LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
TRANSPORT AND COMMUNITY SAFETY

BUSINESS CONTINUITY MANAGEMENT POLICY

VERSION 1

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ACRONYMS AND ABBREVIATIONS

1. BCM - Business Continuity Management
2. BCP - Business Continuity Plan
3. BIA - Business Impact Analysis
4. CFO - Chief Financial Officer
5. CMT - Crisis Management Team
6. DRP- Disaster Recovery Plan
7. ERT - Emergency Response Team
8. IT – Information Technology
9. MCA - Mission Critical Activities
10. RA - Risk Assessment
11. RTO - Recovery Time Objective
12. SCM –Supply Chain Management
13. PCSM – Policy Coordination and Strategy Management

DEFINITIONS

1. **Business Continuity Management** - British Standard on Business Continuity Management (BCM) BS25999, defines BCM as *"a holistic management process that identifies potential threats to an organisation and their impacts to an organisation and their impacts to operations that those threats, if realised, might cause disruptions on the organisation's continued operations and provides a framework for building organisational resilience with the capability for an effective response that safeguards key stakeholders, reputation, brand and value creating activities."*

2. **BCM lifecycle** - A series of business continuity activities which collectively cover all aspects and phases of BCM programme.

3. **BCM programme** - On-going management and governance process to ensure that necessary steps are taken to identify the impact of potential losses, maintain viable recovery strategies and plans, and ensure continuity of products and services through training, exercising, maintenance and review.

4. **Business Continuity Plan** - A clearly and documented collection of procedures and information that is developed, compiled and maintained in readiness for use in an incident to enable the department to continue to deliver its critical activities at an acceptable pre-defined level.

5. **Critical activities** - Activities which have to be performed in order to deliver the key services which enable the department to meet the most important and time-sensitive objectives

6. **Emergency** - Actual or impending situation that may cause injury, loss of life, destruction of property or cause the interference, loss or disruption of an organisation's normal business operations to such an extent that it poses a threat.

7. **Emergency Response Team** - The team responding to an emergency (employees who have been successfully trained in fire prevention and first aid).

8. **Exercise** - Activity in which a BCP is rehearsed in part or in whole to ensure that the plan contains appropriate information and produces the desired result when put into effect.

9. **Maximum tolerable period of disruption** - The duration after which an organisation's viability will be irrevocably threatened if product and service delivery cannot be resumed.

10. **Mission Critical Activities** - The critical operational and/or business support, service or product related activity, including its dependencies and single point of failure, which enables an organisation to achieve its business objective(s).

11. **Recovery Time Objective** - The target time set for:
    - resumption of product, service delivery after an incident; or
    - resumption of performance on an activity after an incident; or
    - recovery of an IT system or application after an incident

12. **Risk** - Any threat or event that is currently occurring or that has a reasonable chance of occurring in the future, which should undermine the institution's pursuit of its goals and objectives.

13. **Executive Authority** - A member of an Executive Council in the Province who is accountable to the Provincial Legislature

14. **Risk Assessment** - Identified risks are analysed in order to form a basis for determining how they should be managed. Risks are assessed on both an inherent and a residual basis ,with the assessment considering the likelihood and impact

1. INTRODUCTION AND BACKGROUND

The Limpopo Department of Transport and Community Safety has a number of programmes (i.e. Administration, Transport Operations , Transport Regulations and Crime Prevention & Community Police Relations), these programmes execute various business processes to deliver on the department's mandate .There are threatening events that pose business disruptions risks .These events can have a disastrous impact on the department's business therefore on that base to ensure a recovery and continuity of operations in the face of a disaster or major incident and business disruptions, BCM processes should be in place.

All programmes within the department are required to determine and document the impact of a disruption to the activities that support the key services and outputs, through BIA.

2. PURPOSE AND OBJECTIVES

This policy is a formal acknowledgement of the commitment of the department to BCM. The purpose of this policy is to formalize the BCM program of the Limpopo Provincial Department of Transport and Community Safety, to provide guidelines for developing, maintaining and exercising BCPs and strategies.

This policy establishes the basic principles and framework necessary to ensure emergency response, resumption and recovery, restoration and permanent recovery of the department's operations and business activities during a business interruption event.

