

October 1, 2015

Business Continuity Audit

Background

Business Continuity Planning

Business Continuity Planning represents an institution's planning associated with its efforts to ensure the continued availability of critical services in the event of an incident or emergency impacting the organization.

Results of Early Initiatives

The City established the enterprise risk management (ERM) portfolio in Risk Management and created a Chief Risk Officer (CRO) position with support from the City Manager and the Corporate Management Team. The Risk Management group has since been tasked with coordinating a business continuity strategy and delivering operational Business Continuity Plans (BCP). One of the CRO's mandates is to roll out a City-wide BCP so that every department and business unit would be prepared to minimize the impact of business disruptions and ensure that critical service delivery continues. As part of the efforts to develop BCP, the CRO visited Calgary and surveyed major cities such as London, Boston and others to gather their business continuity planning information for possible application to the City of Vancouver plans.

Pilot Program and Lessons Learned

For its pilot rollout, Risk Management selected Finance, Risk and Business Planning (FRBP) department's Procurement, Accounts Payables, Treasury, and Payroll divisions to develop a financial continuity plan. The work done in this pilot rollout revealed that it has been carefully planned, researched and executed utilizing staff knowledgeable in business continuity procedures.

Alternate Worksites

A key component of Business Continuity Planning is the requirement for alternate work sites should the primary work locations become unavailable. Risk Management identified this as an important step in the BCP process and has initiated a project working with Real Estate Facility Management (REFM) to find and upgrade suitable locations that could be used as alternate work sites. The criteria for these locations to be appropriate as alternates include proximity to the primary sites, size, and connectivity to City systems/communications links. This is a major development in BCP.

Scope

The purpose of this audit was to evaluate the effectiveness of City's enterprise-wide Business Continuity Plan and provide reasonable independent assurance to management that the internal controls and business processes of the BCP are adequate and effective to deliver critical services and offer assistance to citizens while responding to a business disruption or

major disaster. The scope of the audit included how BCP issues are being addressed, and whether business continuity activities are properly authorized, conducted and accurately recorded. In addition, the processes around periodic updates to departmental and corporate continuity plans and regular exercising of the BCP were examined.

Conclusion

In our opinion, the City's Emergency Management plans dealing with emergencies and major disaster incidents are adequate and continuously being enhanced to increase their effectiveness. The City is also committed to establish an operational business continuity plans (BCPs) in the next two to three years to enable critical services to be continually delivered in the event of an emergency or business interruption.

Findings and recommendations have been discussed with appropriate management and responses incorporated in this report.

The more significant findings and recommendations are:

1. Business Continuity Planning Activity Established as a Priority Issue

Business Continuity Planning has been raised as a high priority in the Corporate Business Plan. Risk Management is committed to introduce BCP to City business units for them to adequately address business disruptions in the next two to three years. In the interim, a short and simple BCP "how-to" guide should be developed and used until the comprehensive City-wide BCP program is rolled-out to all business units.

2. Complete Business Continuity Plan for IT Department

Information Technology (IT) has a Disaster Recovery Plan (DRP) and a dated Business Continuity Plan (BCP) which is being updated. IT needs to complete the BCP review to ensure it can provide adequate support to other City departments and their operations in the event that its own business operation is interrupted.

3. Business Operating Systems Restoration Prioritization

Operating systems such as SAP, POSSE, HANSEN, TEMPEST etc. are integral and essential components of City operation. It is a top priority for Risk Management to work with the City Management Team (CMT) to identify, sort and rank them in order of priority for restoration in the event of a major disaster or business interruption. Risk Management, working with Information Technology (IT), is currently addressing this issue.

4. Data Centre Strategic Plan to Support Continuity of Operations

Both IT primary and secondary Data Centres are located in Vancouver. Management is currently developing a multi-year Data Centre Strategy including a back-up Data Centre at a location outside of the Lower Mainland.