Ministry of Defence

Contract Number: 701478374

PROJECT SOCIETAS

SCHEDULE 7.7

BUSINESS CONTINUITY MANAGEMENT

1 BUSINESS CONTINUITY PLAN

1.1 Within forty (40) Business Days from the Service Commencement Date, the Contractor shall prepare and deliver to the Authority Commercial Branch for the Authority's written approval an Appendix 1 to Schedule 7.7 Business Continuity Plan (BCP) which:

1.1.1 shall comply with the Business Continuity Plan requirements in Condition 2, incorporating Disaster Recovery (as set out in Condition 2.5); and Insolvency Continuity (as set out in Condition 2.9); and

1.1.2 shall detail the processes and arrangements that the Contractor shall follow to ensure continuity of the business processes and operations supported by the Contractor Deliverables, following any failure or disruption of any element of the Contractor Deliverables.

1.2 Following receipt of the draft BCP from the Contractor, the Authority shall review and comment on the draft BCP as soon as reasonably practicable, and notify the Contractor in writing that it approves or rejects the draft BCP no later than twenty (20) Business Days after the date on which the draft BCP is first delivered to the Authority.

1.3 If the Authority rejects the draft BCP, the Contractor shall then revise the draft BCP (taking reasonable account of the Authority's comments) and shall re-submit a revised draft BCP to the Authority for the Authority's approval within twenty (20) Business Days of the date of the Authority's notice of rejection. The provisions of Condition 1.2 and 1.3 of this Schedule 7.7 shall apply again to any resubmitted draft BCP. Any re-work of drafts of BCP shall be at the Contractors expense.

1.4 Following approval of the BCP, it shall be incorporated into the Contract as Appendix 1 to Schedule 7.7, and subject to review and update in accordance with this Schedule.

1.5 The BCP shall maintain coherence with Schedule 7.6 (Exit Management), in order to ensure that essential services are not degraded as the Contractor's role comes to an end.

2 BUSINESS CONTINUITY PLAN REQUIREMENTS: GENERAL PRINCIPLES AND REQUIREMENTS

2.1 The Business Continuity Plan shall:

2.1.1 set out how the business continuity, disaster recovery and insolvency continuity elements of the plan link to each other;

2.1.2 detail the extent of the Contractor's reliance on MOD to deliver against its contractual obligations;

2.1.3 contain an obligation upon the Contractor to liaise with the Authority and (at the Authority's request) any Related Service Provider (RSP) with respect to issues concerning business continuity, disaster recovery and insolvency continuity where applicable;

2.1.4 ensure coherence and integration with site recovery plans or wider MOD Business Continuity Management arrangements as notified by the Authority;

2.1.5 address the various possible levels of failures of or disruptions to the Contractor Deliverables and set out the steps to be taken to remedy the different levels of failures of and disruption to the Contractor Deliverables;

2.1.6 clearly set out the conditions and/or circumstances under which the BCP is invoked;

2.1.7 provide details of how the invocation of any element of the BCP may impact upon the operation of the Contractor Deliverables and any Services provided to the Authority by a RSP;

2.1.8 identify the responsibilities (if any) that the Authority has agreed it will assume in the event of the invocation of the BCP;

2.1.9 provide for the provision of technical advice and assistance to key contacts at the Authority as notified by the Authority from time to time to inform decisions in support of the Authority's business continuity plans;

2.1.10 clearly set out the arrangements that are to be invoked to ensure that the business processes and operations facilitated by the Contractor Deliverables remain supported and detail the alternative processes, options and responsibilities that may be adopted in the event of a failure in or disruption to the Contractor Deliverables;

2.1.11 detail the steps to be taken by the Contractor upon resumption of the Contractor Deliverables in order to address any prevailing effect of the failure or disruption including a root cause analysis of the failure or disruption;

2.1.12 contain a process for the management of disaster recovery testing;

2.1.13 identify the procedures for reverting to "normal service";

2.1.14 set out key contact details (including roles and responsibilities) for the Contractor (and any Key Subcontractors) and contain a communication strategy which can be accessed via multi-channels (including but without limitation, e-mail, phone) where required by the Authority;

2.1.15 contain a threat and risk analysis, including:

(a) Staff / personnel issues that arise because of:

(i) widespread illness;

(ii) industrial action (having a direct or indirect impact);

(iii) recruitment and retention difficulties; and

(iv) security clearance difficulties.

