

# Wing and a prayer

In December 2005, the Lords Select Committee on Science and Technology said the country was not ready to defend itself against an avian flu pandemic. Is it any more prepared now? Andrea Kirkby finds out

Since the announcement, made by the Lords Select Committee on Science and Technology only 12 months ago, the H5N1 virus has spread even further around the globe. But has preparedness kept pace with the risk, or has a dangerous complacency set in among government and business?

Globally, government preparedness varies widely. But overall, in terms of healthcare, preparedness certainly seems to have improved. Since last year, major vaccine manufacturers have ramped up their capabilities. Roche has increased its antiviral Tamiflu production from 55 million to 400 million doses, and GSK has also increased production of Relenza, the main antiviral in use against the H5N1 virus.

Dr Doug Quarry, medical director of International SOS Pandemic Planning, is impressed. "The pharmaceutical industry has really stepped up to the mark," he says; "there is almost an oversupply of Tamiflu on the market compared to drastic shortages of a year ago."

Here in the UK, the government has a detailed pandemic plan in place and has started stockpiling antivirals. But the pandemic protection plan does not cover business preparedness. The government view is that this is purely a matter for the private sector. So how well are businesses shaping up?

In terms of medical preparedness, a number of businesses are now

stockpiling antivirals for key staff and their families. Alison Brown, CEO of Healthcare Connections, says it is vital that businesses do this now, since the government stockpile will only cover key workers in the public sector. "You wouldn't wait for an asthma attack to happen and then ask your doctor for an inhaler. It's the same idea for anti-viral medication; getting it in advance is key," she says.

Logistics is an obvious area where business continuity plans will be vital. Even if the pandemic does not reach the UK, there will be a major impact on companies that are importing supplies or outsourcing parts of their business process. Martin Dockrill, a consultant in Aon's Risk Management Solutions division, points to the fact that British business is now highly dependent on the Far East for its components and subassemblies. "We are totally dependent on imports," he says. Australia has declared it will close its borders within two hours in the event of an avian flu pandemic - that gives businesses very little time to prepare. And, he points out, it's not just manufacturing that is dependent on other countries; call centre operations must be considered, too.

Dockrill suggests strategic stockbuilding should be considered as a way of defending the business against supply chain blockages - but there's little evidence of that happening yet. Within the UK, cash

handling (as evidenced by the recent Tripartite Committee exercise) and postal services are likely to develop bottlenecks. Neither banks nor the Post Office are on the government's list of Category 2 Responders, though arguably they are as vital to the smooth running of the nation as the railways or ports. Smaller bank branches are likely to have to close if staff are sick, leaving some areas without banking facilities; and ATM top-ups depend on transport, which could be knocked out early in the event of a pandemic.

So far, though, there seems to be no mention of these vulnerabilities in any government plans - which leaves one wondering just how realistic it is to hope that business will get this right on its own.

While most business continuity plans are focused on assets (offices and IT) pandemic preparedness has to focus on human resources. "It's like a neutron bomb - your hardware is still there but you are losing your staff," says Jeroen Meijer, associate director of crisis management at Control Risks Group. This is probably the single area where businesses are getting up to date the fastest, though again, there are some potentially dangerous weaknesses in plans to date. For instance, many businesses assume that knowledge workers and managers can be sent to work at home. But do those households have internet access for each individual sent to work at home?



And will the internet actually stand up to the additional usage? There are real concerns about the ability of service providers to cope with the increased traffic such an event may bring about.

A Booz Allen Hamilton report in April 2006 speculated that internet provision might only last two to four days into a pandemic. (And while telecoms companies are Category 2 Responders in the UK plan, ISPs aren't mentioned.) Even then, Meijer says, "Working from home requires a completely different way of managing staff" - businesses will have to change, and change fast, or their plans won't stick."

It also appears that government advice understates the risks to business. Current advice is that businesses should expect absenteeism of 15 to 30 per cent, but the FSA market wide exercise modelled staff absence as high as 60 per cent in some business units. Businesses with a high proportion of female, particularly part-time, staff also need to assess the likelihood of staff who are not ill having to look after children if schools close. Dockrill asks, "What are the plans for children, and for women looking after children?"

Meijer points out that most business systems aren't yet able to offer staff absence data in a form that's useful in stress situations. "Absenteeism monitoring is crucial and not many companies do this on a day to day basis." This is one area where, compared to the sophisticated systems with which many supply chains are run, human resources scores relatively low.

Pandemics are difficult to protect against since the process is not a singular event; they typically come in waves lasting 6 to 15 months.

Flexibility has to be built in; equally, companies need trusted sources of information to monitor the pandemic internationally, and that feedback will provide the triggers to action.

Fortunately, one area that has advanced a good deal in the last year or so has been the availability of good information for corporates. Dockrill advises that companies should consider carefully which media they trust; national media will generally not report in detail on the situation in other countries, while some governments may downplay the situation in order to avoid panic. Meijer adds even the basic questions can't be answered just by reading the press - "How do you know if it's a pandemic?"

Information available on pandemics is growing, however. International SOS reports include credentialling of medical suppliers and reports monitoring government response. And, as Neil Thompson of Red24 comments, "More and more groups are popping up who are experts in pandemic planning - which means there is a market out there for it."

#### **A bad situation worse**

One question divides experts: how bad can a pandemic get? At worst, some believe, most of the transport infrastructure might be shut down, telecoms would be badly impacted by lack of maintenance and high usage, and there could be public order problems if the supply of food and other, basic items is interrupted. In the face of a social breakdown of that order there might seem to be no point planning.

However, Meijer says that even in this case, those businesses which have planned well will gain an eventual

competitive advantage from having done so. "The objective is to stay in business as long as possible, and if you have to shut down completely, do it in a controlled manner which provides the best security to your staff and assets, and enables you to restart operations quickly and efficiently."

It's difficult to judge business preparedness, since many businesses won't talk about their preparations. Doug Quarry says International SOS now has over 100 multinationals signed up. "We've found that more and more companies have started pandemic plans," he says. Now there is a need to go to the next level of implementation, such as delivery of antivirals and point of entry screening.

But while businesses are generally recognising the threat, they are not all making good plans yet. Meijer says, "Some companies realise they need to do it but still haven't got properly started" - and they do need to. Thompson adds: "We feel that many organisations put quick plans in place in 2005, but they've never gone back to revise or reconsider them."

The most worrying gap though is the absence of government involvement in ensuring the regular supply of basic goods. It doesn't even appear to have been considered in the guidance notes. The Booz Allen Hamilton report states that government needs to assure the 'last mile' - but this is not being done. Is reliance on the private sector, without compulsion or assistance, a responsible government strategy?

Dockrill wouldn't answer that - but he did say that businesses need to rely on their own planning. "There's going to be no help from the government," he says. "I can't see any evidence of joined-up thinking here."

