

APPENDIX 1

Risk Register – guidance notes on the methodology used for the analysis and scoring of identified risks.

The risk scoring matrix is based on likelihood and consequence. The more likely the event or situation is to happen, and the greater the impact if it did happen, the higher the risk scoring. The scoring is calculated by multiplying the likelihood rate (1-5) by the consequence rate (1-5). For example, the lowest possible score is 1 for an event or situation that is very unlikely to occur and which would have only insignificant consequences if it did occur (1 X 1) and the highest possible is 25 for an event or situation that is almost certain to occur and which would have major consequences if it did occur (5 X 5).

Risk perception – it is possible that different people will have fundamentally different perceptions of risk. The effect of these differences may be reflected in their scoring practice, with some people taking a more optimistic view and playing down the seriousness of a potential situation.

The differences can be overcome by having the same people apply the scoring (for consistency) and by encouraging them to be self-aware and to openly acknowledge their own personal styles. Having people with a fundamentally different approach working together can provide a useful balance as they will challenge each other's thinking and help minimise the effects of their individual bias.

LIKELIHOOD	5 Almost certain	5	10	15	20	25
	4 Likely	4	8	12	16	20
	3 Possible	3	6	9	12	15
	2 Unlikely	2	4	6	8	10
	1 Very unlikely	1	2	3	4	5
		1 Insignificant	2 Minor	3 Moderate	4 Significant	5 Major
		CONSEQUENCE				

The likelihood scoring scale

Level	Descriptor	Type of likelihood anticipated/possible
5	Almost certain	<p>85% chance of occurrence.</p> <p>Is expected to occur, and probably quite soon.</p> <p>Is known to occur in fire and rescue services.</p> <p>The event will almost certainly occur.</p>
4	Likely	<p>60% - 84% chance of occurrence.</p> <p>Will probably occur.</p> <p>Is more likely to occur than not to occur.</p> <p>Has occurred before in fire and rescue services.</p> <p>The event is expected to occur.</p>
3	Possible	<p>31% - 59% chance of occurrence.</p> <p>The event could occur at some time.</p> <p>Has occurred before but usually in other types of organisations.</p> <p>Might occur at some stage.</p>
2	Unlikely	<p>11% - 30% chance of occurrence.</p> <p>Might conceivably occur at some time.</p> <p>More likely not to occur than to occur.</p> <p>There is a remote chance that it may occur at some stage.</p>
1	Very unlikely	<p>Less than 10% chance of occurrence.</p> <p>May occur in exceptional circumstances.</p> <p>Has never occurred before in the public sector.</p> <p>Very unlikely to occur.</p>

The impact scoring scale

Level	Descriptor	Type of impact that is anticipated/possible
5	Major	<p>Unable to achieve all or most planned objectives/outcomes.</p> <p>Unable to deliver all or most core functions and/or critical services.</p> <p>Major disruption to normal functioning.</p> <p>Major loss of public confidence in the Authority.</p> <p>Government intervention.</p> <p>Loss of life, severe/multiple life-changing injuries.</p> <p>Major local/significant national environmental damage.</p> <p>Financial loss over £501,000.</p>
4	Significant	<p>Unable to achieve one or a minority of planned objectives/outcomes.</p> <p>Unable to deliver one or a minority of aspects of core functions and/or critical services.</p> <p>Some significant disruption to normal functioning.</p> <p>Serious injury/ies involving long period of hospitalisation.</p> <p>Some significant loss of public confidence in the Authority.</p> <p>Special inspection or special measures.</p> <p>Financial loss between £251,000 and £500,000.</p>
3	Moderate	<p>Significant disruption to core functions and/or critical services.</p> <p>Serious injury/ies involving short period of hospitalisation.</p> <p>Some loss of public confidence in the Authority.</p> <p>Moderate damage to the local environment.</p> <p>Financial loss between £51,000 and £250,000.</p>
2	Minor	<p>Inability to deliver a departmental objective.</p>

		<p>Minor disruption to core functions and/or critical services.</p> <p>Minor injury/ies requiring only first aid.</p> <p>Some negative local media coverage.</p> <p>Minimal damage to the local environment.</p> <p>Financial loss between £11,000 and £50,000.</p>
1	Insignificant	<p>Some difficulty in achieving departmental objectives.</p> <p>Very minor disruption to normal services.</p> <p>No injuries.</p> <p>No media coverage.</p> <p>No damage to the local environment.</p> <p>Financial loss of up to £10,000.</p>

How to prioritise identified risks (“risk exposure”)

The purpose of this stage is to differentiate between the level of risk exposure that the Authority is able to live with, and the level of risk exposure that requires urgent action.

Value	Priority scale	What should happen
20-25	Very high Risk is intolerably high	Urgent and immediate action should be taken, suspending other activity or bringing in additional support if necessary until risk mitigation has taken place.
12-16	High Risk is substantial	Urgent action should be planned, with clear allocation of responsibility and reporting, with strict deadlines imposed.
8-10	Medium high Risk is moderate	Action should be planned to reduce the risk.
4-6	Medium low Risk is tolerable	Ensure that reasonable practicable controls are in place. Consider removing it to a service-level risk register.
1-3	Low	Action is not essential as the risk is minor. Consider removing it to a service-level risk register.