(b) Facilities and infrastructure; both the internal systems that directly support the Contractor's business (bounded by the confines of the site), and wider external infrastructure such as roads, rail, and fuel and power distribution networks affected by:

(i) fire and natural disasters – floods, adverse weather effects;

(ii) Health and Safety issues or new environmental legislation preventing or restricting use;

(iii) industrial action; and

(iv) terrorist activity.

(c) Support technology such as telecommunications and mobile communications threatened by:

(i) loss or reduction in ability to communicate effectively; and

(ii) protection of Government data.

(d) Availability of information and software, including appropriate rights of use, such as:

(i) loss or corruption of data or software, and arrangements for back-up and recovery; and

(ii) Foreign export-control and IPR (contractor or third party-owned) issues preventing access to critical data and software.

(e) Any other failure or disruption scenarios and assessments and estimates of frequency of occurrence;

(f) identification of any single points of failure within the Contractor Deliverables and processes for managing the risks arising therefrom;

(g) identification of risks arising from the interaction of the Contractor Deliverables with the Services provided by a RSP;

(h) identification of risks arising from an Insolvency Event of the Contractor, any Key Subcontractors and/or Contractor Group member; and

(i) a business impact analysis (detailing the impact on business processes and operations) of different anticipated failures or disruptions.

2.2 The Business Continuity Plan shall be designed so as to ensure that:

2.2.1 the Contractor Deliverables are provided in accordance with this Contract at all times during and after the invocation of the BCP;

2.2.2 the adverse impact of any disaster; service failure; an Insolvency Event of the Contractor, any Key Subcontractor and/or any consortia member; or disruption on the operations of the Authority, is minimal as far as reasonably possible; and

2.2.3 it complies with the relevant provisions of ISO/IEC 22301 and all other industry standards from time to time in force.

2.3 The BCP shall be upgradeable and sufficiently flexible to support any changes to the Contractor Deliverables, to the business processes facilitated by and the business operations supported by the Contractor Deliverables, and/or changes to the Contractor group or consortia structure.

2.4 The Contractor shall not be entitled to any relief from its obligations under the Key Performance Indicators set out at Schedule 2.2 (Performance and Collaboration) or to any increase in the pricing to the extent that a Disaster occurs as a consequence of any breach by the Contractor of this Contract.

2.5 **The Disaster Recovery Plan (DRP)** (as incorporated into the BCP) shall comply with the requirements set out in condition 2.7 below, and be designed so as to ensure that upon the occurrence of a Disaster, the Contractor ensures continuity of the business operations of the Authority supported by the Contractor Deliverables following any Disaster

or during any period of service failure or disruption with, as far as reasonably possible, minimal adverse impact.

2.6 The DRP shall be invoked only upon the occurrence of a Disaster.

2.7 The DRP shall include the following:

2.7.1 details of the procedures and processes to be put in place by the Contractor for restoring the Contractor Deliverables and Services on the occurrence of a Disaster ("the Disaster Recovery Services (DRS)"), and any testing of the same, including but not limited to the following:

(a) identification of all potential disaster scenarios (and reference to the risk assessment at 2.1.15);

(b) documentation of processes and procedures;

(c) invocation rules;

(d) Service recovery procedures; and

(e) steps to be taken upon resumption of the Contractor Deliverables to address any prevailing effect of the failure or disruption of the Contractor Deliverables;

2.7.2 any applicable Key Performance Indicators set out in Schedule 2.2 (Performance and Collaboration) with respect to the provision of the DRS and details of any agreed relaxation to the Key Performance Indicators in respect of other Contractor Deliverables during any period of invocation of the DRP;

2.7.3 details of how the Contractor shall ensure compliance with security standards set out in Schedule 2.3 (Security Management), ensuring that compliance is maintained for any period during which the DRP is invoked;

2.7.4 access controls to any disaster recovery sites used by the Contractor in relation to its obligations pursuant to this Schedule; and

2.7.5 testing and management arrangements.

