

## Farm Business Resilience Health Check

### 1. Introduction

Today's farming environment is one of rapid, unpredictable change. But no matter what, farms must be responsive and resilient in order to secure long-term survival, profitability and growth. This document is designed to help our members further develop their resilience. It helps farms consider and prepare for the risks they face - both now and in the future - ensuring that they can continue to operate in the face of potential disruption.

This guidance looks at the issues under five headings, namely:

- Premises
- Operations
- Finance and insurance
- Markets and logistics
- Staff

This document has been developed in conjunction with Climate Northern Ireland and is based on the [Farm Business Resilience Healthcheck](#) developed by the *Environment Agency* and the *National Farmers Union*.

## **2. Premises**

**Q1: Do your premises/land suffer from flooding?**

**Yes                      No**

*If yes, click for*

**Q2: Do you regularly check that drainage systems are working well?**

**Yes                      No**

*If no, click for*

**Q3: Do you have a list of all materials that could cause pollution and are these materials stored properly?**

**Yes                      No**

*If no, click for*

**Q4: Do you have a list of all essential or high value items?**

**Yes                      No**

*If no, click for*

**Q5: Have you encouraged all employees to establish whether their own properties/routes to work are at flood risk?**

**Yes                      No**

*If no, click for*

**Q6: Have you considered the storage of chemicals/pharmaceuticals that are temperature sensitive?**

**Yes                      No**

*If no, click for*

**Q7: Do you understand the implications of restricted access to your farm?**

**Yes                      No**

*If no, click for*

**Q8: Does the farm operate to a maintenance schedule?**

**Yes                      No**

*If no, click for*

**Q9: Have you implemented a Soil Management Plan?**

**Yes                      No**

*If no, click for*

**Q10: Have you assessed your water requirements, the business impacts of restrictions and back up water source if well contamination occurs?**

**Yes                      No**

*If no, click for*

**Q11: Have you assessed your electricity requirements and identified the business impacts of restrictions?**

**Yes                      No**

*If no, click for*

**Q12: Have you assessed your buildings and structures for vulnerability to wind/snow damage and carried out necessary maintenance?**

**Yes                      No**

*If no, click for*

**Q13: Is your farm in a designated/sensitive area?**

**Yes                      No**

*Click for*

**Q14: Do you back up data regularly, at least once a day?**

**Yes                      No**

*If no, click for*

**Q15: Do you back up securely, ideally to off-site servers or 'the cloud'?**

**Yes                      No**

*If no, click for*

**Q16: Do you back up to more than one device?**

**Yes                      No**

*If no, click for*

**Q17: Do you check back-up data is completed and will restore?**

**Yes                      No**

*If no, click for*

**Q18: Have you installed good anti-virus software and update it regularly?**

**Yes                      No**

*If no, click for*

**Q19: Do you apply operating system security updates?**

**Yes                      No**

*If no, click for*

**Q20: Do you use a variety of strong online passwords and keep them safe?**

**Yes                      No**

*If no, click for*

**Q21: Do you scan physical documents and the originals off-site?**

**Yes                      No**

*If no, click for*

**Q22: Do you scan important physical documents and store the originals off-site?**

**Yes                      No**

*If no, click for*

**Q23: Have you assessed and recorded everyone who will need to be contacted and their contact details?**

**Yes                      No**

*If no, click for*

**Q24: Have you provided key contact information to all staff?**

**Yes                      No**

*If no, click for*

**Q25: Have you assessed current communication methods for weaknesses?**

**Yes                      No**

*If no, click for*

### 3. Operations

#### Business Continuity Plan/Business Resilience Plan

A business continuity plan or business resilience plan is essential to reduce the risk of a major business interruption significantly affecting the short and long term viability of the enterprise (if you have developed a Farm Flood Plan, this should form a part of your continuity or resilience plan). It has been estimated that 80 per cent of businesses without such plans following a major disruption will never fully recover or may even go out of business.

Having a business continuity/resilience plan could potentially reduce insurance premiums if your business is insured for interruption insurance, and can also be a good sales mechanism when bidding to a potential customer - differentiating your business from competitors.

Larger business can reduce their own supply chain risks by requiring all suppliers to have business continuity plans/business resilience plans in place.

**Ensure the plan been created with input from all key staff/units.** It is important to consider all parts of the business when creating a business continuity plan/business resilience plan. The plan is not just about resilient data storage or having procedures for an emergency, it is a tool to be used wherever the business suffers a major interruption. Ensure that the business continuity plan has input from all key departments of the business to ensure it is robust enough to cover all major business impacts.

For guidance on developing a Farm Resilience Plan (in relation to a changing climate) [see here](#).

Test your plan. Testing your plan is not just useful, it is essential and is a cost effective way to ensure the plan works in reality. The first test of the plan should not be when your business is facing a major disruption. Exercising and testing of your plan should be factored into annual budgets. Test your plan using a desktop or similar exercise, annually or after a major update. To learn how to effectively test your plan, [see here](#).

**Consider the following questions when developing your Business Continuity Plan/Business Resilience Plan:**

**Q26: Have you recorded all contractual obligations in place in terms of deadlines/penalties with customers and shared this record with appropriate staff?**

Yes                      No

*If no, click for*

**Q27: Have you identified key staff and their responsibilities for crisis management?**

Yes                      No

*If no, click for*

**Q28: Have the appropriate staff been trained to carry out their role in an emergency?**

Yes                      No

*If no, click for*

**Q29: Will the plan be reviewed and amended at least once a year?**

**Yes                      No**

*If no, click for*

**Q30: Have you compiled a list of important contacts such as emergency services, utilities, local authorities, insurance, landlord details, suppliers, customers, vet machinery engineer, plumber and electrician? Have you prepared an emergency communications plan?**

**Yes                      No**

*If no, click for*

## 4. Finance and Insurance

**Q31: Have you made a claim, or experienced an increase in insurance premiums as a result of making a claim, for a severe weather event?**

Yes                      No

*Click for*

**Q32: Do you consider changing weather patterns when making large capital purchases with a long service life?**

Yes                      No

*If no, click for*

**Q33: Have you considered the implications to your land and asset values from severe weather events or future changes to weather patterns?**

Yes                      No

*If no, click for*

**Q34: Have you stress tested your enterprise against essential input price volatility?**

Yes                      No

*If no, click for*

**Q35: Do you annually review your insurance to ensure the existing level of cover is sufficient?**

Yes                      No

*If no, click for*

**Q36: Have you made a list of all high-value assets and their replacement costs?**

Yes                      No

*If no, click for*

**Q37: Have you noted specific policy requirements and excesses?**

Yes                      No

*If no, click for*

**Q38: Have you carried out an assessment of the costs and benefits of business interruption insurance?**

Yes                      No

*If no, click for*

**Q39: Do you ensure insurance value keeps pace with business growth and peak stock levels?**

**Yes                      No**

*If no, click for*

**Q40: Have you checked that your landlord has the correct insurances in place and who is responsible for covering internal structures?**

**Yes                      No**

*If no, click for*

**Q41: Have you photographed/video-recorded your premises inside and out and archived the pictures/recordings?**

**Yes                      No**

*If no, click for*



## 5. Market and Logistics

**Q42: Is your enterprise dependent on one customer for the majority of sales?**

Yes                      No

*If yes, click for*

**Q43: If your employees travel on company business in their own vehicles, do you have a company vehicle policy?**

Yes                      No

*If no, click for*

**Q44: Do you have a procedure or policy in place for transport (particularly livestock and perishables) in severe weather?**

Yes                      No

*If no, click for*

**Q45: If you use farm or company vehicles, are they regularly checked for road worthiness?**

Yes                      No

*If no, click for*

**Q46: Have you considered establishing alternative suppliers for critical goods and services?**

Yes                      No

*If no, click for*

**Q47: Do you carry sufficient 'buffer' stock to ensure you can maintain operations in the event of your supply chain breaking down?**

Yes                      No

*If no, click for*

## **6. Staff**

**Q48: Do you hold a list of contact details for all employees that can be accessed without entering your premises?**

**Yes                      No**

*If no, click for*

**Q49: Do you hold a list of key tasks/responsibilities of all employees that can be accessed without entering your premises?**

**Yes                      No**

*If no, click for*

**Q50: Have you experienced problems with staff attendance during severe weather?**

**Yes                      No**

*Click for*

**Q51: Do all full time staff hold a contract of employment and have they completed a confidential medical questionnaire?**

**Yes                      No**

*Click for*

**Q52: Do you use a labour provider to supply your enterprise with temporary workers?**

**Yes                      No**

*If yes, click for*

**Q53: Are the directors/managers of the business aware of their responsibilities and duties of care under the Companies Act 2006?**

**Yes                      No**

*If no, click for*

**Q54: Are the directors/managers of the business aware of their responsibilities and duties of care under the Corporate Manslaughter & Corporate Homicide Act 2007?**

**Yes                      No**

*If no, click for*

**Q55: Are the directors/managers of the business aware of their responsibilities and duties of care under the Health and Safety at Work (NI) Order 1978?**

**Yes                      No**

*If no, click for*

**Q56: Has your farm been inspected by a competent person for farm safety compliance?**

**Yes**

**No**

*If no, click for*

## 2. Premises

### Q1 & Q2: Premises – Flooding and Drainage

Your premises may have not suffered from flooding in the past, but it is worth considering that changes to our weather patterns are likely to increase the chance and extent of flooding, often in areas not previously at risk.

**Check for potential flood risk to your premises.** Flood risk maps can be accessed via the Department for Infrastructure [website](#). The service is free, and even if your premises themselves are not at risk, your transport links, markets or staff may well be. To receive the Met Office's weather warnings [see here](#).

**Regularly check that drainage systems are working well.** Include this task as part of a maintenance schedule. Blocked drains or ineffective drainage systems can significantly increase the risk of surface water flooding. This is particularly true of premises that comprise large impermeable surfaces, such as concrete or tarmac. If you hold slurries, consider separating collection of dirty water and slurry.

### Q3: Premises – Pollution

**Make a list and ensure safe storage of materials that could cause pollution** in a flood event, fire or accident - chemicals, pesticides, oil, lubricants, fuels, slurries etc. Seal correctly, store in a container appropriate for the substance, and if possible store above the height of potential flood waters. Tanks/fuel stores may require anchoring by straps to avoid potential pollution. Ensure all storage is marked with relevant hazard warnings identifying contents. Note that intense rainfall events can overwhelm slurry containment leading to pollution incidents – consider separating dirty water and slurry collection.

Visit the NetRegs [website](#) for further details on your legal responsibilities. The Health and Safety Executive publication 'Guidance on storing pesticides for farmers and other professional users' is available [here](#).

Information on slurry storage requirements can be found [here](#).

### Q4: Premises – Essential and High Value Items

**Make a list of essential or high value items (whether stock, plant, vehicles etc).** Ensure you record both regularly and occasionally used items and that staff know where to move them to in the event of an emergency. Establish delivery timescales for replacing essential items. Capturing information, ideally in a business resilience plan, will make sure that information is readily available for insurance claim purposes if necessary. It will also mean you can replace lost equipment more quickly in the event of a major incident such as fire or flood.

### Q5: Premises – Access to Work

Consideration should be given to employee's needs and the needs of their families during a flood event. It is important to consider the effect flooding will have on employees' homes and families as well the direct effects of staff absence to your business. **Encourage employees to establish whether their own properties/routes to work are at flood risk.** Ensure that, if they are at risk, the business is aware which staff will be affected. This should be taken into account when writing business resilience or emergency response plans. Flood risk can be established by visiting the [Department for Infrastructure website](#).

### Q6: Premises – Temperature Sensitive Materials

The storage of chemicals/pharmaceuticals can be temperature dependent, with both low and high temperatures potentially affecting the shelf life, efficacy or safety of the product. Always check the manufacturers label for storage information.

### Q7: Premises – Implications of Restricted Access

Farm holdings are frequently situated on the minor road network. These minor roads may well not be a priority for clearance or repair by the relevant authorities. **Assess the implications of restricted access to your premises.** Consider if there are any measures that could be taken to reduce this risk and potential business disruption.

### Q8: Premises – Maintenance Schedule

**Implement a maintenance schedule** and make sure responsibility is allocated formally to a suitable employee or employees. Farm Buildings Maintenance – Safety notes from RIDBA briefly covers a range of maintenance considerations including safe access, fragile roofs, asbestos, edge protection, electricity and falling objects. These can be accessed [here](#).

RIDBA also produce [The Farm Buildings Handbook](#).

### Q9: Premises – Soil Management Plan

Soils are a valuable but vulnerable natural asset, requiring sustainable and effective management - once lost they cannot be replaced within our generation. Soil represents your greatest natural resource and provides a significant buffer to help your business cope with changes in the weather.

Soils are already under threat, and a changing climate is likely to place further pressures on them.

Developing a soil management plan can help you to maximize productivity through the provision of optimum conditions, while protecting this essential resource and the wider environment. A broad range of guidance is available to assist you in developing and maintaining a coherent and effective Soil Management Plan, however, as a minimum take a look at:

[NetRegs – Agriculture Guidance](#)

[AFBI research shows soil testing pays dividends](#)

## Q10: Premises – Water Requirements

It is important to understand your reliance on utilities, the impact of interruption or restriction in supply on the business, and what actions to take should supplies be interrupted. **Assess water requirements and identify the business impacts of restrictions.** Water is an essential resource for all farm enterprises, however water resources are under considerable pressure. We are likely to see increased demand, reduced supply and increased abstraction – with the potential for further controls on abstraction and increased costs. It is important to understand and plan your water use, improving efficiency and having contingencies in place. Carry out a water audit to:

- establish usage of water from all sources
- map supplies and note risks/vulnerabilities
- stop leaks
- consider rainwater harvesting
- evaluate the potential for creating or extending farm reservoirs
- Assess irrigation methods
- Improve soil structure and organic matter content (see Soil Management Plan)

Consideration also needs to be given to water supplies on extensive stock enterprises, Periods of drought may limit water availability in burns, ponds and natural water courses. Ensure the implications of losing water supply are included when carrying out a business impact analysis as part of the business resilience process. If water is critical to the business, source a supplier of emergency water and test auxiliary equipment to interface with the existing supply prior to an emergency happening. Explore alternatives if natural water supplies on extensive systems are at risk. For guidance on carrying out a farm water audit, identifying efficiency measures and developing an action plan see:

- [Waterwise on the farm – A simple guide to implementing a water management plan](#)
- [Farming Advisory Service water efficiency guide](#)
- [Water Efficiency – Advice for Business Customers](#)

### Q11: Premises – Electricity Requirements

**Assess electricity requirements. Identify business impacts of restrictions** to increase resilience to power failure, essential services of the business could be supported by portable generators or, for low demand short term cover on electronic equipment (computers etc), an uninterruptible power supply (UPS).

For other, higher load services, a generator will be required. Remember that generators cannot run at full load for long periods and always assume you will need more power rather than less.

Size according to your maximum calculated load leaving sufficient headroom under the generator's **continuous** load rating. Also bear in mind that there are two distinct types of load, resistive such as a light bulb, or **reactive** – normally containing an electric motor. **Resistive** loads can be calculated directly from their stated power requirements but a **reactive load will typically require up to 3 times as much power as its rating to start**. Calculate the specification required for a portable generator and the feasibility of using one on site. Identify suitable hire companies who can meet these requirements and discuss with them the cost and delivery estimates for requiring the product at short notice. For guidance on farm energy efficiency, [see here](#).

### Q12: Premises – Structural Vulnerability

**Assess your buildings and structures for vulnerability to wind/snow damage.** Where possible, such inspection should form part of your regular inspection and maintenance regime.

Certain structures can be particularly vulnerable, especially towards the end of any cover's service life when plasticity is reduced.

Roofs should be inspected, with both roofing material and fixings examined. Nail and fixing 'fatigue' is a common source of roof failure and **it should be noted that this is often not covered by storm or buildings insurance**. In particularly windy locations, low cost roof ties may be installed to increase structural integrity. If in doubt, consult a roofing contractor/builder and check your insurance cover.

It is also worth assessing the surroundings to buildings and structures, ensuring that trees are safe and do not threaten buildings, structures, power lines and assets, and that other objects and materials are not left loose to potentially cause damage.

### Q13: Premises – Designated/Sensitive Areas

Finding out if your business is in a sensitive location is important to understand if there are any constraints which may affect your operations, or how you respond to an emergency. Knowing the location of sensitive areas in relation to how your land drains will help you understand the risks. **Find out if your business is in a designated/sensitive location**. Designations may be for a variety of reasons, for instance drinking water catchments, nitrate vulnerable zones etc, or it may be designated for nature conservation or historic value.

For a map of all designated sensitive areas, [see here](#).

For Sensitive Areas Guidance, [see here](#).

### **Q14, Q15, Q16 & Q17: Premises – IT Backup**

It is essential a business has a robust data backup process. The implications for losing data can be catastrophic. With the advances in technology, even a micro business can implement a low cost solution. It has been estimated that 90 per cent of businesses that lose data from a disaster are forced to shut within two years (Tyne & Wear Emergency Planning Unit 2010).

Consideration should be given to how robust your data backup method is. No one method is flawless and this should be taken into account when managing backed up data. Ensuring all data is either stored or archived off site will significantly reduce risk.

**Back-up data regularly, ideally in real time. As a bare minimum back-up daily.** A back-up is simply a copy (or copies) of important computer files held on removable storage such as USB memory sticks, portable hard drives, CDs, tapes or remotely via dedicated back-up providers or on the internet 'cloud'. It allows you to reload lost data after an incident on your computer or network.

In far too many cases backing-up data is recognised as good practice, but is not given a high priority – until it is too late.

Most computer operating systems (Microsoft Windows, Mac OS etc) offer basic back-up facilities, enabling you to either back up-all data, incrementally back-up only those files that have changed, or back-up specific files. Back-ups can normally be scheduled to run at a time to suit your operations. These simple tools may be adequate for your needs, however it is essential to ensure you are backing up to a secure device/location. Not all back-up devices are equally secure and all have their limitations. While any back-up is better than no back-up at all, it makes sound business sense to ensure your data storage is sufficiently robust.

