



CabinetOffice



**Department of Energy
and Climate Change**

Business Continuity Management for Fuel Shortages

Guidance for Organisations

 HM Government



PREPARING FOR EMERGENCIES
WHAT YOU NEED TO KNOW

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Introduction

This guidance is intended to assist organisations in the public, private and voluntary sectors in planning for and managing the consequences of a disruption to fuel supplies. The guidance is generic in nature and suggests factors which should be considered when preparing Business Continuity Plans rather than acting as a plan in itself.

Business Continuity Management

Business Continuity Management (BCM) is the process through which organisations aim to continue the delivery of their key products and services during and following a disruption to normal activity and to affect a recovery afterwards. Effective business continuity is the first line of defence for any organisation to ensure they are able to maintain the delivery of their core services and, in the long-run, to assure the survival of their operation. BCM should be embedded within the organisation and its structure. This requires the organisation to review and maintain BCM arrangements as well as to exercise plans on a regular basis.

The benefits of business continuity are not limited to the private sector; and as such all organisations should consider adopting robust and flexible generic business continuity management arrangements. Organisations should also consider a wide range of potential disruptive challenges, not just those impinging on the supply of fuel, to ensure effective BCM. Assistance on planning can be found at: www.preparingforemergencies.gov.uk, while information on the likelihood and potential impact of a range of different risks, including to the supply of fuel, can be found in the National Risk Register, the link to which is contained at the end of this document.

When considering the measures described in this guidance, it will be necessary to have due regard to Health and Safety and employment legislation and other regulations applying to specific organisations.

British Standards

The British Standard on Business Continuity Management (BCM), BS25999, is a code of practice taking the form of guidance and recommendations and establishes the process, principles and terminology of business continuity management. The code of practice contained within Part 1 of the standard provides a basis for understanding, developing and implementing business continuity within an organisation. Part 2 of the standard is a specification document providing a yardstick that can be used to assess the suitability of an organisation's business continuity arrangements.

Organisations that align themselves with the British Standard are likely to be more resilient in the face of a range of potential disruptions to include fuel shortages. A link to the British Standards Institution website can be found at the end of the document.

Responsibility

It is important that there is a clearly identified individual or team responsible for business continuity management and that this role is a key part of the overall management structure of the organisation. It is the organisation's responsibility to ensure business continuity plans are in place and those who work within the organisation are aware of the plans and what they involve.

Disruption to Fuel Supplies

All organisations rely to some extent on fuel; be it getting your staff to work, distributing your product or providing your service. The availability of fuel within the UK is generally very good; however there have been examples within recent years of brief disruptions to supply, both on a regional and national basis.

A disruption could be caused by a number of factors, including scarcity of supply, a technical problem with part of the fuel supply infrastructure, industrial action or public protest. In the event of such a disruption to supply, it is also possible that stocks could be further depleted through increased consumer demand (panic buying). For example, the industrial action taken by tanker drivers in June 2008 had a widespread affect on fuel distribution throughout the UK resulting in some filling stations running out of fuel. In the most extreme of circumstances petrol stations and commercial supplies could be exhausted within 48 hours of an incident and it could take up to 10 days before stock levels are fully restored.¹

The Government and downstream oil industry have in place a range of measures which aim to reduce disruption in the event of a significant fuel supply disruption. These range from informal actions such as Demand Calming Measures through to the activation, under the emergency powers of the Energy Act 1976, of the National Emergency Plan – Fuel (NEP-F). However, the decision to implement the NEP-F would only be taken if a very significant disruption to fuel supplies was to occur and Government and industry were unable to resolve the disruption without the use of emergency powers. Organisations should therefore not expect to rely on the Plan for the vast majority of potential fuel supply disruptions. As such, business continuity should be the first and foremost tool for all organisations when preparing for a fuel supply disruption. It is for this reason, and because the majority of organisations will not receive priority access to fuel under the NEP-F, that this guidance does not cover the Plan in depth. However, to assist in planning, the main tools within the NEP-F and a short description are set out in Annex A.

¹ http://www.preparingforemergencies.gov.uk/business/generic_challenges/fuel.shtm

Planning for a Fuel Disruption

As has already been stated, the most effective way to prepare your organisation for a fuel supply disruption is to put together business continuity arrangements before a disruption occurs. Your activity is likely to fall into the following broad areas:

1. Reducing the dependency of your organisation on fuel;
2. Reducing fuel usage during a fuel supply disruption;
3. Improving the resilience of supply chains (not just fuel but other supplies the organisation needs to deliver its key products and services) and the organisation as a whole; and
4. Reallocating resources to deliver only key products and services; and
5. Effective communication with staff, customers, suppliers and other key stakeholders in advance of and during a fuel supply disruption.

These five points underpin the majority of the recommendations made later on in the checklist toward the end of the document.

