

## BCS: Risk Management

### Action required

1. The Commission is invited to consider the risk register and risk policy for BCS.

### Background

2. Following comments made by the Scotland Office Audit Committee, the risk management policy has been updated, principally to clarify ownership of risks and escalation procedures. The Commission considered an earlier draft at its meeting in October 2016 (BCS Paper 2016/43).
3. Attached at Appendix A is the current register and the latest version of the policy. The Commission may wish to offer comments on either the policy or the register. These will then be sent to Scotland Office sponsor colleagues.
4. The Secretary intends to share the policy with the Local Government Boundary Commission for Scotland as it seems sensible for the Secretariat to work under one policy; any proposals for further amendment will be brought back to a future BCS meeting before a final agreed version is signed off.

### Conclusion

5. The Commission is invited to consider the risk register and policy at Appendix A.

Secretariat  
February 2017

Scottish Boundary Commissions  
Risk Management Policy

**Background**

1. The Local Government Boundary Commission for Scotland and the Boundary Commission for Scotland are two separate advisory non-departmental public bodies, the former sponsored by Scottish Government and the latter by Scotland Office. Collectively this paper refers to them as the Scottish Boundary Commissions.
2. A shared Secretariat, staffed by employees assigned from Scottish Government, supports the Scottish Boundary Commissions in their work. Generally, only one review is formally under way at any one time. During a review the lead commission tends to meet monthly while the other commission will meet quarterly or less frequently.
3. This policy sets out the approach to be taken to Risk Management within the Scottish Boundary Commissions.
4. On an annual basis, the Scottish Boundary Commissions will review the operation of the Risk Management Policy, ensuring that the policy is supporting the effective and efficient operation of the organisation, that it helps the business respond to business risks, and that adequate controls are implemented.
5. Any changes to the Risk Management Policy should be agreed with the sponsor teams in Scottish Government and Scotland Office.

**Risk Register**

6. The Secretary is responsible for preparing a risk register following guidance set out in the Scottish Government Public Finance Manual, and the HM Treasury Management of Risk - Principles and Concepts (the "Orange Book").
7. The Secretary is responsible for identification of risks and their inclusion on the risk register, consulting sponsor teams and Scottish Boundary Commissions as necessary. The register should be updated at the start of each review and agreed with the Scottish Boundary Commissions.
8. The risk register shows the weightings of each risk for likelihood and impact, each classified as high, medium or low.

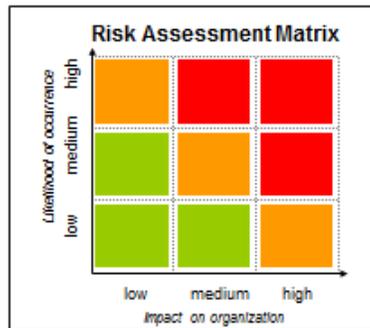
	<b>Likelihood</b>
<b>High (H)</b>	High probability of occurrence
<b>Medium (M)</b>	Conceivable, but not likely to occur
<b>Low (L)</b>	Unlikely to occur

	<b>Potential Impact</b>
<b>High (H)</b>	Risks that can have a catastrophic effect on Commission operations. May result in significant financial loss, major disruption to outputs or serious damage to the Commission's reputation.
<b>Medium (M)</b>	Risks that have a noticeable effect on Commission operations. Each will cause of degree of disruption to outputs and may affect budgets.
<b>Low (L)</b>	Risks where the consequences and impact will not be severe and any associated losses relatively small. As

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	individual occurrences they will have a negligible effect on Commission operations.
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These are combined to determine the risk category: Red = HH, MH or HM, Amber = MM, HL, LH, Green = LL, ML, LM.



9. When considering the risk register, each Commission has the opportunity to :
  - flag up at an early stage any areas of concern;
  - identify and agree any significant change to the risk register
  - agree appropriate mitigating actions
10. The lead commission during any review should consider the risk register at least quarterly to ensure that appropriate mitigating actions are in place for any risks in the red or amber categories. Both Commissions should review the risk register annually.
11. The risk register lists for each risk mitigating actions, target timescales and any residual risk after these measures are carried out. Where a residual risk remains categorised as red, or where the mitigating actions require additional resource implications not included in the allocated budget, the Secretariat should escalate the risk to the sponsor teams in Scottish Government and Scotland Office for their consideration.
12. The Secretary is considered the risk owner for all risks, and may delegate responsibility to individual staff members as appropriate within the context of normal operations.

#### Other risks

13. Lower level risks (i.e. those not included on the risk register) will be managed as appropriate by the Secretariat as part of its normal operation.