- **Backing-up to the computer hard disk.** The least secure option. Any fault affecting your original files (failure of the computer or hard disk, virus etc.) is likely to affect your back-ups too.
- **Backing-up to removable USB memory stick.** Cheap but prone to failure and easily misplaced.
- **Backing-up to external hard disk drive (HDD).** Cheap and high capacity, but prone to failure and easily misplaced.
- **Backing-up to optical media (CDs, DVDs and Blu-Ray).** Requires a computer drive capable of writing to the respective disk. Writeable disks are known to fail and, if used, should only be used for short term storage. It is advisable to make at least two copies. The disks are easily misplaced and require correct storage.
- **Backing-up to tape.** Requires a dedicated tape drive. This is how back-ups were carried out in the past. Tapes still have their uses, but require correct storage and regular replacement.
- **Backing up to the 'Cloud'.** The 'Cloud' is simply storage on remote computers distributed over the internet. This has the advantage of placing data well away from potential incidents on the



farm such as fire, flood, etc while allowing you to access the data from any computer (and potentially smart phone) wherever you are. Many Cloud services are available, from those available free with Windows (OneDrive) and Mac OS (iCloud) through to general secure cloud storage such as Dropbox (up to 2GB free) and dedicated cloud back-up services such as Carbonite which can back up your files from your computer as well as an external hard disk drive. Cloud storage is relatively cheap (potentially free) and probably the most secure method for carrying out your back-ups.

Do not assume that backed-up data is not corrupted and/or the back-up system is functioning correctly. Checking the backups can restore correctly will reduce the risk of data loss.

**Regularly check that data backups are complete.** Simply having a back-up does not guarantee that you will be able to restore the system in the event of data loss or equipment failure. It is good practice to test back-up data to ensure it is not corrupt, is complete and provides a full restore of your system.

**Record all serial numbers, product keys and software licences.** Ensure all company software serial numbers, product keys and licensing agreements are recorded. In the event of a system loss, such information will frequently be sufficient to enable the re-installation and activation of your software without the need to re-purchase software or make an insurance claim.

### **Q18, Q19, Q20 & Q21: Premises – IT Security**

Cyber-crime is increasing rapidly and is a major risk identified by the UK Government. If you are using computers or information technology the use of robust anti-virus and anti-intrusion software is absolutely essential.

There are many brands of software available, varying in cost and functionality. Whichever you choose, ensure you update regularly to keep protection current. As well as running anti-virus and anti-intrusion software, ensure that you use strong passwords for your online activity and keep these secure. For further information on protecting your business from cyber-crime, [click here](#). **If you have not already done so, purchase and install a good anti-virus and anti-intrusion software package immediately.** Any computer connected to the internet, or which receives files/data from external sources such as CDs, DVDs, memory sticks or external hard drives etc, is at risk from computer viruses and malware.

**Apply operating system security updates.** While the anti-virus/internet security software will work to protect you from a range of threats, the operating system of the computer itself may have vulnerabilities which can be exploited by hackers. Operating system providers such as Microsoft (Windows), Apple (iOS) and Apache (Linux) issue security updates for their operating systems as such vulnerabilities are identified. As with anti-virus/internet security software, operating systems allow you to set them to update automatically.

**Use strong passwords for online activity and keep them safe.** According to the HM Government Cyberstreetwise website, to create a strong password, simply choose three random words. Do not use family names, birthdays etc. Guidance on passwords can be accessed [here](#).

**Do not use the same password for all activity.** Although it is tempting to use one memorised password for all your online accounts, doing so opens you up to considerable risk. Wherever possible use a different strong password for all accounts – particularly your e-mail and online banking – to reduce risk.

**Review current HM Government guidance, assess your exposure to potential cyber-crime and consider the measures you might take.** The UK Government issues advice on protecting your business from cyber-crime – [see here](#).

## **Q22: Premises – Physical Document Storage**

A business is at risk if important documentation is limited to a single physical copy which is stored onsite. To reduce this risk, scan all important documents and archive the originals off-site.

## **Q23, Q24 & Q25: Premises – Emergency Contact Details**

The ability to communicate effectively in a crisis is vital, the need is immediate and it makes sound business sense to plan in advance for such a situation. **Assess and record everyone who will need to be contacted and their contact details.** There may be significant range of key contacts which should be recorded. These range from all staff, their families, the emergency services, local hospitals and doctors, regulators, local authorities, utilities etc through to suppliers, customers, veterinary services and more.

Carry out an assessment of key contacts for your enterprise while considering a range of potential incidents. Compile the contact information in a form that is clear, concise and simple to navigate. Once compiled, ensure the information is kept up to date. **Provide key contact information to all staff.** It is essential that all staff have instant access to key contact details in an emergency. Do not rely purely on mobile phone address books as these can fail, as can their networks. A physical list of contacts placed in an agreed location has proved invaluable on many occasions.

**Assess your current communications technology for weaknesses and identify back up facilities.** There is a risk if all mobile phones the enterprise relies on (whether belonging to the business or to staff) are on the same operator network. If mobile phones are to be used in emergency situations consider having a number of pre-pay mobile phones on a different operator network as back up. Remember that ‘wireless’ phones require mains power to operate. A simple plug in telephone provides a robust back up in the event of a power outage as the telephone line itself provides all the power the phone requires.

### 3. Operations

#### Q26: Operations – Contractual Obligations

Record all contractual obligations in place in terms of deadlines/penalties with customers. Including details of contractual obligations and applicable deadlines and penalties will ensure that you are fully aware of the business implications in any decisions taken after a major disruption and prioritise recovery accordingly.

#### Q27, Q28 & Q29: Operations – Continuity Plan Review

**Ensure your plan identifies key staff and their responsibilities for crisis management.** In the event of an emergency, it is essential that all key personnel's responsibilities are defined in the plan and staff know their individual responsibilities and that of their colleagues. Make sure that all applicable staff are aware of their responsibilities and those of their colleagues. Display key contacts on staff noticeboards. **Ensure you have you trained the applicable staff to familiarise themselves with their role in an emergency.** It is essential that staff identified to contribute in the event of an emergency or major business interruptions are fully aware of their roles and responsibilities and trained where applicable. Make sure that all staff with allocated tasks to perform in the event of an emergency are trained so that they are familiar with their roles and responsibilities.

**Ensure the plan is reviewed and amended at least once a year to ensure it is up to date.** It is vital the plan is kept up to date. The plan should be seen as an evolving document and not just a one-off activity that is left to become out of date. Review and update the plan annually at the very least.

#### Q30: Operations – Emergency Communications

**Compile a list of important contacts such as emergency services, utilities, local authorities, insurance, landlord details, suppliers, customers and other key stakeholders.** It is important to include contact details of the main stakeholders the business will need to contact during or after a major business interruption, and that this list is in a safe place that is easily accessible. Make sure that all key contact details for main stakeholders are included in your plan and compile a list and have paper copies displayed (for example, on a noticeboard).

**Prepare an emergency communications plan.** Having a pre-prepared communications plan for employees and other key stakeholders ensures that in the event of an emergency time is not wasted drafting one; this could potentially divert resources from crisis management or delay your ability to update employees of the situation. Prepare an emergency communication plan written for employees and other key stakeholders, including customers and suppliers that can be amended to reflect the present event.

## 4. Finance and Insurance

### Q31: Finance and Insurance – Emergency Communications

Engage with your insurance company. If the enterprise has made a claim, or experienced increased premiums as a result of a loss, it is worth talking to your insurance company. Check if there are any pro-active measures you can take on behalf of the business to reduce your premium or policy excesses. Example measures may include, modifying buildings, installing flood defences or developing business continuity plans/business resilience plans etc.

### Q32: Finance and Insurance – Capital Purchases

When purchasing an asset with a life expectancy in decades, check the asset will be future-proof, e.g. by considering likely future weather patterns.

**It is vital to think ahead.** An asset with a long life in service may function adequately now, but its effectiveness/vulnerability may change as a result of climatic changes (two-thirds of farmers have experienced an increase in extreme weather, consistent with climate change projections here). Consideration should be given to operating specifications (for example, temperature) and future flood risk, water consumption and energy use. Examples of assets to check include: buildings, ventilation and cooling systems, back-up generators (capacity), plant equipment and land.

### Q33: Finance and Insurance – Land and Assets

Extreme weather events such as flooding or drought/lack of water supply can have a significant impact on land and asset values. Ensure you assess this risk when making long term investment decisions. Areas at risk of flooding, or coastal areas, may well be at increased risk as a result of changing weather patterns.

You should ensure that risks are identified and factored into long term investment decisions. Opportunities may also exist, for instance more marginal land becomes suitable for higher value operations.

Consider what action can be taken to minimise the negative impacts identified and maximise the value of your assets – for instance flood prevention measures, provision of alternate water supplies, implementation of soil management/erosion prevention procedures etc – look to see how other farmers facing similar challenges are adapting their enterprises and how this may apply to your operations.

To see how the climate in NI could change in future, please visit the Committee on Climate Change [website](#). It provides maps, graphs and key findings of likely future changes in climate that can help you assess future risks.

### Q34: Finance and Insurance – Stress Testing

Stress testing your enterprise against the potential price volatility of inputs - and identifying measures to address any risks identified - is a useful exercise to improve resilience, profitability and cash-flow forecasting, managing volatility rather than simply reacting to it.

**Stress testing should be appropriate for the complexity of the enterprise and enable you to address its key risks.** If stress testing indicates that your enterprise is susceptible to fluctuations in input prices, the following actions may be worth considering:

- Seeking to identify new/additional suppliers
- Buying in bulk when prices are low (this may require investment in additional storage)
- Forward purchasing as a mechanism to manage input costs
- Developing strong supplier relationships
- Identifying upstream risks in your supply chains and ensure contingency planning is in place

### Q35, Q36 & Q37: Finance and Insurance – Cover

Having the correct value of insurance, and correct areas of cover, is vital to the resilience of your business. Many businesses are under-insured for total value, the cost of disruption, repairs, hiring temporary employees, leasing accommodation and equipment etc. - or find themselves under-insured for high value assets. As a minimum **check with your insurance provider or agent and comprehensively evaluate the level of cover to ensure it is sufficient.** It is worthwhile to shop around to ensure you get the most amount of cover with the widest scope that you can find. It could mean the difference between survival and going under as a business. **Note specific policy requirements and excesses.** When renewing the insurance policy make sure all specific policy requirements and excesses are noted. If the business premises are at potential flood risk, check if there are any specific requirements (sand bags, height of stock from floor level and so on) to comply with the insurance. Make sure you know at all times how much the excess is and ensure any changes to the business or premises are accounted for within the scope of the businesses insurance premium. Ensure any requirements stipulated by your insurance company are undertaken.

### Q38 & Q39: Finance and Insurance – Business Interruption

**Ensure insurance value keeps pace with business growth and peak stock levels.** It is important to ensure that, during peak periods of the year when stock levels are at a maximum, your insurance cover will be sufficient.

### Q40: Finance and Insurance – Landlord and Tenant Responsibility

When renewing your lease it may be beneficial to check that the owner has the correct insurance in place, and that they are aware of any potential issues or modifications.

In the event of a major business interruption, such as fire or flood, it is important you have ascertained who is responsible for the internal structure of the premises (for leased premises). If the internal structure has changed due to modifications you have made (stud walls, counters for example), ensure your contents insurance covers the replacement of the modifications.

**Ask for details of the owners' insurance policies.** If you feel they are inadequate tell them so. It could also be worthwhile negotiating a reduction in lease costs if you feel the property is underinsured. **Make a list of exactly what you are responsible for**, and get an outline estimate of what it would cost to reinstate it. Make sure this sum is factored into the scope of your insurance cover.

#### **Q41: Finance and Insurance – Photographic Records**

Although not an insurance requirement, pictures or video records of the business premises, including all assets, may prove invaluable for insurance purposes in the event of a major incident, such as a fire or flood. Make a digital recording of the premises in and outside, including all major assets. Include these in your inventory of assets and archive. If you make modifications to improve resilience, record these, ideally both before and after modification.

## 5. Market and Logistics

### **Q42: Market and Logistics – Customer Dependency**

Your business is at risk if it is dependent on a single customer or market for the majority of its' sales, particularly if those sales are for perishables or products with a limited storage life. It makes good business sense to investigate if the key customer has assessed their own business resilience and has continuity plans in place that adequately cover likely risks to its (and your) operations, alongside exploring the potential to diversify your customer base. Ask if your customer has a business continuity/business resilience plan in place.

### **Q43: Market and Logistics – Company Vehicles**

If employees travel on farm or company business in their own vehicles, the business should have a policy on personal vehicle use. Included in this should be requirements for insurance and road worthiness. Employees should agree and document their compliance. Annual checks on driving licences should also be recorded for all employees driving both personal and farm or company vehicles. If employees travel in farm or company vehicles the business should have a company vehicle policy.

### **Q44: Market and Logistics – Transport of Livestock**

Farmers have a legal responsibility to ensure their animals are transported in a manner that will not cause injury or unnecessary suffering, and statutory controls are in place to protect livestock during transit. Visit the DAERA [website](#) for detailed guidance on the requirements for your enterprise.

### **Q45: Market and Logistics – Vehicle Servicing**

Research has identified that around a third of road users do not carry out any checks on their vehicles before heading out on a long journey. In addition to regular servicing of vehicles (and MOTs where appropriate), pro-active checking of roadworthiness at regular intervals will ensure that important aspects such as fluids, lights and tyres are within safe limits and working correctly, this also applies to trailers.

