

Business Impact Analysis Guidance

What are the critical functions carried out by your service – the key things you do to deliver your service? What would be the impact if you stopped doing them for a period of time and what resources do you need to deliver them? Business Impact Analysis (BIA) helps you to prioritise the needs of your service and spot any gaps in your business continuity plan (or spot any gaps in your business continuity plan if you have written it already).

Your business continuity plan should describe how the requirements identified in your BIA can be achieved. This guidance is based on the structure of the BIA template

Section A: Overview of team critical functions.

This is where you need to list all the team critical functions in the table below, in priority order, along with details of the last review and any key outstanding actions. You will provide details for each one in the tables further down.

What is a critical function?

If your service has been identified as critical, it means that Gedling Borough Council must continue providing it no matter what or resume it quickly if interrupted because the consequences of not doing so are serious. The priorities used in deciding what is critical are:

1. Protection of life and limb.
2. Protection and care of vulnerable people.
3. Health and safety of people and buildings.

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4. Maintaining the transport network.
5. Maintaining our ability to pay employees and suppliers.

To be defined as a critical service your team must deliver one or more critical functions. Defining your critical functions is about identifying the specific things that your team does, which you must continue doing, or resume quickly, in order to achieve one or more of the priorities above. Your team may have one critical function or ten – each one needs to be analysed to find out exactly what you need in order to be able to get it back up and running if a business continuity incident affects the service. You should then use that information to write your business continuity plan – or to feed into the next review of it if you have written a plan already.

The critical function overview table, below, should be filled in with basic details of each critical function for the team or service, to provide a quick overview. Then scroll down to section B to begin completing the BIA for your first critical function.

Critical Function	Team BIA reference no.	Statutory/non-statutory/essential function	BIA date of last review	Actions required

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Section B: Business impact analysis for each critical function

For each of the team functions:

- Make a separate entry below, filling in details to show the impact of not carrying out the function over time and the resources needed to deliver it. Two copies of the table are included below for you to fill in – copy and paste more if you have more critical functions to analyse.
- For example, you may not be able to deliver a service without power for any length of time, but you may be able to deliver the service for the first 24 hours without computers. Include information about the key staff resources you need to deliver the function – IT systems, office space, specialist equipment and so on. Identifying these key resources will help you work out what contingency arrangements you need to develop in case your key resources become unavailable – for example, paper copies of documents in case IT systems are lost.
- For key staff make sure you identify the minimum number of staff you need to deliver the function for a short period in the worst possible scenario – post titles and numbers of staff, rather than individuals.
- Add the recovery time objective (RTO) – that is, when you need to have the service back up and running to avoid irretrievable impacts.
- Assess the likelihood and impact of each of the standard business interruptions listed and rate the overall risk – see the matrix at section C for information on how to calculate the risk. Include a brief note in each box, where appropriate, to explain your reasoning – why have you assessed something as being unlikely? Why is the impact significant?
- Identifying the risk and impact of each scenario will help you prioritise which contingency arrangements you need to focus on. You should decide whether to accept, manage or reduce each risk, or to plan for what you will do if it does occur. Include information about any contingency arrangements you already have in place. For example, if you have arrangements to relocate to another building if yours is unavailable, or if you have paper-based systems you could revert to in case of loss of IT or power.
- Using the information in the BIA, decide what, if any, specific actions are required and list them in the action plan – for example, if your highest risk is loss of staff and your RTO is 4 hours, you might need to identify and train staff in other teams who could provide emergency support. Don't include anything that you have already covered in an existing business continuity plan though – this is about identifying gaps.

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<Insert BIA reference no>		<insert critical function name>		Last reviewed on:			
1. What would be the impact of not doing this over time?				2. What resources do you need to deliver this function? (note if these change over time)			
Immediate:		Building/s:					
1-4 hrs:		Staff (min number):					
24 hrs:		ICT systems:					
24-48 hrs:		Telecoms:					
1 week:		Council vehicle/s:					
2 weeks:		Key telephone numbers:					
Up to 1 month:		Other resources:					
1 month +:							
3. Recovery time objective for this function: (e.g. Immediate 1-4 hrs, 1 day, 1 week, 1 month)							

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4. What is the risk of a business interruption to this function? Identify the likelihood and impact (low, medium, high or very high) of each of the following business interruptions and rate the overall risk.			
Business interruption	Likelihood	Impact	Overall risk
Loss of premises			
Loss of staff			
Loss of ICT			
Loss of power			
Loss of telecommunications			
Loss of fuel			
Loss of water			
Loss of key supplier			
5. Action Plan Taking account of the risk identified in part 4, and any existing contingency arrangements you have in place, what are the gaps? What arrangements, contingency plans or other actions do you need to carry out to ensure that you can get your service up and running in the timescale required?			
Action	Assigned to	Comments	Status (Complete, in progress, not started, or state other reason)

