




Score	Impact - Higher of			Likelihood (the proximity of the risk at the time of assessment)
	Financial	Reputation	Service Delivery	
4 (High)	>20% of budget	National media coverage – permanent impact on reputation	>80% Serious service or programme failure directly affecting vulnerable groups, requiring intervention by Members.	Almost certain It is reasonable to expect that the event will undoubtedly happen or recur, possibly frequently or at least within the next six months A more than 50% chance of the risk occurring
3 (Medium)	11% to 20% of budget	Local media and TV coverage- long term local reputation affected	50%-80% Significant service or project disruption requiring intervention by Corporate Directors / Management Board	Probably / likely The event is more than likely to occur. It will probably happen in the next year but is not a persisting issue. The chance of the event occurring is between a 25% to 50% likelihood
2 (Low)	5% to 10% budget	Local newspaper coverage – reputation affected temporarily	25%-49% Noticeable disruption to outputs requiring intervention by a relevant Director / Service Manager	Possible Little likelihood of the event occurring. It might happen in the next 18 months or recur occasionally. The chance of the event occurring is between a 10% to 24% likelihood.
1 (Very Low)	<5% of budget	Local gossip/ reputation affected internally	<25% Short term service disruption requiring intervention by a unit or project manager or equivalent	Unlikely The event is not expected, There is no expectation that the event will occur, but it is possible that it might do so. The chance of the event occurring is less than 10%.

Risk Categorisation

Likelihood	High (4)	4	8	12	16
	Medium (3)	3	6	9	12
	Low (2)	2	4	6	8
	Very Low (1)	1	2	3	4
		Very Low (1)	Low (2)	Medium (3)	High (4)
		Impact (Higher of financial, reputation and service delivery)			

-  Red risks are those that require immediate action to reduce their likelihood and/or impact. These risks should be monitored on at least a monthly basis to ensure that the further actions necessary to reduce the level of risk are completed within appropriate timescales. These risks should be escalated / reported as appropriate to ensure that they are brought to the attention of the Management Board and members.
-  Amber risks are those that require action to ensure that the effectiveness of existing control measures are monitored and improvements made if required to reduce the likelihood and/or impact to green. These risks should be reviewed on at least a quarterly basis.
-  Green risks are those that should be monitored on a less frequent basis, either six monthly or annually, to ensure that existing control measures continue to be effective.