



**Likelihood -**

Level	Descriptor	Description
5	Almost certain	The event is <b>expected to occur</b> in most circumstances.
4	Likely	The event will <b>probably occur</b> in most circumstances.
3	Possible	The event <b>might occur</b> at some time.
2	Unlikely	The event <b>could occur</b> at some time.
1	Rare	The event <b>may occur</b> only in exceptional circumstances.

**Consequence -**

Level	Descriptor	Reputation & image	Financial	Operational efficiency
1	<b>Insignificant</b>	Unsubstantiated, low impact, low profile or	Negligible cost.	No impact.
2	<b>Minor</b>	Substantiated, low impact. Manager involvement	Low financial loss.	May incur delays Suspend scope
3	<b>Moderate</b>	Substantiated, moderate impact, Involvement,	Moderate financial loss.	Significant delays in major deliverables. Reduction in scope
4	<b>Major</b>	Substantiated, high impact, third party actions	Major financial loss.	Non – achievement of major deliverables Loss of RTO
5	<b>Catastrophic</b>	Substantiated, public embarrassment, very high multiple impacts, high profile, third party actions	Extreme financial loss.	Non achievement of major key objectives Loss of RTO

**Risk Ranking Matrix -**

Likelihood	Consequence				
	Insignificant <b>1</b>	Minor <b>2</b>	Moderate <b>3</b>	Major <b>4</b>	Catastrophic <b>5</b>
<b>5</b> Almost certain	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>
<b>4</b> Likely	<b>4</b>	<b>8</b>	<b>12</b>	<b>16</b>	<b>20</b>
<b>3</b> Possible	<b>3</b>	<b>6</b>	<b>9</b>	<b>12</b>	<b>15</b>
<b>2</b> Unlikely	<b>2</b>	<b>4</b>	<b>6</b>	<b>8</b>	<b>10</b>
<b>1</b> Rare	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

**Ranking and Response -**

Ranking	Risk	Required action
<b>20-25</b>	Extreme risk	Immediate action required
<b>13-19</b>	High risk	Senior management attention required.
<b>6-12</b>	Moderate risk	Management responsibility must be specified.
<b>1-5</b>	Low risk	Manage by routine procedures.

## RISK ACTION PLAN

<b>Item no</b>		<b>Describe risk item</b>	
<b>Responsible area</b>			
<b>Initial assessment</b>	<b>Likelihood =</b>	<b>Consequence =</b>	<b>Rating –</b>

<b>PREVENTATIVE ACTIONS</b>		
	Actions	Responsibilities
Training		
Operational	•	•
Managerial	•	•
Resource requirements	•	

<b>CORRECTIVE ACTIONS</b>		
	Actions	Responsibilities
Training		
Operational	•	•
Managerial	•	•
Resource requirements	•	

<b>MONITORING &amp; REVIEW ACTIONS</b>		
	Actions	Responsibilities
Frequency		
Training	•	
Operational	•	•
Managerial	•	•
Resource requirements	•	

<b>MANAGEMENT OF ACTIONS</b>		
Timing:	•	
Reporting:	•	
Actioned by:		Date: