



ID	Risk heading	Risk appetite	Risk description	Owner	Gross risk			Mitigation/controls	Residual risk			Movement since last review	Residual exceeds appetite? Y/N	If Y, how long has it exceeded?
					Impact	Probability	Score		Impact	Probability	Score			
1	Regulatory or compliance	Averse (risk score 25)	<p>We fail to ensure that our system of regulation meets the needs of people who use services and workers.</p> <p><b>Cause:</b></p> <p>We take too long to make a decision, make an indefensible decision, or are unable to make a decision due to:</p> <ul style="list-style-type: none"> <li>Insufficient staff as a result of external factors we cannot control, resourcing issues in the sector affecting service provision, difficulty recruiting or errors in our resource model assumptions</li> <li>Ineffective quality assurance, decision-making frameworks or systems, reciprocal arrangements with third parties</li> <li>Legislation or third-party policies preventing us from obtaining necessary information.</li> </ul> <p>We do not share/receive information and intelligence with/from other organisations.</p> <p>Our processes and approach are bureaucratic, and our legislative framework is a structural barrier to flexible working across care.</p> <p>The arrangements for Fitness to Practise Panel Hearings are not compliant with evolving law.</p> <p><del>Failure to secure the legislative and Rule changes for FPP.</del></p> <p><del>Failure to engage the sector in the changes for FPP.</del></p> <p><del>Increasing cost of digital solutions</del></p> <p><del>Failure of delivery of digital solutions in time for go-live</del></p> <p><del>FPP</del></p> <p><del>Failure to scope digital testing adequately</del></p>	Director of Regulation	5	4	20 (High)	<p><b>Existing Mitigation and Controls</b></p> <p>Rules and frameworks based on risk in place to ensure legal compliance, fairness and consistency.</p> <p>Digital systems to manage our processes and casework, and hold hearings, with ongoing development of those systems.</p> <p>Resource modelling for calculating our staff base.</p> <p>Training and quality assurance and audit process in place for staff and panel decision making.</p> <p>Publicising hearing outcomes and decisions.</p> <p>Over recruitment of key posts, use of overtime and external legal presenter services to undertake conduct of panel hearings to provide additional capacity.</p> <p>Liaison work with sector to ensure understanding of our frameworks and processes and to receive feedback to help us improve.</p> <p>Relationships and where necessary data-sharing agreements with other agencies to share intelligence for public protection.</p> <p><b>Planned Mitigation and Controls</b></p>	4	3	12 (Moderate)	↔	N	

ID	Risk heading	Risk appetite	Risk description	Owner	Gross risk			Mitigation/controls	Residual risk			Movement since last review	Residual exceeds appetite? Y/N	If Y, how long has it exceeded?
			<p><del>system changes cause errors in registration. Workers advised in error they are no longer registered.</del></p> <p><b>Consequence:</b></p> <p>A worker's fitness to practise is not assessed as they do not comply with registration requirements, or our registration process is too slow, or a worker is on the register who is not fit to practise and as a consequence a service user is harmed.</p> <p>Care cannot be delivered in a person-centred way because of barriers caused by registration and fitness to practise approach and processes, which leads to poorer outcomes for people using services.</p> <p>Workers leave the sector unnecessarily because of our processes and decisions, which compromises the ability for care to be delivered to people using services.</p> <p>Our processes have a detrimental impact on workers and others involved in regulation processes, and it affects their health and personal circumstances.</p> <p>The public lose confidence in the profession and us as regulator.</p> <p>The workforce does not have sufficient capacity to provide care and support to people who use services because they are focussed on responding to regulatory requirements.</p> <p>FPP</p> <p><del>Workers and employers do not understand the reduced timescale to register. Our systems are not ready to deliver the changes to registration and renewal processes on time. Workers advised in error they are no longer registered; PFR updated in error. Legal action due to errors in workers understanding their registration. Claims for compensation due to not being able to work.</del></p>					<p>Implement and embed fitness to practise help and support lines for witnesses and members of the public making a referral – Summer 2025 – Director of Regulation</p> <p>Implementation of the data and intelligence strategy to share intelligence with partner bodies, (linked to action in risk 4)</p> <p>Work with Police Scotland, Scottish Government, Disclosure Scotland and GTCS mapping information sharing processes – (Director of Regulation)</p> <p>FPP Mitigations</p> <p><del>Close monitoring of development costs and potential repurposes of digital development costs in 2024/25 to ensure funding capacity remains available.</del></p> <p>Stakeholder Advisory Group established for the Future Proofing Programme.</p> <p><del>-Legal advice being sought around the impact of the NOD errors. Report to Council to decide on action required.</del></p> <p><del>System error has been fixed and lessons learned for future testing.</del></p> <p><del>Detailed communications plan targeting groups of workers according to their needs with the right information. Separate communications for employers. Regularly updated FPP information on website.</del></p> <p><del>Employer and registrant events and toolkit from March 2024 highlighting all key</del></p>						

