

**August 2024 HCC Key Risk Criteria / Guidelines, Categories and Matrix** – The following provide criteria / guidelines to consider when scoring risks. One or more rows of both the Impacts table and Likelihood table may be helpful in considering each risk. The matrix chart shows how the likelihood and impact scores are multiplied together to give a resultant overall score. e.g. *(Likelihood of) ‘Likely’ 4 x (Impact of) ‘High’ 8 = (Risk Score of) ‘Severe’ 32.* Depending on the resultant scores each risk will fall into a category of risk. Severe (Red) is the category for most immediate and comprehensive attention and action, Manageable (Green), the least.

Assessing Impacts

Service Impact Score and Title			1 Negligible	2 Low	4 Medium	8 High	16 Very High
Impact Type	Service disruption	Example Description	Annoyance, but does not disrupt service	Minor impact on service	Some service disruption	Significant service disruption	Total service loss for a significant time
	Injury (number / severity)		Minor injury to an individual	Minor injuries to several people	Major injury to an individual	Major/disabling injury to employee, service user or other stakeholder	Fatality of employees, service users or other stakeholders
	Financial impact e.g. Overspend / loss		Loss/overspend Under1% of budget	Loss/overspend Up to 2% of budget	Loss/overspend Up to 3% of budget	Loss/overspend Up to 5% of budget	Loss/overspend Over 5% of budget
	Negative Media coverage		None	None or limited local media comment	Adverse local media coverage	Adverse national media coverage	Adverse national publicity for more than 3 days
	Complaints and/or poor performance		Isolated service user complaints, contained within team/service	Isolated service user complaints, contained within Department	Many service user complaints	Significant complaints which may lead to change of officers, roles, re-structures	Possible resignation of leading member or chief officer
	Claims / fines		Litigation claim or fine under £50k	Litigation claim or fine between £50k - £100k	Litigation claim or fine between £100k - £1Million	Litigation claim or fine between £1Million - £5Million	Multiple civil or criminal law suits. Litigation claim or fine above £5Million
	Objectives / HCC vision		Failure to achieve a team plan objective	Failure to achieve several team plan objectives including a core objective	Failure to achieve one or more Departmental / Strategic plan objectives	Failure to achieve one or more Departmental / Strategic plan objectives	Failure to achieve a major objective in the Corporate Plan

Risk Category	Management action required
Severe	The Board feels most concerned about carrying this risk. The consequences will have a severe impact on the delivery of a key priority and comprehensive management action is required immediately, and then proportionately on an ongoing basis.
Significant	The Board feels concerned about carrying this risk. The consequences of the risk materialising would be significant, but not severe. Some immediate action is required plus the development then implementation of an appropriate action plan.
Material	The Board is uneasy about carrying this risk. Consequences of the risk are not significant and can be managed through contingency plans. Action plans can be developed later to address the risk and then need to be undertaken effectively.
Manageable	The Board is content to carry this risk. Consequences of the risk are considered relatively unimportant. The status of the risk should be reviewed periodically.

Impacts

		Negligible (1)	Low (2)	Medium (4)	High (8)	Very High (16)
Likelihood	Almost Certain (5)	5	10	20	40	80
	Likely (4)	4	8	16	32	64
	Possible (3)	3	6	12	24	48
	Unlikely (2)	2	4	8	16	32
	Rare (1)	1	2	4	8	16

Assessing Likelihood

Service Likelihood Score and Title			1 Rare	2 Unlikely	3 Possible	4 Likely	5 Almost Certain
Type	Feeling and experience	Occurrence description	Extremely unlikely / virtually impossible	It could occur at some point	Fairly likely to occur	It will probably occur in most circumstances	Expected to occur in most circumstances
	Evidence & probability		Less than 5% chance of it happening	6% to 20% chance of it happening	21% to 50% chance of it happening	51% to 80% chance of it happening	More than 80% chance of happening
	Timeframe and proximity		Unlikely to occur within a 50 year period	Unlikely to occur within a 10 year period	Likely to occur once within a 10 year period	Likely to occur once within a one year period	Likely to occur within 3 months and re-occur