

BCS: Risk Management

Action required

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

Background

2. The current register is attached at Appendix A. This has been updated to reflect previous comments by the Commission in particular:
 - inclusion of loss of Commissioners in risk 5
 - specific mention of equalities legislation under risk 7
 - a new risk relating to decisions by LGBCS impacting on BCS work (risk 11)

Conclusion

3. The Commission is invited to consider the risk register at Appendix A.

Secretariat
June 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.

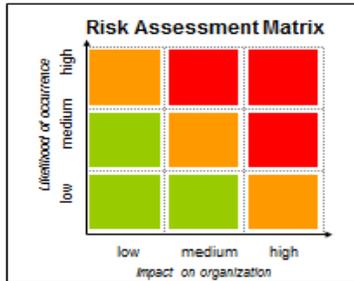
Risk Register

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.

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

	Potential Impact
High (H)	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.
Medium (M)	Risks that have a noticeable effect on Commission operations. Each will cause of degree of disruption to outputs and may affect budgets.
Low (L)	Risks where the consequences and impact will not be severe and any associated losses relatively small. As individual occurrences they will have a negligible effect on Commission operations.

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").