Storage of Fuel

Some organisations may also consider bunkering fuel as a business continuity measure. If you are considering bunkering fuel there are Health and Safety regulations (HSG176) with regard to design, construction, operation and maintenance that must be adhered to. In addition, Pollution Prevention Guidance (PPG) will need to be followed. A link to these regulations and guidance can be found at the end of this paper. In considering the storage of fuel you should also take into account the different types of fuel used in delivering your critical services.

Planning for a Fuel Supply Disruption – A Checklist

To assist you in the development and review of plans the following checklist has been developed specifically in relation to fuel shortages. The following lists identify important and specific activities that organisations can do to prepare for a fuel shortage and many of the activities will also contribute to the development of general business continuity plans. This list is not exhaustive and not all measures listed here are suitable for all organisations. Depending on your organisation, its location and its functions, a shortage of fuel will affect your organisation and the business continuity plans you have in place differently. For example, in terms of location, it may be possible to bus the majority of staff into work if they lived in an urban area and were in fairly close proximity to each other where as a more rural location may find this impractical. Therefore it is important to tailor business continuity planning to your organisation and its needs.

1. Assessing the impacts of a fuel shortage on your business				
Planning is essential for any organisation during a fuel shortage. The list below gives some guidance to basic steps that could make your organisation more resilient.				
Complete	In progress	Not started	Not applicable	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Identify your organisation's key products and services that must be maintained.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Identify the key products and services delivered by your organisation which would be affected by a fuel shortage.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Which critical activities and resources (including employees) support your key products and services (e.g. raw materials, suppliers, sub-contractor services/products, security)?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider how internal resources could be re-allocated to ensure the delivery of key products and services is maintained. Are staff able to safely cover other roles to ensure that your key products and services can be delivered? Will additional training be required?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Discuss with your suppliers/sub contractors whether they have robust Business Continuity Plans in place – your organisation's resilience is only as good as those on whom it depends. Ask your suppliers how they plan to respond to a crisis and what support they will give to your organisation. Consider whether future contracts should reflect concerns.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Decide how a reduction in service could be achieved while still delivering key products and services. How non-critical work would be stopped safely, smoothly and restarted again when possible to do so.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	How will the support functions of your organisation be affected by a fuel shortage? E.g. building maintenance, cleaning, food provisions for staff.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Identify how you would learn of a fuel shortage and what criteria would need to be met for your organisation to implement business continuity measures. What actions would need to be taken and at which points?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Assess the feasibility of increasing flexible working for staff (e.g. working from home).

2. Travelling to and from the place of work				
Getting staff to their place of work can be difficult during a fuel supply disruption, but there are various options to consider in order to overcome this obstacle.				
Complete	In progress	Not started	Not applicable	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Document how staff usually travel to work and whether and what alternative forms of transport would be available if required. An example template is provided at Annex B.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider whether it is possible for staff to work from home and support this where feasible.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider the use of satellite offices, if you have them. Staff may live closer to these offices and therefore it may be easier for staff to get to those locations to work.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Is car-sharing possible for some staff?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider hybrid cars when replacing existing cars in your organisation's fleet.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Encourage staff to use alternative means of transport instead of private vehicles, this may take longer but may enable staff to get to the organisation's premises. This could take the form of offering flexibility in their working time or providing relevant facilities e.g. bike racks, showers etc.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Is it possible to organise communal travel for some staff, for example by taxi or minibus.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Are there local hotels or other facilities where staff could stay?

3. Communication				
It is crucial to have clear and concise messages ready to give to your staff, stakeholders, customers and suppliers in the event of disruption to your organisation. It is important to ensure that the appropriate message is delivered to the correct people be they a staff member or a customer.				
Complete	In progress	Not started	Not applicable	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Have an agreed practice on how to communicate plans to staff and what might trigger the business continuity plan being implemented.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Have clear and concise messages ready, and a means of communicating to your staff that you are implementing some business continuity measures and how this will affect them.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Ensure that you have a named contact that people within the organisation are aware of and emergency contact details of staff.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Have clear and concise messages ready, and a means of communicating them to your staff, to let them know that business is returning to normal and that business continuity measures are no longer in effect.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider the messages you might need to give to your customers and other stakeholders and the process for doing so. In some circumstances it may be useful to discuss possible impacts in advance. This dialogue will help inform planning on both sides and will be particularly important if your products are likely to be delayed.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider how your suppliers are going to be affected by a fuel shortage. Ensure there are clear lines of communications between you both and a process of keeping supplier and organisation informed of progress. Discuss with your suppliers how they intend to respond to a fuel shortage.

