

CIVIL NUCLEAR CONSTABULARY

Business Critical Models

Background

The *Review of quality assurance of Government analytical models* by Sir Nicholas Macpherson, Permanent Secretary to the Treasury, was published in March 2013. This review was commissioned following the problems surrounding the Intercity West Coast franchise competition. The aim was to examine the quality assurance of government analytical models which are used to inform policy.

The CNC has been working alongside DECC to quality assure our existing business critical models in-line with Sir Nicholas Macpherson's recommendations.

The CNC is using the definition of a model as stated within the Government Actuary's Department's document entitled: *Using Models in Decision Making* which states:

"A model is a mechanism for demonstrating some aspect of the real world. Models are typically used to make predictions about how the real world will behave under a particular set of circumstances and therefore allow more informed decisions."

The CNC is basing its work on the following, self-determined, definition of a 'business critical' model:

"A model that guides decisions in the provision of resources for the core business role of the Civil Nuclear Constabulary."

The following 3 models fit within these definitions:

- Workforce planning
- Budgeting
- Provision for early departure costs

The following is a summary of the Civil Nuclear Constabulary's Business Critical Models:

Model Name	Purpose	Monetary Value	Frequency of Use
Workforce planning	Forecasting	N/A	Daily
Budgeting	Forecasting	N/A	Quarterly
Provision for early departure costs	Forecasting	N/A	Quarterly