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<Insert BIA reference no>		<insert critical function name>		Last reviewed on:			
3. What would be the impact of not doing this over time?				4. What resources do you need to deliver this function? (note if these change over time)			
Immediate:		Building/s:					
1-4 hrs:		Staff (min number):					
24 hrs:		ICT systems:					
24-48 hrs:		Telecoms:					
1 week:		Council vehicle/s:					
2 weeks:		Key telephone numbers:					
Up to 1 month:		Other resources:					
1 month +:							
3. Recovery time objective for this function: (e.g. Immediate 1-4 hrs, 1 day, 1 week, 1 month)							

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6. What is the risk of a business interruption to this function? Identify the likelihood and impact (low, medium, high or very high) of each of the following business interruptions and rate the overall risk.			
Business interruption	Likelihood	Impact	Overall risk
Loss of premises			
Loss of staff			
Loss of ICT			
Loss of power			
Loss of telecommunications			
Loss of fuel			
Loss of water			
Loss of key supplier			
7. Action Plan Taking account of the risk identified in part 4, and any existing contingency arrangements you have in place, what are the gaps? What arrangements, contingency plans or other actions do you need to carry out to ensure that you can get your service up and running in the timescale required?			
Action	Assigned to	Comments	Status (Complete, in progress, not started, or state other reason)

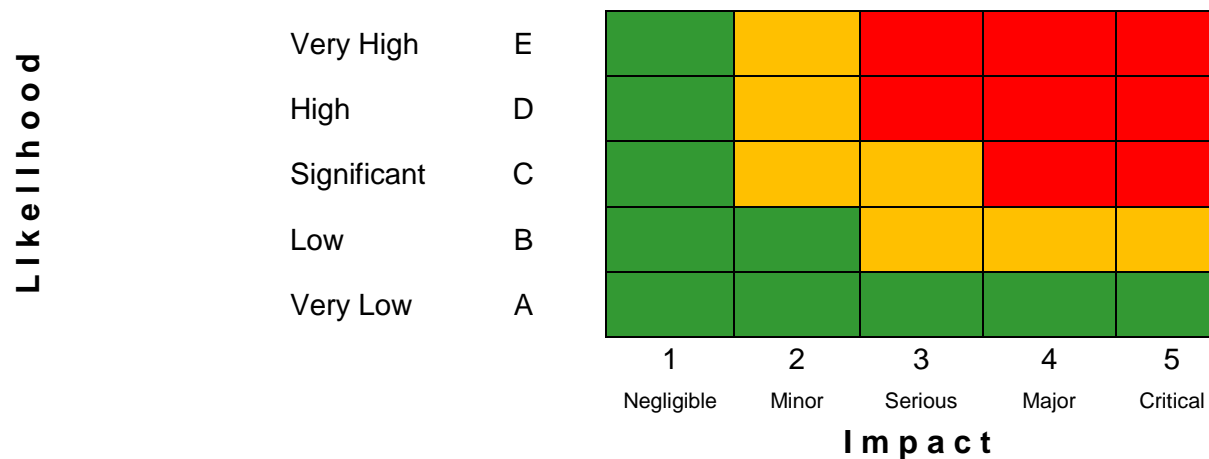
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Section C: Risk Rating Matrix Use this to help you with part 4 of your BIAs.

Likelihood The likelihood can be approximately calculated through assessing various sources of information. For example, when calculating the likelihood of losing a building consider what potential hazards there are e.g. flooding- is the building in a flood plain, has it been flooded before? Use the table below to help.

Impact Use the information recorded in the 'impact' column of the above table to help identify if the impact of the interruption is: Negligible, Minor, Serious, Major or Critical. Use the table below to help.

The overall risk rating is calculated by plotting the level of impact against the level of likelihood using the risk matrix table (risk rating= likelihood x impact).



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Likelihood

5	Very High	< 81% chance
4	High	21 > 80% chance
3	Significant	21 > 50% chance
2	Low	6 > 20% chance
1	Very Low	0 > 5% chance

Impact

5	Critical	< 81% effect
4	Major	21 > 80% effect
3	Serious	21 > 50% effect
2	Minor	6 > 20% effect
1	Negligible	0 > 5% effect

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