2.8 **The Insolvency Continuity Plan (ICP)** (as incorporated into the Business Continuity Plan) shall comply with the requirements set out in condition 2.9 below, and shall be designed by the Contractor to permit continuity of the business operations of the Authority supported by the Contractor Deliverables through continued provision of the Contractor Deliverables following an Insolvency Event of the Contractor, any Key Subcontractor and/or any Contractor Group member with, as far as reasonably possible, minimal adverse impact.

2.9 The Insolvency Continuity Plan shall include the following:

2.9.1 details of the roles and responsibilities and key contact details of the Contractor, Key Subcontractors and/or Contractor Group members to minimise and mitigate the effects of an Insolvency Event of such persons on the Contractor Deliverables;

2.9.2 identification, explanation, assessment and an impact analysis of risks in respect of dependencies between the Contractor, Key Subcontractors and Contractor Group members where failure of those dependencies could reasonably have an adverse impact on the Contractor Deliverables;

2.9.3 plans to manage and mitigate identified risks; and

2.9.4 sufficient detail to enable an appointed insolvency practitioner to invoke the plan in the event of an Insolvency Event of the Contractor.

3 REVIEW AND AMENDMENT OF THE BUSINESS CONTINUITY PLAN

3.1 The Contractor shall review and update the BCP (and the risk analysis on which it is based):

3.1.1 as a minimum once every twelve (12) months;

3.1.2 within three (3) calendar months of the Business Continuity Plan (or any part) having been invoked pursuant to Condition 5 of this Schedule 7.7;

3.1.3 within fourteen (14) Business Days of a Financial Distress Event; and

3.1.4 within thirty (30) Business Days of a Corporate Change Event.

3.2 Where the Authority requests any additional reviews over and above those provided for in Conditions 3.1.1 to 3.1.4 above of this Schedule 7.7, the conduct of such additional tasking shall be subject to Condition 31 of the Contract (Over and Above Tasking Arrangement) and performed in accordance with Schedule 7.3 (Over and Above Tasking).

3.3 Each review of the BCP pursuant to Condition 3.1 of this Schedule 7.7 shall be a review of the procedures and methodologies set out in the BCP and shall assess their suitability having regard to any change to the Contractor Deliverables or any underlying business processes and operations facilitated by or supported by the Contractor Deliverables which have taken place since the later of the original approval of the BCP, or the last review of the BCP. Each review shall also have regard to any occurrence of any event since that date (or the likelihood of any such event taking place in the foreseeable future) which may increase the likelihood of the need to invoke the BCP. The review shall be completed by the Contractor within the period required by the BCP or, if no such period is required, within such period as the Authority shall reasonably require. The Contractor shall, within twenty (20) Business Days of the conclusion of each such review of the BCP, provide to the Authority a report (a "**Business Continuity Review Report (BCRR)**") setting out:

3.3.1 the findings of the review;

3.3.2 any changes in the risk profile associated with the Contractor Deliverables; and

3.3.3 the Contractor's proposals (for the purposes of this Schedule 7.7: the "**Contractor's Proposals**") for addressing any changes in the risk profile and its proposals for amendments to the BCP following the review detailing the impact (if any and to the extent that the Contractor can reasonably be expected to be aware of the same) that the implementation of such proposals may have on any Contractor Deliverables or systems provided by a third party.

3.4 Following receipt of the BCRR and the Contractor's Proposals, the Authority shall:

3.4.1 review and comment on the BCRR and the Contractor's Proposals as soon as reasonably practicable; and

3.4.2 notify the Contractor in writing that it approves or rejects the BCRR and the Contractor's Proposals no later than twenty (20) Business Days after the date on which they are first delivered to the Authority.