ID	Risk heading	Risk appetite	Risk description	Owner	Gross risk			Mitigation/controls	Residual risk			Movement since last review	Residual exceeds appetite? Y/N	If Y, how long has it exceeded?
								changes and what stakeholders need to know.						
2	Regulatory or compliance	Averse (25)	<p>We fail to ensure that our workforce development function supports the workforce and employers to achieve the right standards and qualifications to gain and maintain registration.</p> <p><b>Cause:</b></p> <p>Failure to ensure the sector understand the changing qualification, CPL and Return to Practice (RTP) requirements.</p> <p>Failure to engage and communicate the changes to the code of practice with the sector</p> <p>Our contribution to developing resources does not meet the needs of registrants and employers.</p> <p>Our standards (i.e National Occupational Standards, CPL, Standards in Social Work Education, Codes of Practice, Qualification requirements) don't meet the needs of employers and/or the workforce to deliver high quality care and support.</p> <p>Failure to share supply and demand data and intelligence with key partners to ensure adequate levels of training and funding</p> <p><b>Consequence:</b></p> <p>Workers are not appropriately qualified and skilled and are removed from the register, leading to gaps in service delivery which affects the delivery of care to people using services.</p> <p>Reduced confidence of public protection.</p> <p>Existing qualifications and standards do not support new models of care.</p> <p>Workers are unable to adhere to the SSSC Codes of Practice.</p> <p>Risk to our reputation with external partners when we cannot provide the information or data requested</p> <p>Workers do not understand the new CPL and RTP requirements and fail to maintain their registration.</p> <p>Workers do not adhere to the new codes because they do not know about them or understand them</p>	Director of Workforce, Education and Standards	4	4	16 (High)	<p><b>Existing controls</b></p> <p>The SSSC produces a quarterly workforce intelligence report on qualification conditions.</p> <p>Publish data on training provision across Scotland to meet identified demand.</p> <p>Working with Scottish Care and Coalition of Care and Support Providers in Scotland on the promotion and allocation of funding to employers.</p> <p>We are supporting a Joint Social Services Taskforce workstream aiming to produce information for employers and workers about funding for training and qualifications.</p> <p>Published career pathways resources to promote a career in social care which link to qualifications funding and registration.</p> <p>We are developing a career opportunities tool with NES to support career development in social care.</p> <p>We are working with NES to revise the National Induction Framework for adult social care and develop an induction passport.</p> <p>We are supporting the development of a new Graduate Apprenticeship Route into Social Work.</p> <p>We have developed a new integrated health and social care SVQ qualification.</p> <p>We have developed an improvement plan based on the registrant and learning resources surveys and our data insights research to</p>	4	3	12 (Moderate)		N	


ID	Risk heading	Risk appetite	Risk description	Owner	Gross risk		Mitigation/controls	Residual risk			Movement since last review	Residual exceeds appetite? Y/N	If Y, how long has it exceeded?	
							<div>inform how we target and promote our resources to different registrant groups.</div> <div>The new model of CPL, flexibility of qualifications we accept for registration and return to practice standards for social workers have been implemented.</div> <div>Working in partnership with Skills Development Scotland, SG and NES to develop a Skills Response Plan for Adult Social Care.</div> <div>Working with Sector Skills partners on the NOS review, to be completed by end of 2025.</div> <div>Employer and registrant events during 2024 highlighting all key changes and what stakeholders need to know.</div> <div>Workforce Skills Report to be written and published in 2024/25.</div> <div>SSSC data triage and delivery group established between WES and P&amp;I to prioritise and respond to data requests.</div> <div>Planned actions – It is to be noted not all these actions are at the sole discretion of the SSSC to implement.</div>							
3	Regulatory or compliance	Averse (25)	<div>We fail to meet corporate governance, external scrutiny and legal obligations.</div> <div>Cause:</div> <div>Corporate governance arrangements are not effectively discharged at the right level. Insufficient project management. Unclear policies and procedures. Ineffective working relationships between Council Members and Officers. Poor assurance mapping.</div>	Director of Regulation	4	4	16 (High)	<div>Existing mitigation and controls</div> <div>Effectiveness review of Council performance carried out annually.</div> <div>Audit and Assurance Committee review own effectiveness annually.</div>	34	34	16 (High)	<div></div>	N	

ID	Risk heading	Risk appetite	Risk description	Owner	Gross risk			Mitigation/controls	Residual risk			Movement since last review	Residual exceeds appetite? Y/N	If Y, how long has it exceeded?
			<p>FPP</p> <p>Failure to follow PMO methodology Failure to escalate project issues accordingly</p> <p><b>Consequence:</b></p> <p>Loss of credibility. Conflicts of interest. Fraud. Data breach/loss. Information and records management does not comply with legislative requirements. Reduced quality of challenge and oversight. Reduced public confidence. Qualified audit.</p> <p>Failure to deliver strategic objectives. Shared services not meeting SSSC requirements.</p> <p>FPP</p> <p><del>The project is delayed, and we cannot support the delivery of the project milestones and meet legislative requirements. Workforce becomes confused about their responsibilities to register, CPL and RTP requirements.</del></p> <p><del>Legal action due to errors in workers understanding their registration. Claims for compensation due to not being able to work.</del></p>					<p>Assurance mapping part of regular reporting to Audit and Assurance Committee.</p> <p>Agreed internal audit plan up to 31 March 2025.</p> <p>Roll out of legislative compliance framework.</p> <p><b>Planned actions</b></p> <p>Contract in place with Henderson Loggie to 31 March 2025.</p> <p><del>Two external Scottish Government Assurance exercises undertaken for project controls and digital development. Both audits highlighted clear strengths in project management and no major weaknesses.</del></p> <p><del>Detailed communications plan for FPP changes targeting groups of workers according to their needs with the right information. Separate communications for employers. Regularly updated FPP information on website.</del></p> <p><del>Employer and registrant events during 2024 highlighting all key changes and what stakeholders need to know.</del></p> <p><del>Complaints re NOD issue being managed by Registration directly. Legal advice being sought re impact.</del></p>						
4	Communication and profile: Proportionate regulation	Cautious (12-15)	<p>We fail to provide value to our stakeholders and demonstrate our impact.</p> <p><b>Cause:</b></p> <p>People don't understand how we make decisions. Insufficient management of key relationships. Stakeholders do not have the capacity/resources to engage.</p>	Director of Strategy and Performance	3	4	12 (Moderate)	<p><b>Existing mitigation and controls</b></p> <p>Regular review of business plan objectives in line with budget monitoring (Operational Management Team)</p> <p>Regular surveying of Registrants and Stakeholders</p>	34	3	12 (moderate)		N	

ID	Risk heading	Risk appetite	Risk description	Owner	Gross risk			Mitigation/controls	Residual risk			Movement since last review	Residual exceeds appetite? Y/N	If Y, how long has it exceeded?
			<p>Limited resource to communicate the role of SSSC and our key programmes including the Future Proofing Programme. Unable to respond timeously to requests for internal data due to lack of resource.</p> <p><del>FPP – System changes errors causing workers resulted in us advising workers, and updating the PFR to wrongly show, that they were not registered.</del></p> <p><b>Consequence:</b></p> <p>Reduced public confidence. Lack of stakeholder involvement/engagement in design and delivery of strategic outcomes. Unable to implement the Scottish Approach to Service Design Stakeholder voice is not heard. Poor perception of registration. Under-utilisation of SSSC resources. Risk to reputation with our external partners who rely on SSSC data. The value of registration is diminished. Conflict of interest with SG when consulting on fees. Insufficient communication and engagement of the Future Proofing Programme with low awareness of the changes affecting registrants and employers.</p>					<p>to determine the perception of the work of the SSSC</p> <p>Process in place to monitor activity on outcomes and inform future year budgets.</p> <p>New strategic plan based on research and intelligence gathered, which reflects the views of our stakeholders (Director of Strategy &amp; Performance)</p> <p>Stakeholder Advisory Group established for the Future Proofing Programme.</p> <p><del>Formal consultations have taken place in relation to the changes. We have established an external working established to work with relating to Registration changes.</del></p> <p><del>Detailed communications plan for FPP changes targeting groups of workers according to their needs with the right information. Separate communications for employers. Regularly updated FPP information on website.</del></p> <p><del>Employer and registrant events and toolkit during 2024 highlighting all key changes and what stakeholders need to know.</del></p> <p><del>Complaints re NOD issue being managed by Registration directly. Issue has been rectified and all workers notified. Legal advice being obtained.</del></p> <p>Data and intelligence delivery plan in place which demonstrates how we influence national policy and decision making.</p>						

ID	Risk heading	Risk appetite	Risk description	Owner	Gross risk			Mitigation/controls	Residual risk			Movement since last review	Residual exceeds appetite? Y/N	If Y, how long has it exceeded?
5	People and culture: Organisational development	Averse (25)	<p>We fail to develop and support SSSC staff appropriately to ensure we have a motivated and skilled workforce</p> <p><b>Cause:</b></p> <p>Lack of a strategic workforce plan and ineffective workforce planning at directorate and team level.  Lack of effective monitoring of workload and capacity.  Managers are unaware of their duties in relation to supporting staff.  No consistent approach to leadership and management development.  Insufficient staff to support business as usual which impacts on other members of staff.  Large number of fixed term contracts supporting delivery.  Business critical posts not recruited to.  Single points of failure in several areas.  Implications of delays of the NCS and Independent review  Implications of unsettled 2022/23 pay award  Unsuccessful recruitment  Poor project management of future grading structure</p> <p><b>Consequence:</b></p> <p>High turnover of staff - staff leave the organisation due to uncertainty  Loss of Investors in People status.  Unable to deliver our statutory functions  Unable to deliver strategic plan  Unable to deliver FPP  Dismissal of staff due to poor performance.  Unfair/constructive dismissal claim.  Legal claim under Equalities Act.  Reputational damage.  Reduced ability to influence change and policy development.  Increase in staff suffering from stress related illness and increased absences.  Unable to effectively maintain business as usual and deliver strategic outcomes if fixed term contracts are ended.  Industrial action due to pay claim/ outcomes from rewards review.</p>	Director of WES)	5	4	20 (High)	<p><b>Existing mitigation and controls</b></p> <p>People Strategy in place and directors are accountable for delivery of particular themes. People Strategy Board reviews progress and reports to Council.</p> <p>Development discussions take place with every employee at least twice a year.</p> <p>Regular open and honest communications with staff on people matters inviting questions and feedback e.g. Chief Executive webinars, EMT broadcasts, weekly bulletins, breaking news on intranet, meetings with the partnership forum, HR drop-in sessions, staff surveys, focus groups on particular issues, annual staff event.</p> <p>Internal Audit completed- no recommendations</p> <p><b>Planned actions</b></p> <p>Delivery of People Strategy action plan (Director of WES - deadline September 2024)</p> <p>Discuss with Scottish Government establishing a core budget at a level that we can employ sufficient permanent staff to continue to deliver the objectives in the strategic plan.  (Chief Executive – March 2024)</p>	4	3	12 (Moderate)	↔	N	



