

## Risk management

### Action Required

1. At its September meeting the Commission considered a revised Risk Management Policy (RMP), the draft policy having been agreed previously by the Boundary Commission for Scotland (Paper 2423 refers) The Commission asked to consider the RMP further at a future meeting and to consider a draft register.
2. The draft RMP and register are at Appendix A. The register reflects the general risks faced by the Commission but has not yet been updated to reflect Review-specific risks. Once the RMP and format of the register have been agreed an updated version will be drafted, covering the planned Islands Review and other review work.
3. In September, the Commission considered whether some of the risks which are owned by the Secretary in the Risk Register might properly lie with the Commission itself. The reference to risk ownership in the RMP has been in place for a number of years and is unchanged. The Secretariat is seeking advice on whether it reflects best practice in risk management.

### Conclusion

4. The Commission is invited to consider further the draft RMP and whether it wishes to adopt it; and offer any comments on the register.

Secretariat  
November 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.

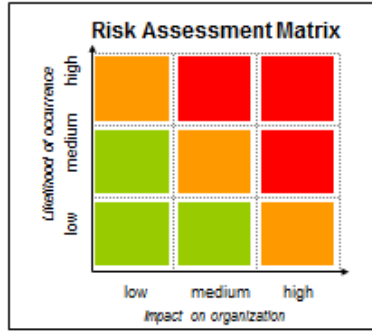
|            | Likelihood                           |
|------------|--------------------------------------|
| High (H)   | High probability of occurrence       |
| Medium (M) | Conceivable, but not likely to occur |
| Low (L)    | Unlikely to occur                    |

|            | 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   |

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|  | 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").

Secretariat  
February 2017

|    | Type of Risk | Description  | Effect   | Likelihood/Impact | Mitigating Action  | Target Date                    | Mitigated likelihood/impact | Notes   |
|----|--------------|--|--|-------------------|--|--------------------------------|-----------------------------|---|
| 1. | 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.<br>Data quality checks on receipt. Alternative sources of data may be available in some cases.<br>Review relationship with NRS and Electoral Registration Officers | ongoing<br><br>Speak Tim Ellis | 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. |
| 2. | S            | Loss of staff with appropriate skills. Unexpected loss of Commissioner | Unable to conduct business to full level of effectiveness. | M/M               | Ensure appropriate documentation of procedures, and training in key skills for staff.<br><br>Ensure recording of the reasons for all decisions taken at each stage   | Ongoing                        | M/L                         | Minutes record reasons  |

|    | Type of Risk | Description  | Effect   | Likelihood/Impact | Mitigating Action  | Target Date   | Mitigated likelihood/impact | Notes   |
|----|--------------|--|--|-------------------|--|---|-----------------------------|---|
| 3. | 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 |
| 4. | 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. Review duties under equalities legislation.                                 | Ongoing. Equalities statement to be reviewed by December 2017 | L/M                         |   |
| 5. | ER           | Changes to, and events in, external political landscape                  | Delays to delivery of review milestones eg constraints around announcements.                       | M/H               | Ensure effective liaison between Secretariat and Scottish Government/Scotland Office in order to build known events into project planning.   | Ongoing   | M/M                         | Decisions affecting BCS may impact on Secretariat resources. Uncertainty following UK General Election.                                 |
| 6. | P            | Unavailability of offices/theft or failure of equipment/computer systems | Inability to operate from usual offices or possible loss of access to computers, network and data. | L/H               | Secretariat Business Continuity Plan Data backups under SCOTS. Ensure appropriate physical security precautions. Migration to SCOTS ensuring technical support from Scottish Government. | Review BCP by December 2017                                   | L/M                         | The BCP needs to be reviewed. The transfer to SCOTS took place in August 2016.  |

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|----|--------------|---|--|-------------------|--|-------------|-----------------------------|--|
| 7. | T            | Data loss or corruption                                   | Faulty decisions, loss of reputation                   | L/H               | Migration to SCOTS ensuring technical support from Scottish Government.                            |             | L/M                         | The transfer to SCOTS took place in August 2016. |
| 8. | T            | Decisions taken by BCS impacting on secretariat resources | Risk to completion of review within statutory deadline | M/H               | Project planning and monitoring. Ensure sufficient funding to bring in temporary staff as required | Ongoing     | M/M                         |  |