

**Appendix 2 - Risk Scoring Matrix**

| # | Likelihood                                       | Impact  |
|---|--|---|
| 1 | Unlikely to occur under normal circumstances     | Financial: Financial loss of less than £10k<br>Service Quality: Drop in performance or delays to a process or temporary loss of an access route to a service<br>Reputation: Limited local interest, single story<br>Legal/Regulatory: Not reportable to regulator/Ombudsman, simple fix<br>Health & Safety: Minor first aid required<br>Morale/Staffing: Isolated staff dissatisfaction   |
| 2 | Potential to occur however likelihood remain low | Financial: Financial loss of between £10k & £100k<br>Service Quality: Drop in performance or delays to a service area or sustained loss of access routes for services<br>Reputation: Local or 'industry' interest, single story over multiple news outlets<br>Legal/Regulatory: Reportable to regulator/Ombudsman, no or little follow up needed<br>Health & Safety: Minor injuries to employees or third parties<br>Morale/Staffing: Pockets of staff morale problems and increased turnover   |
| 3 | Likely to occur                                  | Financial: Financial loss of between £100k & £500k<br>Service Quality: Drop in performance or delays to delivering a wide range of services<br>Reputation: Short term negative media exposure<br>Legal/Regulatory: Regulator/Ombudsman report with immediate correction to be implemented, or risk of prosecution<br>Health & Safety: Simple 'medical professional' type care for employees or third parties, e.g. GP visit, minor injuries unit visit<br>Morale/Staffing: General staff morale problems and increased turnover   |
| 4 | Most likely to occur                             | Financial: Financial loss of between £500k & £1Mill<br>Service Quality: Major drop in performance or inability to deliver discretionary services<br>Reputation: Sustained negative media coverage, or South West or 'affected industry' publication exposure<br>Legal/Regulatory: Regulator/Ombudsman report requiring major project to correct or prosecution with fines, etc.<br>Health & Safety: Limited hospital care required for employees or third parties<br>Morale/Staffing: Widespread morale problems and high turnover. Not perceived as employer of choice |
| 5 | Almost certainly will occur                      | Financial: Financial loss of over £1Mill<br>Service Quality: Major drop in performance or inability to deliver mandatory services<br>Reputation: Long term negative media coverage, or national media exposure<br>Legal/Regulatory: Significant prosecution or fines, incarceration of directors<br>Health & Safety: Significant injuries or fatalities to employees or third parties<br>Morale/Staffing: Some senior leaders leave / high turnover of experienced staff, insufficient staff to complete statutory functions  |

**Green** - These risks have low impact and/or low likelihood of occurring. Have a plan to prevent them escalating but only light touch monitoring required

**Amber** - These risks need to be managed to prevent them causing an impact on the business or project. Clear plans with owners need to be in place and they should be managed by the project team or service leads on a regular basis

**Red** - These risks can have a significant impact on the business or project and must be managed by the project board or service management team. Mitigations must be in place and managed to ensure that the risk is not realised or can be controlled