ID	Risk heading	Risk appetite	Risk description	Owner	Gross risk			Mitigation/controls	Residual risk			Movement since last review	Residual exceeds appetite? Y/N	If Y, how long has it exceeded?
6	Finance and value for money: Financial management	Cautious (12-15)	<p>The SSSC fail to secure sufficient budget resources required to deliver the strategic plan.</p> <p><b>Cause:</b></p> <ul style="list-style-type: none"> <li>Scottish Government do not increase permanent funding, and we continue to run with a deficit budget</li> <li>Single year funding settlements to support a three-year strategic plan.</li> <li>Fee income is not in line with projections.</li> <li>Late notification of Scottish Government budget allocations.</li> <li>Removal of ability to hold reserves.</li> <li>Ineffective financial planning, not aligned to strategic and business plans.</li> <li>Any agreed increase in fees is offset by a reduction in grant in aid.</li> <li>No compulsory redundancy policy affects ability to realise savings from staffing efficiencies</li> <li>Scottish Government struggle to fund spend-to-save initiatives</li> </ul> <p><b>Consequence:</b></p> <ul style="list-style-type: none"> <li>We are unable to fund the organisation to deliver our statutory public protection functions</li> <li>We have a reliance on temporary funded post to delivery core statutory functions</li> <li>We cannot implement improved process due to lack of investment</li> </ul>	Acting CEO)	4	5	20 (High)	<p><b>Existing mitigation and controls</b></p> <p>Financial Strategy that considers current position plus the next three years is in place and reviewed annually (last formal review in March 2023) and audit of financial sustainability</p> <p>Audit and Assurance Committee consider an assurance report that integrates the financial position, organisational performance and risks at each of its meetings.</p> <p>Budget performance reviewed at directorate and Executive Management Team level monthly, risks to achieving a balanced budget are identified and action taken by senior managers to mitigate.</p> <p>Strategic Plan 2023-26 and Financial Strategy 2023-26 agreed by Council.</p> <p>Resource models reviewed and updated and regularly compared to the actual position (Director of Regulation).</p> <p>Close communication with Scottish Government about budget and fee levels.</p> <p>Additional GIA received in August 2024</p> <p><b>Planned actions</b></p> <p>Budget planning for 2025/24 underway November 2024 Director of S&amp;P</p> <p>Fees proposal consultation – October 2024 CEO</p>	4	4	16(High)		N	



ID	Risk heading	Risk appetite	Risk description	Owner	Gross risk			Mitigation/controls	Residual risk			Movement since last review	Residual exceeds appetite? Y/N	If Y, how long has it exceeded?
7	Operational and policy delivery: Business continuity and adaptation of service	Cautious (12-15)	<p>We fail to have the appropriate measures in place to protect against cyber security attacks</p> <p><b>Cause:</b></p> <p>Insufficient funds allocated to manage core IT infrastructure.  Insufficient development investment to upgrade security and systems.  Lack of staff, skills and knowledge.  Insufficient horizon scanning of future threats.  Lack of understanding and awareness by staff.  Successful cyber-attack.</p> <p><b>Consequence:</b></p> <p>Complete loss of use of core business systems.  Loss of data and sensitive information.  Major data breach.  Financial fraud.  Action by external stakeholders – ICO, SPSO, Audit Scotland.  Financial penalties.</p>	Director of Strategy and Performance	4	5	20 (Very High)	<p>Cyber essentials accreditation.</p> <p>Regular mandatory cyber security training.</p> <p>ICT security policies in place.</p> <p>Positive internal audit  Relevant insurances in place.</p> <p>Regular cyber security incident management testing plan in place.</p> <p>Regular pen testing carried out twice yearly.</p> <p>Regular cycle of phishing exercises carried out for all staff and reported to Council yearly.</p> <p><b>Planned actions</b></p> <p>Planned Digital Development Programme for 2024/25</p>	3	4	12 (Moderate)	↔	N	

