

# Appendix 2 Threat and Opportunity Risk Assessment

## Impact Classification

	Service disruption	Financial Loss	Reputation	Failure to provide statutory service/meet legal obligations	People
<b>Extreme 5</b>	Total failure of service	Over £5m	National publicity > than 3 days. Resignation of leading Member or Chief Officer.	Multiple civil or criminal suits. Litigation, claim or fine above £5m	Fatality of one of more clients/staff
<b>Very high 4</b>	Serious disruption to service	£500k- £5m	National public or press interest.	Litigation, claim or fine £500k - £5m	Serious injury. Permanent disablement of one of more clients/staff
<b>Medium 3</b>	Disruption to service	£50k -£500k	Local public/ press interest	Litigation, claim or fine £50k - £500k	Major injury to individual
<b>Low 2</b>	Some minor impact on service	£5k - £50k	Contained within department	Litigation, claim or fine £5k - £50k	Minor injuries to several people
<b>Negligible 1</b>	Annoyance but does not disrupt service	< £5k	Contained within unit/section	Litigation, claim or fine less than £5k	Minor injury to an individual

Select the highest category to score the risk.

### Likelihood Classification For An Event Occurring In A Given Year

5. *Almost Certain*—Expected to occur in most circumstances (> 80%).
4. *Likely* - Will probably occur in most circumstances (51% - 80%).
3. *Possible* – Fairly likely to occur (21% - 50%).
2. *Unlikely* - Could occur at some time (6% - 20%).
1. *Rare* -May occur only in exceptional circumstances (0 – 5%).

### **Risk Rating/Scoring = Impact\*Likelihood**

#### Prioritisation of Risks

<b>20-25</b>	Those risks requiring immediate management and monitoring
<b>9-19</b>	Those risks requiring management and monitoring but less time critical
<b>1-8</b>	Those risks which require ongoing monitoring

#### Approaches that can be adopted for the management of risk:

- **Eliminating or avoiding:** Changing or abandoning goals specifically associated with the risk in question, or choosing alternative approaches or processes that make what was a risk no longer relevant.
- **Risk sharing:** Sharing risks in part or full with another stakeholder who could be involved solely to facilitate risk treatment.
- **Reducing the probability:** Changing approach identifying causal links between threat and impact, or causes of threat, and intervening to mitigate occurrence, acting to reduce the threat.
- **Reducing the impact:** Developing contingency plans for responding to the threat if it occurs, even if other steps have been taken to minimise risk.