



**RISK REGISTERS
RISK SCORING METHODOLOGY**

**CMT 16 July 2012
APPENDIX C**

Remembering that risk assessment is made up of 2 variables – Likelihood and Impact

VARIABLE 1 - LIKELIHOOD

3 – High Risk

- Certain to happen
- Not absolutely certain to happen but very strong likelihood

2 – Medium Risk

- Has happened before, but intermittently
- Mixed opinion on whether it could happen

1 – Low Risk

- Has never happened before
- Highly unlikely to happen

VARIABLE 2 - IMPACT

Each risk exposure should choose one or more of the boxes to interpret the impact and severity.

Impact/Problem	Financial Loss/Leakage– in terms of affecting the Council’s overall financial position	Reputation (this includes serious ultra vires/reputation episodes)	Harm to People – Employees or the Public	Disruption to Services/Objectives/Major Projects	Harm to Environment	Missing Opportunities
Insignificant	Box1 None	Box 2 Overnight but transient news which will fade away and leave no permanent damage	Box 3 No injury/harm to any person	Box 4 Hardly any impact at all Previous ground easily recovered	Box 5 No harm	Box 6 Very marginal had opportunity been taken
Minor	Box 7 Less than £100k and likely to be a one-off	Box 8 Short-term reputation at stake but will pass shortly	Box 9 First aid treatment, Non permanent harm up to 1 month	Box 10 Minor impact on service, project, legislative and corporate objectives Will take a month to recover previous ground	Box 11 Little harm and can be easily cleaned up	Box 12 Would have helped but only marginal
Moderate	Box 13 Between £100k and £1m but there could be some delays in stemming the leakage	Box 14 Some mid-term reputation embarrassment which will pass in time	Box 15 Medical treatment required. Semi-permanent harm up to a year.	Box 16 Services can operate but at reduced capacity with some inefficiencies Statutory and corporate duties barely met Will take 1 month to 6 months to recover previous ground	Box 17 Some harm which can be rectified over a medium period of time	Box 18 Opportunity grasped would have been very useful
Major	Box 19 Major loss of between £1m and £5m with possible ongoing leakage	Box 20 Serious damage for a while which will have some lasting impression of	Box 21 Extensive injury, major permanent harm	Box 22 Significant impact on service provision and statutory and corporate duties	Box 23 Serious harm which will take time to rectify	Box 24 Opportunity that only comes around every now and then and will

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		Midlothian		Could take between 6 months to a year to recover previous ground		have to wait
Critical	Box 25 Over £5m with possible ongoing leakage	Box 26 National news Watchdog criticism Government step-in.	Box 27 Immediate death or probable death	Box 28 Unable to function, inability to fulfil obligations, especially statutory and corporate. Could take over a year to recover previous ground	Box 29 Severe harm and scarring. Censure high. Take a long time to recover	Box 30 Will have a lasting impact on the Council, from which it will take a long time to recover