### **Q46: Market and Logistics – Continuity of Supply**

Having only a single source for critical goods or services is a high risk procurement strategy for any business. Costly delays could occur if the supplier suffers a major business disruption.

Ensure, where possible, that you have accounts in place with at least three suppliers for all critical goods and services. For critical goods that you have a number of suppliers for, check where they are sourcing their goods from - you may find that they all use the same primary source. If this source experiences problems, all companies downstream in the supply chain may be affected.

In some circumstances, it may be a necessity to source from a single supplier. If so, enquire if the supplier has taken any steps to increase their business resilience (such as conducting business impact analysis or a business continuity plan).

#### **Q47: Market and Logistics – Surplus Stock**

Lean stock levels and 'just in time' inventory management systems reduce the capital tied up in goods and storage but increase the exposure to supply chain risks. It makes good sense to consider holding increased stock levels to tide you over in the event of an interruption to supply. Locally sourcing goods and materials can further increase the resilience of the supply chain, while reducing environmental impact and benefiting the local economy.

Evaluate how many days the business could operate in the event of your supply chain breaking down, and how long would it take for an alternative supplier to deliver. Your enterprise should carry sufficient buffer stock to cover this period as a minimum. Carrying additional stock may also require an increase in storage capacity.



## 6. Staff

### **Q48: Staff – Contract Procedures**

It is important to be able to contact all employees in the event of denial of access to the premises or in the event of an emergency. The list should include all employee contact details to enable the business to inform employees of an emergency. This could be, for example, to tell them to stay at home or travel to an alternative location. Ensure up to date staff contact details can be readily accessed away from the premises, either on a separate document or included in a business continuity/resilience plan. Do not rely simply on mobile phone address books, as these can fail. Ensure the task of updating the details when staff start or leave the business is someone's specific responsibility.

### **Q49: Staff – Responsibilities Procedures**

The loss of a key employee to a small business can have a serious effect on business continuity/resilience -particularly if others within the business are not familiar with the key tasks carried out within that employees' role. To ensure the business is not adversely affected by the temporary loss of a key employee, make sure all key tasks (and dates where applicable) are centrally recorded and updated when appropriate. It makes good sense to ensure at least one other member of staff receives training to enable them to perform the necessary tasks in the case of absence.

### **Q50: Staff – Access during Severe Weather**

Ensure all staff roles, responsibilities and key tasks are documented and updated annually. Ensure all critical functions within the business can be carried out by more than one employee. To ensure the business is not adversely affected by the temporary loss of a key employee, make sure all key tasks (and dates where applicable) are centrally recorded and updated when appropriate. It makes good sense to ensure at least one other member of staff receives training to enable them to perform the necessary tasks in the case of absence.

### **Q51: Staff – Employment Procedures**

Working conditions can disproportionately affect employees with pre-existing medical conditions including; heart disease, respiratory problems, epilepsy, high blood pressure and diabetes.

### **Q52: Staff – Temporary Workers**

If you use a labour provider to supply your enterprise with temporary workers, you must ensure that the provider is licensed by the Gangmasters Licensing Authority (GLA).

### **Q53: Staff – Duty of Care under Companies Act 2006**

Since 1 October 2009 virtually all the previous sections of the Companies Act that had not been implemented came into force. It is important directors of the business are familiar with these changes and their responsibilities. For more information, [see here](#). Seek professional advice to ensure the directors are fully aware of their duties of care and responsibilities.

### **Q54: Staff – Duty of Care under Corporate Manslaughter & Corporate Homicide Act 2007**

The Corporate Manslaughter & Corporate Homicide Act 2007 introduces a new offence for prosecuting companies and other organisations for gross failures in the management of health and safety with fatal consequences. Visit the HSE [website](#) for further information. Seek professional advice to ensure the directors are fully aware of their responsibilities and duty of care.

### **Q55: Staff – Duty of Care under Health and Safety at Work (NI) Order 1978**

The Health and Safety at Work (NI) Order 1978 is the primary piece of legislation related to Health and Safety in the workplace. Employers have a 'duty of care' to look after, as far as is possible, the health, safety and welfare of employees and visitors to the premises/enterprise. Employers should conduct risk assessments to identify any possible health and safety hazards. Information on requirements for farm health and safety can be found [here](#). Consider seeking professional advice to ensure the directors are fully aware of their responsibilities and duty of care. For more information [see here](#).

### **Q56: Staff – Farm Safety Compliance**

An inspection by a competent person is highly recommended to ensure compliance with farm safety requirements.