3. LEGAL FRAMEWORK

3.1 Constitution of the Republic of South Africa ,1996,as amended
3.2 Disaster Management Act, 2002 (Act 57 of 2002), as amended
3.3 National Disaster Management Framework of 2005, as amended
3.4 Public Service Act, 1994 (Act 108 of 1994) ,as amended
3.5 Public Service Regulation,2001 ,as amended
3.6 Labour Relation Act, 1995 (Act 66 of 1995),as amended
3.7 Basic Conditions for Employment Act, 1997 (Act 75 of 1997) ,as amended
3.8 Public Finance Management Act, 1999 (Act 1 of 1999) as amended
3.9 Treasury Regulations as amended
3.10 The Occupational Health and Safety Act (85) 1993 (Emergency Preparedness and Response)
3.11 Paragraph 4 of the Minimum Information Security Standards

The following are relevant standards used for referencing and benchmark purposes for the development of the BCM Policy:-

3.12 Business Continuity Institute – Good Practice Guideline 2007: (www.thebci.org).
3.13 British Standards Institute: Code of practice for Business Continuity: BS 25999 (Part 1).
3.14 British Standards Institute: Specification for Business Continuity: BS 25999 (Part 2).

4. POLICY STATEMENT

4.1 This policy is issued in terms of Section 38 (1) (a) (i) (of the Public Finance Management Act of 1999(Act 1 of 1999) as amended which stipulates that **"The Accounting Officer for a Department, trading entity or constitutional institution must ensure that the department, trading entity or constitutional institution has and maintains effective, efficient and transparent systems of financial, risk management and internal controls."**

4.2 The department is committed to a process of BCM that is aligned to the principles of the King IV report and the Public Finance Management Act.

4.3 The department will comply with the BCM policy and take all reasonable steps to ensure that in event of a service interruption essential services will be maintained and that the normal services are restored as soon as possible.

5. POLICY PRONOUNCEMENT

Implementation of this policy will be guided by Batho Pele principles and any other piece of relevant legislation.

5.1 Principles

It is the department 's policy to conduct the operations with the highest regard for the safety and health of its employees and the public, and for the protection and preservation of property and environment. The continuity of operations must be maintained and interest of our stakeholders protected, even under the most adverse circumstances.

It is essential to ensure that the BCP works, and to this end it should be regularly updated, tested and test results be maintained. Management looks to all members of staff to give this initiative their fullest support.

6. EDUCATION AND AWARENESS ON BUSINESS CONTINUITY MANAGEMENT

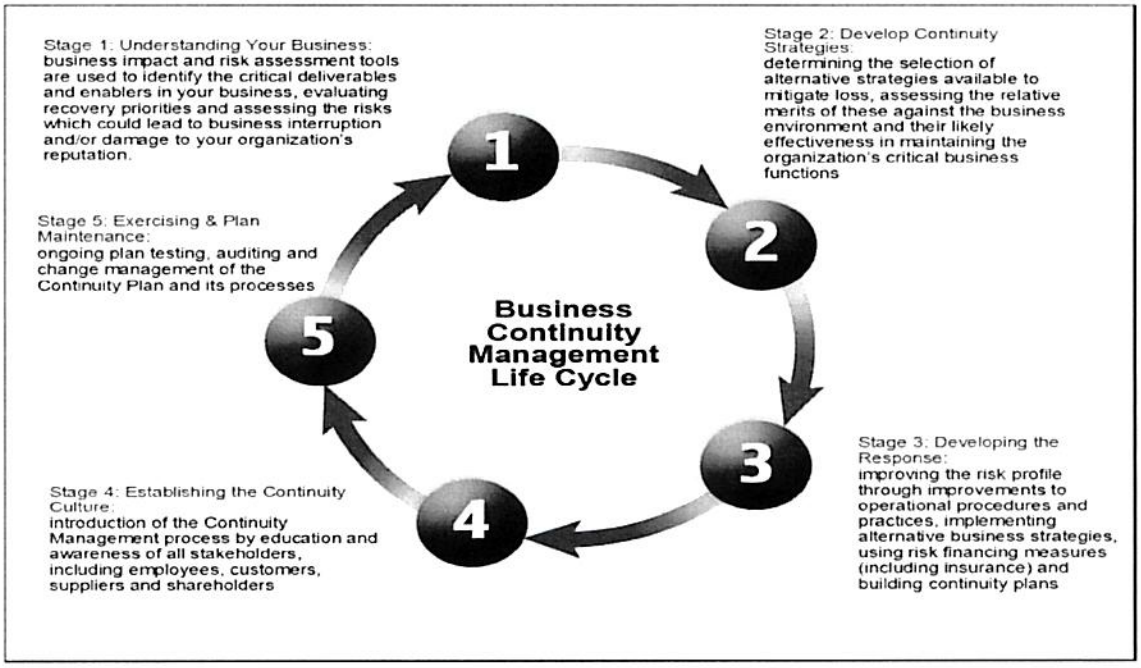
Developing a BCM culture is vital to maintaining enthusiasm, readiness and effective response at all levels in the organisation. Building, promoting and embedding a BCM culture within the business ensures that it becomes part of the organisation's core values and effective management.

On-going training should be given to the management team and employees and training should include all three aspects of the plan that is the emergency response, crisis management and business recovery procedures.

7. BUSINESS CONTINUITY MANAGEMENT PROCESSES

The department has adopted BCM as part of its risk management framework. Its approach to BCM follows the five stages of BCM lifecycle depicted in Figure 1 below:

Figure 1: The Business Continuity Institute: BCM Lifecycle



7.1 Understanding your business

The most significant step in the establishment of BCM is to understand the services of the department and the urgency within which the critical service functions shall be resumed in the event of disruption. The process consists of:

7.1.1 **BIA:** The foundation work from which the whole BCM processes are built. It identifies quantifies and qualifies the business impact of a loss, interruption or disruption of the business processes so that management can determine at what point in time these become intolerable. It provides data from which appropriate continuity strategies can be determined.

7.1.2 **RA:** On completion of the BIA, a risk assessment is required to identify, define and evaluate the risks faced by the department in relation to its MCA in order to establish a plan of action to address those risks, either by mitigating or reducing the risks. For this purpose and to ensure consistency through the department, approved BIA and RA templates must be used.

7.2 Develop continuity strategies

This stage is about determining and selecting BCM strategies to be used to maintain the strategic business unit's critical activities and processes through a prolonged business interruption. The coordinated BCP strategy involving plans, procedures, technical measures that enable the recovery of IT systems, operations, and data that is identified as critical.

Each programme should consider strategic options for its critical activities in the event of a prolonged interruption such as **the recovery time objective and /or maximum tolerable period of disruption of the critical activity, the cost of implementing a strategy or strategies and the consequences of inaction.** The determination and selection of alternative operating strategies to be used to support the department's MCA, is based on one of the following 3 basic strategic BCM models:

1. Active/Back-up –an active operating site with a corresponding back up site (with all office and IT infrastructure installed and in working order)

2. Active /Active: two or more geographically dispersed "active) operational site for Mission Critical Activities that back-up one another –both can be operational at the same time.

3. Alternative site: A back-up site periodically functions as the primary site for a period of time. The site is usually provided by subscribing to commercial business continuity Service Provider.

The department has adopted the Active/Active model with online offering replication between servers.

7.3 Developing the response

This is the development and implementation of plans and arrangements to ensure continuity of business activities and the management of an incident.

The BCP development must be structured around the following components: -

7.3.1 **Emergency response:** The emergency response plan must be in place and it must outline the immediate actions needed to be taken to safeguard life, limit injuries and prevent escalation of physical damage.

7.3.2 **Crisis management:** The effective crisis management seeks to mitigate or reduce the sources, size and impact of a crisis, manage the impact, aid recovery and exploit opportunities .The responses need to be flexible to provide the optimum level of resources to be applied while maintaining normal business activities. The staff is to be advised not to give media interviews, either by telephone or in person, use of social media to speculate or discuss the incident until a formal investigation has been completed except for the departmental spokesperson.

7.3.3 **Business continuity and IT disaster recovery** – continuity encompasses IT DRP. The development of the DRP take into consideration the given specification of organisational needs (recovery time objectives), recorded in the BIA. IT unit has a direct responsibility for recovery of IT systems on the department's servers, networks and provide support at the Recovery Operations Centre.

7.4 Establish the continuity culture

7.4.1 **Developing a BCM culture**: The department shall promote a business continuity culture through various activities that will include awareness to the stakeholders and change management. The BCM Culture is vital to maintain enthusiasm, readiness and effective response at all levels of the department.

7.4.2 **Education, training and staff Awareness**: On-going training should be given to the management team and employees.

7.5 Exercising and plan maintenance

Testing is critical in validating aspects of the plan and ensuring that it is current and fully operational. It keeps employees familiar with the contents of the plan and their respective responsibilities. All the business units and department leaders must ensure that plans are tested in line with the requirements as outlined in the BCM framework.

The records of BCP test results and remedial actions implemented must be forwarded to BCP coordinator and kept for audit purpose. The debriefing exercises must be held immediately after each event and documented and any findings will be reviewed.

8. ROLES AND RESPONSIBILITIES

Each business unit within the department has a responsibility to develop and implement and maintain continuity plans and strategies in their own areas of responsibility, to allow them to continue with the critical business processes needed to serve their clients and the overall responsibility in this regard rests with the head of the unit.

8.1 **The HoD** is responsible for the establishment of BCM in the department.

8.2 **The Enterprise Risk Management Unit** shall conduct risk assessment to assess the probability and impact of variety of threats that can cause disruptions and the process shall focus on the urgent critical services and functions identified during the BIA processes.

8.3 **PCSM** will coordinate the development, review and maintenance of the BCM policy in the department.

8.4 **The Chief Directors / District Directors /Head of Stations** shall ensure that the development, implementation, reviewing, maintaining of the BCP(s) at all service delivery points in their respective branches are done and that the integrated structured exercises at all service delivery points are conducted.

8.5 **IT Unit**: shall develop and maintain the ICT DRP and ensure the availability of resources within the agreed timeframes as specified in the BIA and /or the ICT DRP, must communicate the DRP to all the branches, districts and traffic stations.

8.6 **Facility management unit**: shall develop, implement and maintain a BCP to provide facilities and /or alternative sites in the event of a disruption and shall ensure the availability of facilities within the agreed timeframes as specified in the BIA and /or IT DRP for facilities and /or alternative sites in the event of a disruption at a service delivery point.

8.7 **SCM Unit**: shall develop, implement and maintain a BCP to provide assets in the event of a disruption for head office /districts and shall ensure the availability of assets within the agreed timeframes as specified in the BIA and /or the IT DRP in the event of a disruption at a service delivery point.

8.8 **The CFO**: is responsible to develop, implement and maintain a financial BCP. The CFO should ensure the availability of funds within the agreed timeframes as specified in the BIA and /or the IT DRP.

8.9 **Other officials:** is responsible for the management, including the safeguarding of the assets that the system of internal control established for the Department is carried out within the area of responsibility.

9. INDEPENDENT ASSURANCE OF THE BUSINESS CONTINUITY MANAGEMENT PROCESS

The risk management unit shall provide full cooperation during the conducting of an independent evaluation of the BCM process to ensure reasonable assurance on its effectiveness. The criteria of the evaluation must be established by provincial internal audit and assurance of the business management processes.

10. REVIEW AND TERMINATION OF THE POLICY

The policy will be reviewed every 36 months based on the comments and inputs from the stakeholders and it will be terminated upon the inception of the new policy.

11. MONITORING AND EVALUATION

The risk management unit will monitor the implementation of this policy. The monitoring and evaluation unit within the department will also track progress and policy achievement in terms of the objectives.

12. DEFAULT

Any employee who contravenes the provisions of this policy which may lead to violation of the Public Service Code of Conduct or other policies, that employee shall be charged with misconduct and the necessary disciplinary measures should be taken against him or her. Any party who has a contractual relationship with the department and contravenes the provision of this policy will be dealt with in terms of the penalty clause of the agreement entered into by and between him/her and the department.

13. INCEPTION DATE

The inception date of this policy will be within 30 days after the approval by the Executive Authority.

14. ENQUIRIES

Enquiries regarding this policy should in the first instance be directed to Office of the HoD - risk management component.

RECOMMENDED/NOT RECOMMENDED

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19/3/21

ACCOUNTING OFFICER **DATE**

APPROVED /NOT APPROVED

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30/03/2021

MEMBER OF EXECUTIVE COUNCIL **DATE**