#### Further Guidance

14. Further guidance on risk management is available in the Scottish Government Public Finance Manual, and the HM Treasury Management of Risk - Principles and Concepts (the "Orange Book").

Secretariat  
February 2017

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**BCS Paper 2017/57**  
**Appendix A**

	Type of Risk	Description	Effect	Likelihood/Impact	Mitigating Action	Target Date	Mitigated likelihood/impact	Notes
1.	S	Delay in appointment of Deputy Chair and new Commissioner	Delayed start to 2018 Review and consequential delays to ongoing delivery	H/H	Work with Scotland Office to ensure timely appointments.  Project planning and monitoring.	December 2015  Ongoing	M/M	Start of Review announced 24 February
2.	S	Overlap with completion of 5th Review of Local Government Arrangements	Delayed start to 2018 Review and consequential delays to ongoing delivery	H/H	Project planning and monitoring.	Ongoing. Project plan to be updated for each BCS meeting	H/M	Start of Review announced 24 February. 5th Reviews will not complete until May 2016
3.	T	Outside bodies not supplying necessary data or data of poor quality.	Inaccurate decision making resulting from inadequate data	L/H	Maintenance of regular contact with data suppliers. Data quality checks on receipt. Alternative sources of data may be available in some cases. Review relationship with NRS and Electoral Registration officers	By 24 February 2016 and ongoing  By September 2016	L/L	Secretariat met NRS in December 2016 and agreed to share templates to ensure data is in a standard format. The Electoral Commission are expected to take over publishing of electorate data in the next year following which a Memorandum of Understanding will be drafted.

**BCS Paper 2017/57**  
**Appendix A**

	Type of Risk	Description	Effect	Likelihood/Impact	Mitigating Action	Target Date	Mitigated likelihood/impact	Notes
4.	T	Consultation portal does not meet BCS requirements	Unable to consult public effectively on proposals or efficiently publish representations received	L/M	Ensure full engagement with other UK Commissions in development of portal specification and procurement to meet BCS needs.	Ongoing	L/L	BCS agreed in principle to share portal with UK Commissions subject to cost and specification. Regular liaison takes place between Secretariat and other Commissions as well as Informed Solutions.
5.	S	Loss of staff with appropriate skills.	Unable to conduct business to full level of effectiveness.	M/M	Ensure appropriate documentation of procedures, and training in key skills for staff.  Ensure recording of the reasons for all decisions taken at each stage	Ongoing	M/L	
6.	ER	Loss of stakeholder confidence.	Damage to reputation or independence of Commission. Ineffective public consultation processes.	L/H	Actively maintain stakeholder relationships. Provide clear information and guidance to the public on the Commission's work and processes.	Ongoing	L/L	The Secretariat liaises with other UK Commissions and meets regularly with political parties, the Electoral Commission, EROs and others

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	Type of Risk	Description	Effect	Likelihood/Impact	Mitigating Action	Target Date	Mitigated likelihood/impact	Notes
7.	ER	Acting outside legislation.	Damage to reputation of Commission	L/H	Ensure clear internal guidance on powers and duties. Consider need for external legal advice as appropriate.	Ongoing	L/M	
8.	ER	Changes to, and events in, external political landscape	Delays to delivery of review milestones eg constraints around announcements	M/M	Ensure effective liaison with Scotland Office and Scottish Government in order to build known events into project planning.	Ongoing	M/L	Decisions affecting LGBCS may impact on Secretariat resources.
9.	P	Unavailability of offices	Inability to operate from usual offices or possible loss of access to computers, network and data.	L/H	Maintenance of Business Continuity Plan	Ongoing	L/M	The BCP needs to be reviewed.
10.	P	Theft of equipment from offices	Inability to fully operate due to loss of equipment.	L/H	Data backups under SCOTS. Ensure appropriate physical security precautions. Investigate short-term computer leasing options.	Ongoing	L/M	
11.	T	Failure of computer systems	Inability to conduct business.	L/H	Migration to SCOTS ensuring technical support from Scottish Government.	End June 2016	L/M	The transfer to SCOTS took place in August 2016.
12.	T	Data loss or corruption	Faulty decisions, loss of reputation	L/H	Migration to SCOTS ensuring technical support from Scottish Government.	End June 2016	L/M	The transfer to SCOTS took place in August 2016.

**BCS Paper 2017/57**  
**Appendix A**

	Type of Risk	Description	Effect	Likelihood/Impact	Mitigating Action	Target Date	Mitigated likelihood/impact	Notes
13.	T	Inability to complete review within statutory deadline	Loss of reputation	L/H	Project planning and monitoring	Ongoing	L/H	

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