

BOCC Minutes - Tuesday 9th June

**TO: Business & Operational Continuity Committee
Incident Management Communications Group (for info)**

Please find below a meeting note of yesterday's (9th June) BOCC call. Please also find a letter from Andrew Bailey regarding negative interest rates, which members are welcome to share with relevant colleagues.

1. Discussion on work area recovery (WAR) experience and future seating requirements.

Members discussed their experience of using WAR sites during the pandemic, and whether some firms were considering reducing the number of seats reserved at WAR sites now that long-term WFH has been shown to be a viable continuity option. Members made a number of points:

- Several members observed that during the COVID19-crisis the majority of their employees WFH, very few were in the office, and even fewer were using WAR sites. This was leading many to question the need for WAR sites in the future at all. A number of members advised they were undertaking a complete review of their recovery arrangements, as the scaling up of broadband infrastructure and improved capacity to WFH had led to none of their WAR sites being used. One member advised that this is likely to lead them to cancelling their contracts with providers.
- Several members reported difficulty in accessing their WAR sites at the onset of lockdown, with one reporting that their WAR provider denied their firm any access to their WAR on contractual grounds. Many members questioned the utility of their WAR arrangements if - in a situation as operationally disruptive as COVID - they are denied the ability to use their sites.
- One member advised that as 100% of call centre and office staff were WFH they were considering reducing WAR capacity to near zero. When making this assessment, they have been trying to what types of severe operational disruptions could impact WFH arrangements, but leave their WAR unaffected. The only possible scenario identified could be where a building or site is inaccessible due to a security incident, large scale flooding or gas leak, combined with a power failure or failure of broadband infrastructure in geographic areas where large numbers of staff would otherwise be looking to WFH. It was not clear just how plausible this scenario was.
- One member noted that some of their activities are dependent on processing paperwork, with customers sending in requests by paper. This could bring in the need to retain the capability to receive and send post at a WAR site, although this would also significantly decrease the number of desks currently required.
- One member currently reviewing their use of WAR advised that regulatory expectations and their own view of an effective control environment will be the key driver on whether they retain WAR sites.

Members determined it would be useful to have the FCA's view on WAR sites and possible regulatory implications.
[ACTION: AR to invite the FCA to attend a future meeting of the BOCC to discuss these and other these issues.]

2. Government guidance and approach to wearing uniforms in branches and office sites

At the beginning of COVID some firms took the decision to relax their uniform requirement to allow colleagues more flexibility and wear clothing which could be washed more easily. These firms are now looking to return to their normal requirements. Some firms have reported that some in-scope staff have reported a concern with this approach.

Members discussed their own approach to the uniform policy, canvassing whether any other organisations had encountered any issues and/or if they are asking their colleagues to wear their uniform. Most members noted that they did not formally relax any of the uniform requirements specifically for the covid-19 crisis, and this was not an issue.

- 3. Discussion as to whether firms are detecting any changed regulatory or supervisory position with respect to their COVID19 mitigation arrangements or return to work plans, such as:**
- **Firm's effective transition out of the office for both front office**
 - **Firm's effective transition of 2nd line control effectiveness**
 - **Firm's outsourcing touchpoints involving other jurisdictions (e.g. India)**
 - **Firm's numbers of key workers attending the office**

One firm noted that at the beginning of lockdown, supervisors had been in regular contact making very specific information request across a range of areas, but they had since stopped. Generally, firms did not feel that the regulators had significantly changed their supervisory approach since the beginning of lockdown, or the lessening of lockdown. .

4. AOB

UK Finance reported that in recent communications with the UK Government, policy makers had sought information about whether firms were preparing for or thinking about a second lockdown, and whether they were actively factoring in the possibility of a second lockdown in their reopening plans. Members confirmed that they were factoring in the possibility of a second lockdown or a second wave, and that this is actually the main consideration in their slow and careful return to the office in their planning. Some members are also actively considering and planning their detailed workforce resilience assessments, when a number of employees could fall ill.

Members welcomed any indication from the Government as to whether further lockdowns would imply further help packages (mortgage holidays, CBILs, etc.). This would put significant operational pressure on firms, who could use as much notice as possible. Firms would also welcome further discussion on possible regional/local lockdowns and the potential operational impacts.