

**APPENDIX B**

Scale	Description	Departmental Service Plan	Internal Operations	People	Reputation	Financial per annum / per loss
1	Negligible	No impact to objectives in service plan	Limited disruption to operations and service quality satisfactory	N/A	Public concern restricted to local complaints	<£50k
2	Low	Minor impact to service as objectives in service plan are not met	Short term disruption to operations resulting in a minor adverse impact on partnerships and minimal reduction in service quality	Residents inconvenienced	Minor adverse local media attention, 'routine sniping' and complaints	£50k-£250k
3	Medium	Considerable fall in service as objectives in service plan are not met	Sustained low level disruption to operations / Relevant partnership relationships strained / Service quality not satisfactory	Potential for minor physical injuries / Stressful experience	Adverse local media public attention	£250k - £500k
4	High	Major impact to services as objectives in service plan are not met	Serious disruption to operations with relationships in major partnerships affected / Service quality not acceptable with adverse impact on front line services	Exposure to dangerous conditions creating potential for serious physical or mental harm	Serious negative regional criticism, with some national coverage	£500-£750k
5	Very High	Significant fall/failure in service as objectives in service plan are not met	Long term serious interruption to operations / Major partnerships under threat / Service quality not acceptable with impact on front line services	Exposure to dangerous conditions leading to potential loss of life or permanent physical/mental damage	Prolonged regional and national condemnation, with serious damage to the reputation of the organisation	>£750k

**Risk Likelihood Measurement Criteria**

Rating Scale	Likelihood	Example of Loss/Event Frequency	Probability %	Projects
1	Rare	Expected less than 1 time in next 10 years	0-5%	1 in every 50 projects
2	Unlikely	Expected 1 time in next 5 to 10 years	6-20%	1 in every 25 projects
3	Possible	Expected 1 time in 3 to 4 years	21-40%	1 in every 12 projects

4	Probable / Likely	Expected 1 time in 2 years	41-60%	1 in every 6 projects
5	Almost Certain	Expected annually	61% +	1 in every 3 projects

**Risk Management Matrix - What colour does your Current Risk Score fall in?**

	<u>Impact</u>				
5 Very High	5	10	15	20	25
4 High	4	8	12	16	20
3 Medium	3	6	9	12	15
2 Low	2	4	6	8	10
1 Negligible	1	2	3	4	5
	<b>1</b> Rare	<b>2</b> Unlikely	<b>3</b> Possible	<b>4</b> Probable / Likely	<b>5</b> Almost certain

Likelihood

<u>Tolerance Levels</u>	<u>Current Risk Score</u>	<u>Expected Actions by Risk Owners</u>
White	1 to 2	Contingency Plans = No action required Monitoring = No action required Escalation = No action required
Low	3 to 5	Contingency Plans = Not essential Monitoring = Review once a year / Reporting with service area Escalation = Service area manager
Medium	6 to 12	Contingency = Contingency plans considered Monitoring = Review at least twice a year / Reporting to DMT Escalation = Business Partners / Relevant AD / DMT
High	15 to 25	Contingency = Comprehensive contingency plans Monitoring = Quarterly Monitoring / Consider reporting to Pensions Committee Escalation = Chief Officer / CMT / Lead Member