**Risk & Impact Assessment (RIA) Template**

As a requirement of [BSCP537](https://www.elexon.co.uk/wp-content/uploads/2015/10/BSCP537_v8.0.pdf), ‘SVA Qualification Process for BSC Parties, Party Agents and CVA Meter Operators’,[[1]](#footnote-1) all organisations who are Qualified, except Suppliers, are required to maintain their Qualified status through the re-Qualification process. The principle of self-assessment underpins the re-Qualification process and Qualified Persons must undertake a **Risk and Impact Assessment** (RIA) preceding changes to their Systems, Staff or Processes to determine if any changes are [Material Changes](https://www.elexon.co.uk/wp-content/uploads/2013/11/material_change_requalification_triggers_v3.0_cgi.pdf)[[2]](#footnote-2).

This document is a RIA template to provide guidance to BSC Parties and Agents when assessing the impact of change within the business. This is a template only and Parties can choose to provide a RIA in a format of their choice.

A trigger for re-Qualification will normally be any change that would impact the Qualification Requirements embodied in the Qualification [Self-Assessment Document (SAD)](https://www.elexon.co.uk/wp-content/uploads/2014/05/BSCP537_Appendix_1_SAD_v12.0.pdf). Any Risk and Impact Assessment process should ascertain whether a change has the potential to materially impact the Settlement process and/or a Qualified Person’s obligations under the BSC should that change not be appropriately implemented.

Various factors including operational, implementation and data quality issues should be assessed for their levels of risk and probability so that a view can be taken on the likeliness of a change to be material or not.

**Section 1: Company information**

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| --- |
| **Name of Qualified Person:** |
| **What is the MPID associated with the service:** |
| **Market Role(s) being considered for re-Qualification:** |
| **Main Contact:**   * *Phone :* * *Email:* * *Address:* |
| **Date:** |

**Section 2: Project details**

|  |
| --- |
| **Introduction**   * *Information about the Qualified Person and the services you are currently operating.* |
| **Proposed changes to be implemented**   * *Information about the change required* |
| **How will this be achieved?**   * *Please provide detailed explanation of how you wish to achieve this change.* * *Please attach evidence if necessary* |
| **Benefits of proposed change to your business?** |
| The RIA should be able to demonstrate that the Qualified Person has considered impact of the change(s) on key elements such as:   * Systems used for daily operations; * Business Processes; * Staff resources; * Local Working Procedures (LWI); * Performance and capacity capabilities; * The existing Disaster Recovery of all key data, systems and processes; * Security and control arrangement; |
| **Potential issues:**  *Outline any likely errors which could occur as a result of unsuccessful implementation of this project and actions to help mitigate risks.* |
| **Expected Project Timescales:**   * *Please note that Re-Qualification is a Preventative Performance Assurance Technique and should be completed prior to a change being made* |
| **Proposed Migration strategy and contingency plans:** |
| **Third Party Involvement:**  *Outline all likely third parties involved in the process and their role and contractual terms agreed.* |

**In all cases, if the organisation is in doubt about the need for re-Qualification, it should contact ELEXON who will discuss and give advice as necessary.**

**Section 3: Risk Assessment**

**Assessment Outcome:**

Various factors including operational, implementation and data quality issues should be assessed for their levels of risk and probability of failure occurring during the implementation of the project so that a view can be taken on the likeliness of a change to be material or not.

1. **Heat Map**  
   The overall risk rating (systems, staff and processes) should be indicated on the risk assessment heat map below and summarised in the blank spaces below the table. Please refer to Table 1 of the appendix for guidance on the scoring.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **Scores** | | |
|  |  | (1-3) | (4-6) | (7-9) |
| **Probability** | 3 |  |  |  |
| 2 |  |  |  |
| 1 |  |  |  |
|  |  | **Low** | **Medium** | **High** |

If a risk rating falls within any of the red boxes, the Qualified Person is expected to seek re-Qualification.

1. **Summary Risk Assessment** (please provide brief explanation of your risk outcome in the blank spaces below)

|  |  |
| --- | --- |
| **Impact of change of BSC Settlement** (please refer to table 2 of the appendix for guidance): |  |
| **Probability of failure during the implementation of change** (Please refer to table 3 of the appendix for guidance): |  |
| **Number of MPANs affected as a result of this change** (please refer to table 4 of the appendix for guidance): |  |
| **Summary of final Risk Rating:** | |
| **Mitigation of Risk:**   * *Please outline the mitigations and controls which have been established to mitigate potential failures during or after the implementation of your project.* | |

1. **Risk and Impact Assessment matrix**

**Table 1:**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Definition of Scores on the heat map** | | | | | | | | | |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** |  |
|  |  |  |  |  |  |  |  |  | **1-3 = Low Risk**  Changes that are **unlikely** to have an impact on a Qualified Person’s ability to meet its BSC Obligations would not normally be the subject of a discussion with ELEXON and re-Qualification would probably not be required; |
|  |  |  |  |  |  |  |  |  | **4-6 = Medium Risk**  Changes that are **likely** to have an impact on a Qualified Person’s ability to meet its BSC Obligations may be the subject of a discussion with ELEXON to determine whether they would constitute a Material Change; |
|  |  |  |  |  |  |  |  |  | **7 – 9 = High Risk**  Changes that are **highly likely** to have an impact on a Qualified Person’s ability to meet its BSC Obligations would normally be a Material Change and it is almost certain that re- Qualification would be required; |

The impact of a change and its potential to trigger a re-Qualification exercise will vary at different agent organisations. Where it is unclear from the results of a Risk and Impact assessment conducted on any change whether or not re-Qualification is required, the organisation should consider the questions and obligations in the SAD which may be impacted, and if necessary contact ELEXON for further guidance.

**Table 2:**

This sample table assesses change of systems used by a business

|  |  |  |
| --- | --- | --- |
| **Impact on BSC Settlement** | **Description** | **Risk to BSC Settlement** |
| Low (1-3) | Change impacts peripheral systems only, not the Qualified system | Does not impact the settlement process |
| Medium (4-6) | Change impacts the Qualified system, although failure will not lead to loss of operational performance | Error affects parties directly or indirectly related to settlement. |
| High (7-9) | Change has major impact on more than one functional area within the Qualified system. Failure of change will result in unacceptable operational failure | Error results in inability to operate part or all of system impacting on settlement process |

**Table 3**

|  |  |
| --- | --- |
| **Probability of failure** | **Description** |
| **Low** | Current strategy ensures that issues can be resolved quickly and easily. Failure of the change is not anticipated, although mitigating actions are in place should this occur. |
| **Medium** | Risks are identified and mitigating actions to be completed. Back out plan in place |
| **High** | No back out plan is in place and mitigation actions are incomplete, resulting in high probability of failure. |

**Table 4:** The size of a Party should be considered when assessing the number of MPANs affected as a result of implementing this change to be business.

|  |  |
| --- | --- |
| **Risk Level** | **Percentage of MPANs affected** |
| Low Risk | Does not affect MPANs |
| Medium Risk | Affects less than 5% of MPANs |
| High Risk | Affects more than 5% of MPANs |

1. BSCP537 ‘SVA Qualification Process for BSC Parties, Party Agents and CVA Meter Operators’ [↑](#footnote-ref-1)
2. Material change means a change to a person’s systems or processes which is of such a type or magnitude as to raise the reasonable expectation of an impact on that person’s ability to meet its obligations under The Code and any Material Changes described as such in Section J and/or BSCP537. [↑](#footnote-ref-2)