3.5 If the Authority rejects the BCRR and/or the Contractor's Proposals:

3.5.1 the Authority Commercial Branch shall inform the Contractor in writing of its reasons for its rejection; and

3.5.2 the Contractor shall then revise the BCRR and/or the Contractor's Proposals as the case may be (taking reasonable account of the Authority's comments and carrying out any necessary actions in connection with the revision) and shall re-submit a revised BCRR and/or revised Contractor's Proposals to the Authority for the Authority's approval within twenty (20) Business Days of the date of the Authority's notice of rejection. The provisions of Conditions 3.3 and 3.4 of this Schedule 7.7 shall apply again to any resubmitted Review Report and Contractor's Proposals, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time. Any re-work of BCP shall be at the Contractors expense.

3.6 The Contractor shall as soon as is reasonably practicable after receiving the Authority's approval of the Contractor's Proposals (having regard to the significance of any risks highlighted in the BCRR) effect any change in its practices or procedures necessary so as to give effect to the Contractor's Proposals. Any such change shall be at the Contractor's expense unless it can be reasonably shown that the changes are required because of a material change to the risk profile of the Contractor Deliverables.

4 TESTING OF THE BUSINESS CONTINUITY PLAN

4.1 The Contractor shall test the BCP on a regular basis (and in any event not less than once in every Contract Year). Subject to Condition 4.2 of this Schedule 7.7, the Authority may require the Contractor to conduct additional tests of some or all aspects of the BCP at any time where the Authority considers it necessary, including where there has been any change to the Contractor Deliverables or any underlying business processes, or on the occurrence of any event which may increase the likelihood of the need to implement the BCP.

4.2 If the Authority requires an additional test of the BCP. The conduct of such additional tasking shall be subject to Condition 31 of the Terms and Conditions (Over and Above Tasking Arrangement) and performed in accordance with Schedule 7.3 (Over and Above Tasking). The Contractor's costs of the additional test shall be borne by the Authority unless the BCP fails the additional test in which case the Contractor's costs of that failed test shall be borne by the Contractor.

4.3 The Contractor shall undertake and manage testing of the BCP in full consultation with the Authority and shall liaise with the Authority in respect of the planning, performance, and review, of each test, and shall comply with the reasonable requirements of the Authority in this regard.

4.4 The Contractor shall ensure that any use by it or any subcontractor of "live" data in such testing is first approved with the Authority. Copies of live test data used in any such testing shall be (if so required by the Authority) destroyed or returned to the Authority on completion of the test.

4.5 The Contractor shall, within twenty (20) Business Days of the conclusion of each test, provide to the Authority a report setting out the outcome of the test, any failures in the BCP (including the BCP's procedures) revealed by the test; and the Contractor's proposals for remedying any such failures.

4.6 Following each test, the Contractor shall take all measures requested by the Authority, (including requests for the re-testing of the BCP) to remedy any failures in the BCP and such remedial activity and re-testing shall be completed by the Contractor, at no additional cost to the Authority, by the date reasonably required by the Authority and set out in such notice.

4.7 For the avoidance of doubt, the carrying out of a test of the BCP (including a test of the BCP's procedures) shall not relieve the Contractor of any of its obligations under this Contract.

4.8 The Contractor shall also perform a test of the BCP in the event of any major reconfiguration of the Contractor Deliverables or as otherwise reasonably requested by the Authority.

5 INVOCATION OF THE BUSINESS CONTINUITY PLAN

5.1 In the event of a loss of any critical part of the Services or a Disaster, the Contractor shall immediately invoke the applicable business continuity and disaster recovery provisions in the BCP, and shall inform the Authority promptly of such invocation. In all other instances the Contractor shall invoke the business continuity and disaster recovery plan elements only with the prior consent of the Authority.

5.2 The Contractor shall liaise with the Authority to agree the management of media in the event of BCP activation.

5.3 The Insolvency Continuity Plan element of the BCPs, including any linked elements in other parts of the BCP, shall be invoked by the Contractor:

5.3.1 where an Insolvency Event of a Key Subcontractor and/or Contractor Group member (other than the Contractor) could reasonably be expected to adversely affect delivery of the Contractor Deliverables; and/or

5.3.2 where there is an Insolvency Event of the Contractor and the insolvency arrangements enable the Contractor to invoke the plan.

PLACEHOLDER FOR CONTRACTOR'S BUSINESS CONTINUITY PLAN - APPENDIX 1 TO SCHEDULE 7.7