

## Risk Management Policy

### Action

1. The Commission is invited to consider an updated Risk Management Policy (RMP).

### Background Information

2. The Commission's current RMP is a joint policy, shared with the Boundary Commission for Scotland. It was last updated in 2010 and is attached at Appendix A.
3. Following an audit of the governance arrangements between BCS and Scotland Office, the RMP was updated by the Secretariat, as far as it relates to the work of BCS. BCS has signed off the version attached at Appendix B. The principal changes are to clarify roles and relationships, emphasise proactive use of the register and introduce escalation procedures.
4. It is open to the Commission to develop its own RMP but for simplicity it would seem pragmatic to continue a shared policy, with separate risk registers for LGBCS and BCS. If the Commission wishes to adopt a shared policy it may want to suggest amendments. For example, the text at paragraph 2 suggests only one review is underway at a time and this may not be the standard position in future.

### Conclusion

5. The Commission is invited to:
  - Consider whether it wishes to continue to have a shared RMP with BCS
  - Consider the revised policy at Appendix B and whether it is content to adopt this as the updated RMP or if it wishes amendments to be made.

Secretariat  
September 2017

## Scottish Boundary Commissions Risk Management Policy

### Background

1. This policy sets out the approach to be taken to Risk Management within the Scottish Boundary Commissions.
2. Every 2 years, each Commission 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.

### Risk Register

3. The Secretariat will keep under review the risks which should be included in the Risk Register, and update the register at least once a year.
4. Risks that are in Red or Amber risk categories are included in the Risk Register. The Risk Register shows the weightings of each risk for likelihood and impact, each classified as high, medium or low. These are combined to determine the risk category: Red = HH, MH or HM, Amber = MM, HL, LH, Green = LL, ML, LM.
5. The Risk Register lists for each risk mitigating actions, target timescales and any residual risk after these measures are carried out.
6. The Secretary is considered the risk owner for all risks, and will delegate responsibility to individual staff members as appropriate within the context of normal operations.
7. After completing its review of risks, the Secretariat will present a proposed Risk Register to each of the Commissions.
8. 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 .

### Other risks

9. 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

10. 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  
May 2010

## **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.

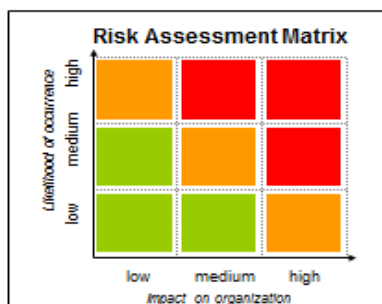
### **Risk Register**

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 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").