## RISK SCORING MATRIX

**Table 1 Impact scores**

	Consequence score (severity levels) and examples of descriptors				
	1	2	3	4	5
Domains	Negligible	Minor	Moderate	Major	Catastrophic
<b>Impact on the safety of, staff or public (physical/psychological harm)</b>	Minimal injury requiring no/minimal intervention or treatment.  No time off work	Minor injury or illness, requiring minor intervention  Requiring time off work for >3 days	Moderate injury requiring professional intervention  Requiring time off work for 4-14 days  RIDDOR/agency reportable incident  An event which impacts on a small number of stakeholders	Major injury leading to long-term incapacity/disability  Requiring time off work for >14 days  Mismanagement of cases with long-term effects and impacts of service users	Incident leading to death  Multiple permanent injuries or irreversible health effects  An event which impacts on a large number of stakeholders
<b>Quality/complaints/audit</b>	Peripheral element of treatment or service suboptimal  Informal complaint/inquiry	Overall service suboptimal  Formal complaint (stage 1)  Local resolution  Single failure to meet internal standards  Minor implications if unresolved  Reduced performance rating if unresolved	Service has significantly reduced effectiveness  Formal complaint (stage 2) complaint  Local resolution (with potential to go to independent review)  Repeated failure to meet internal standards  Major implications if findings are not acted on	Non-compliance with national standards with significant risk if unresolved  Multiple complaints/independent review  Low performance rating  Critical report	Totally unacceptable level or quality of service  Gross failure of findings not acted on  Inquest/ombudsman inquiry  Gross failure to meet national standards
<b>Human resources/organisational development/staffing/competence</b>	Short-term low staffing level that temporarily reduces service quality (< 1 day)	Low staffing level that reduces the service quality	Late delivery of key objective/service due to lack of staff  Unsafe staffing level or competence (>1 day)  Low staff morale  Poor staff attendance for mandatory/key training	Uncertain delivery of key objective/service due to lack of staff  Unsafe staffing level or competence (>5 days)  Loss of key staff  Very low staff morale  No staff attending mandatory/key training	Non-delivery of key objective/service due to lack of staff  Ongoing unsafe staffing levels or competence  Loss of several key staff  No staff attending mandatory training /key training on an ongoing basis
<b>Statutory duty/Governance/inspections</b>	No or minimal impact or breach of guidance/statutory duty	Breach of statutory legislation  Reduced performance rating if unresolved	Single breach in statutory duty  Challenging external recommendations/ improvement notice	Enforcement action  Multiple breaches in statutory duty  Improvement notices  Low performance rating  Qualified audit	Multiple breaches in statutory duty  Prosecution  Complete systems change required  Zero performance rating  Severely critical report
<b>Adverse publicity/reputation</b>	Rumours  Potential for public concern	Local media coverage – short-term reduction in public confidence  Elements of public expectation not being met	Local media coverage – long-term reduction in public confidence	National media coverage with <3 days service well below reasonable public expectation	National media coverage with >3 days service well below reasonable public expectation. MP concerned (questions in the House)  Total loss of public confidence
<b>Business objectives/projects</b>	Insignificant cost increase/schedule slippage	<5 per cent over project budget  Schedule slippage	5–10 per cent over project budget  Schedule slippage	Non-compliance with national 10–25 per cent over project budget  Schedule slippage  Key objectives not met	Incident leading >25 per cent over project budget  Schedule slippage  Key objectives not met
<b>Finance including losses and claims</b>	Loss or compensation of under £1,000	Loss of up to £25k of budget  Loss or compensation less than £10,000	Loss of £25k+ to £100k of budget  Loss or compensation between £10,000 and £50,000	Uncertain delivery of key objective/Loss of £100k+ to £500k of budget  Loss or compensation between £50,000 and £1150,000  Purchasers failing to pay on time	Non-delivery of key objective/Loss of >£500k of budget  Failure to meet specification/slippage  Loss of contract / payment by results  Loss or compensation >£150,000
<b>Service/business interruption Environmental impact</b>	Loss/interruption of >1 hour  Minimal or no impact on the environment	Loss/interruption of >8 hours  Minor impact on environment	Loss/interruption of >1 day  Moderate impact on environment	Loss/interruption of >1 week  Major impact on environment	Permanent loss of service or facility  Catastrophic impact on environment
<b>Breaches of confidentiality involving person identifiable data (PID), including data loss</b>	No significant reflection on any individuals or body. Media interest very unlikely  Minor breach of confidentiality. Only a single individual affected	Damage to an individual's reputation. Possible media interest, e.g. celebrity involved	Damage to a team's reputation. Some local media interest that may not go public	Damage to a service reputation/ low key local media coverage  Damage to an organisation's reputation/ local media coverage	Damage to SSSC reputation/ National media coverage.  Serious breach with potential for ID theft or over 1000 people affected
		Potentially serious breach. Less than 5 people affected or risk assessed as low, e.g. files were encrypted.	Serious potential breach & risk assessed high, e.g. unencrypted file lost. Up to 20 people affected.	Serious breach of confidentiality, e.g. up to 100 people affected	

### Table 2 Probability score (L)

What is the likelihood of the consequence occurring?

The frequency-based score is appropriate in most circumstances and is easier to identify. It should be used whenever it is possible to identify a frequency of occurrence.

Likelihood score	1	2	3	4	5
Descriptor	Rare	Unlikely	Possible	Likely	Almost certain
Frequency How often might it/does it happen	This will probably never happen/recur	Do not expect it to happen/recur but it is possible it may do so	Might happen or recur occasionally	Will probably happen/recur but it is not a persisting issue	Will undoubtedly happen/recur, possibly frequently

### Table 3 Risk rating = consequence x likelihood ( C x L )

Consequence scores (C)	Likelihood scores (L)				
	1	2	3	4	5
	Rare	Unlikely	Possible	Likely	Almost certain
5 Catastrophic	5	10	15	20	25
4 Major	4	8	12	16	20
3 Moderate	3	6	9	12	15
2 Minor	2	4	6	8	10
1 Negligible	1	2	3	4	5

For grading risk, the scores obtained from the risk matrix are assigned grades as follows:

1 - 5	VERY LOW risk
6 - 10	LOW risk
12 - 15	MODERATE risk
16 - 20	HIGH risk
25	VERY HIGH risk

Risk appetites, as agreed by Council, can be aligned to the above matrix as follows:

Risk grade	Risk appetite
VERY LOW risk	HUNGRY
LOW risk	OPEN
MODERATE risk	CAUTIOUS
HIGH risk	MINIMALIST
VERY HIGH risk	AVERSE

For example, a risk heading which has been assigned a risk appetite of 'minimalist' should not exceed an overall risk grade of high.

### Instructions for use

1. Define the risk(s) explicitly in terms of the adverse consequence(s) that might arise from the risk.
2. Use table 1 to determine the consequence score(s) (C) for the potential adverse outcome(s) relevant to the risk being evaluated.
3. Use table 2 to determine the likelihood score(s) (L) for those adverse outcomes. If possible, score the likelihood by assigning a predicted frequency of occurrence of the adverse outcome. If this is not possible, assign a probability to the adverse outcome occurring within a given time frame, such as the lifetime of a project. If it is not possible to determine a numerical probability then use the probability descriptions to determine the most appropriate score.
3. Calculate the risk rating by multiplying the consequence score by the likelihood score:  
 $C \text{ (consequence)} \times L \text{ (likelihood)} = R \text{ (risk score)}$
4. Identify the level at which the risk will be managed in the organisation, assign priorities for remedial action, and determine whether risks are to be accepted on the basis of the colour bandings and risk ratings, and the organisation's risk management system. Include the risk in the organisation risk register at the appropriate level.

### Scoring system in the trend column of the summary tables

In the trend section up to 6 months is judged as 'improving' greater than six months is 'gradually improving' and 'steady' is self explanatory.

