Sustaining Operations & Delivery During COVID-19

CURRENCY NEWS**

Andy Davidson, Operations Director for Currency and Mike Lycett, Group Director of Security, HSE and Risk, De La Rue

It has been business-as-unusual in De La Rue over the past few months as COVID-19 disrupted the world, requiring implementation of rapid and substantial change to protect staff and to safely continue operations.

A 'safety first' culture has been paramount as business continuity plans (BCPs) were implemented and government health guidelines adhered to across all sites. A well tried and tested cross-functional Group Incident Management system has managed efforts to sustain operations and De La Rue is proud to have met the needs of central banks and state printing works throughout COVID-19. Fundamental to this success has been the long-standing BCPs that De La Rue has in place and routinely tests.

There was an established Pandemic Incident Management Plan in place long before China's national health commission confirmed human-to-human transmission of the virus.

The plan prioritises the safety of employees and their families whilst taking precautions to restrict the spread of the virus. It enables De La Rue to continue production whilst ensuring that it emerges resilient to the impact of the pandemic. With banknote printing sites in the UK, Malta, Sri Lanka and Kenya, De La Rue has the ability to reprioritise production in the event of a business continuity incident. However, a strong employee response is at the core of the Pandemic Incident Management Plan, with everything else flowing from this.

To date the De La Rue employee response has covered everything from free hand sanitiser to specific individual employee needs and beyond. The risks associated with the spread of COVID-19 have been identified and minimised, involving the introduction of many social distancing measures and strict hygiene regimes.

Where possible, staff have been digitally enabled to work from home and vulnerable employees have been found safer alternative working areas. Travel and site visits have been restricted, leading to an increase in digital communication as employees have become extremely skilled at global conference calls and collaborating over 'Teams.'

However, De La Rue has a number of critical tasks that cannot be carried out by workers at home and for these workers special protective measures and processes have been put in place, which have required major operational changes, and which have been designed to minimise disruption.

For example, shift patterns have been overhauled to maximise production flexibility, social distancing and to allow cleaning between shifts. Entire areas of buildings have been redesigned to ensure social distancing, with temporary walls, alternative entrances and new layouts introduced across manufacturing sites.

These measures have allowed operations to continue, supported by a strong supply chain that was already in place before the COVID-19 pandemic.

The 'benefits' of Brexit

At first mention 'Brexit' may not be immediately associated with helping businesses deal with the COVID-19 pandemic. However, since 2018 the entire De La Rue Group has been actively preparing and implementing strong mitigation measures against the possible supply chain disruptions related to the UK's exit from the European Union.

Essential suppliers and service providers have already been identified, and BCPs have already been discussed and agreed, with appropriate due diligence in place.

Certain contingency measures are already in situ: for instance increased stock holding of certain critical items, alternative stock arrangements are known and there has been a redistribution of stock internally to allow for greater resilience. Delays and closures to key airport and ports are carefully monitored, along with the availability and price fluctuations of shipping routes and air charterers.

This has all enabled operations to adapt flexibly and quickly when required.

Critical to the ability to sustain operations and adapt to changing circumstances are daily communications and engagement with all employees from the shop floor to the CEO, as well as ensuring suppliers and customer have the latest information relevant to them.

CEO Clive Vacher and his Executive Leadership Team have carried out extensive scenario planning and continue to meet several times a week to review the strategic situation across the Group. A twice daily review of the situation is carried out centrally and at all site levels to ensure all aspects of De La Rue remain fit for purpose whilst providing suitable protection for staff and responding flexibly to the situation as needed.

Overall the Pandemic Incident Management Plan and rigorous risk mitigations that were already in place to provide operational resilience have helped De La Rue remain operational across all sites, running and fulfilling production schedules, unless government mandated (as in Sri Lanka). De La Rue has not let down a single central bank or state printing works throughout the COVID-19 pandemic.

Product development activity and production trials have continued as planned, with the new product pipeline unaffected and new product launches planned towards the end of the calendar year. New banknote designs have continued as planned.

Going forward De La Rue will continue to be prepared, flexible and resilient to ensure we continue to meet the needs of central banks and our other customers.



An example of a temporary wall to segregate an area of a factory and improve social distancing.



