis Management

9. The Business Continuity Plan identifies the formal Incident Response Team to oversee the appropriate response to any adverse situation, supported by a clear and fast escalation process to ensure that incidents are assessed quickly and dealt with correctly.