4. Other considerations				
There are other considerations you may wish to take into account				
Complete	In progress	Not started	Not applicable	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	During a fuel shortage there may be other demands on staff (e.g. children may not be able to attend school, staff sickness). Consideration should be given to the impacts of these situations.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider reducing the number of meetings that involve travel, and instead consider teleconferencing or re-scheduling.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Can mutual aid – sharing expertise or resources, physically or at a distance – with other businesses / organisations help in delivering your critical services?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Do weather or seasonal work patterns affect your plans, for example in terms of travel options, or demand for your services?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider having a variety of vehicles in your fleet running on different fuels, for example petrol, diesel and hybrid vehicles, to provide greater flexibility and resilience.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	How will your customers or service recipients be affected by the fuel shortage? This could lead to reduced demand for your services, or increased demand and both will have implications for your business continuity plans.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider keeping a supply of critical parts / commodities to ensure you can continue some, if not all, service. Your supplier may not be able to complete their deliveries.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Keep details of alternative suppliers should your primary supplier fail.

Annex A: Summary of tools in the National Emergency Plan for Fuel

Triggers for the implementation of the NEP-F will inevitably depend on the circumstances at the time, but will take into account the impact fuel shortages are having, or may have, against a range of indicators from industry, government and responder organisations. As with all decisions concerning the use of Emergency Plans, there are clear objectives which lie behind it and which the possible measures are designed to address, namely to:

- protect human life and, as far as possible, property. Alleviate suffering;
- support the continuity of everyday activity and the restoration of disrupted services at the earliest opportunity; and
- uphold the rule of law and democratic process.

Should it be necessary to use emergency powers, under the Emergency Powers of the Energy Act 1976, the Government would prioritise fuel to the emergency services and other essential service providers such as utility companies to make the best use of reducing quantities of fuel to minimise the impact on emergency and other essential services that underpin daily life. If there is sufficient diesel to supply emergency and other essential service providers then the surplus will be prioritised to truck stops and HGV motorway filling stations to help keep supply chains operational. Any remaining fuel would then be allocated by the oil industry to retail filling stations where it would be likely that motorists would be limited to a maximum purchase of fuel per visit to the forecourt.

The main tools within the NEP-F are:

- Maximum Purchase Scheme which would limit the general public to 15 litres of fuel per visit (though this is variable). This is designed to ensure that all motorists have access to some fuel;
- Designated Filling Stations (DFS) would provide priority access to road transport fuels for defined customers requiring them for a priority use. The Department of Energy and Climate Change (DECC) would implement the scheme designating a number of filling stations for the provision of fuel for Emergency Service Scheme, Utilities Fuel Scheme and Temporary Logo Scheme priority use only. Fuel suppliers/distributors will be instructed to give priority deliveries of fuel to these sites;
- Commercial Scheme which prioritises diesel supply to commercial filling stations and truck stops to support the continuation of critical supply chains;
- The Emergency Services Scheme under which fuel would be prioritised to Designated Filling Stations and would allow unlimited fuel to blue light emergency vehicles;

- Utilities Fuel Scheme under which fuel would be prioritised to Designated Filling Stations for use by logoed vehicles in the delivery of pre-identified essential services;
- Temporary Logo Scheme under which some vehicles delivering essential services will be able to access fuel at Designated Filling Stations;
- Bulk Distribution Scheme which enables oil companies and distributors to prioritise fuel products to supply retail filling stations, truck stops, depots and commercial storage sites; and
- Mutual Aid Scheme under which the DECC has encouraged organisations to develop voluntary mutual aid arrangements to support the delivery of essential services.

Further details on the NEP-F can be found on the DECC website.

Annex B: Template for recording staff travel

Below is an example template for recording how staff travel to work and any alternative means of transport. It is important to note primary mode of travel to work and also the alternatives available.

Name	Home District / Town / City	Mode of Transport							Key Role In Organisation
		Car/ Motorbike	Bus	Bike / Foot	Rail	Operator	Tube	Line	

Annex C: Useful links

UK Resilience

<http://www.ukresilience.gov.uk/>

BCM planning guidance toolkit

http://www.preparingforemergencies.gov.uk/bcadvice/bcm_toolkit_active1.pdf

National Risk Register

http://www.cabinetoffice.gov.uk/reports/national_risk_register.aspx

This website provides a link to the UK National Risk Register published by the Cabinet Office

The National Emergency Plan for Fuel

https://www.og.berr.gov.uk/downstream/emergencies/down_emerge.htm

Preparing for Emergencies

This website has information on how you can help yourself and others in emergencies.

<http://www.preparingforemergencies.gov.uk/>

Health and Safety Executive

HSE, guidelines on HSG176 (search HSG176) - <http://www.hsebooks.com/Books>

HSE, guidelines for home working - <http://www.hse.gov.uk/pubns/indg226.pdf>

Environment Agency

Pollution Protection Guidance on the storage of fuel

<http://www.environment-agency.gov.uk/business/444251/444731/ppg/>

NetRegs

NetRegs provides free environmental guidance for small and medium-sized businesses in the UK.

- <http://www.netregs.gov.uk/>

Business Continuity Institute

<http://www.thebci.org/>

British Standards

www.bsigroup.co.uk/bs25999