



Last Update: 1 Sept 2017

		Consequence				
		Insignificant	Minor	Moderate	Major	Catastrophic
Assets	Loss or destruction of assets up to \$2,000	Loss or destruction of assets \$2,000 to \$10,000	Loss or destruction of assets \$10,000 to \$100,000	Loss or destruction of assets \$100,000 to \$5M	Loss or destruction of assets greater than \$5M	
Compliance/ regulation	Non-compliance with work policy and standard operating procedures which are not legislated or regulated	Numerous instances of non-compliance with work policy and standard operating procedures which are not legislated or regulated	Non-compliance with work policy and standard operating procedures which require self reporting to the appropriate regulator and immediate rectification.	Restriction of business operations by regulator due to non-compliance with relevant guidelines and / or significant non-compliance with policy and procedures which threaten business delivery.	Operations shut down by regulator for failing to comply with relevant guidelines and /or significant non-compliance with internal procedures could result in failure to provide business outcomes and service delivery.	
People	Injuries or ailments not requiring medical treatment.	Minor injury or First Aid Treatment Case.	Serious injury causing hospitalisation or multiple medical treatment cases.	Life threatening injury or multiple serious injuries causing hospitalisation.	Death or multiple life threatening injuries.	
Environment	Limited effect to something of low significance	Transient, minor effects	Moderate, short-term environmental harm	Significant, medium-term environmental harm	Long term environmental harm	
Financial	1% of Budget or <\$5K	2.5% of Budget or <\$50K	> 5% of Budget or <\$500K	> 10% of Budget or <\$5M	>25% of Budget or >\$5M	
Products and Services	No disruption to services	Minor disruption to services for up to 1 month	Total cessation of service for up to 1 days and subsequent disruption of 1 to 2 months	Total cessation of service for up to 7 days and subsequent disruption of 2 to 3 months	Total cessation of service for more than 1 week and disruption over subsequent months involving a major facility	
Technology	Interruption to electronic records and data access less than ½ day.	Interruption to electronic records and data access ½ to 1day	Significant interruption (but not permanent loss) to data and electronic records access, lasting 1 day to 1 week	Complete, permanent loss of some electronic records and/or data, or loss of access for more than one week	Complete, permanent loss of all electronic records and data	
Reputation & Image	Internal Review	Scrutiny required by internal committees or internal audit to prevent escalation.	Scrutiny required by external committees or ACT Auditor General's Office, or inquest, etc.	Intense public, political and media scrutiny. E.g.: front page headlines, TV, etc.	Assembly inquiry or Commission of inquiry or adverse national media.	
Cultural & Heritage	Low-level repairable damage to commonplace structures	Mostly repairable damage	Permanent damage to items of cultural significance	Significant damage to structures or items of cultural significance	Irreparable damage to highly valued items of cultural significance	
Business Process & Systems	Minor errors in systems or processes requiring corrective action, or minor delay without impact on overall schedule.	Policy procedural rule occasionally not met or services do not fully meet needs.	One or more key accountability requirements not met. Inconvenient but not client welfare threatening.	Strategies not consistent with Government's agenda. Trends show service is degraded.	Critical system failure, bad policy advice or ongoing non-compliance. Business severely affected.	

Likelihood	Frequency				Matrix	1	2	3	4	5
	Almost Certain	Is expected to occur in most circumstances	Once in a quarter or more	>1 in 10	5	Medium	High	High	Extreme	Extreme
	Likely	Will probably occur	Once a year or more	1 in 10 - 100	4	Medium	Medium	High	High	Extreme
	Possible	Might occur at some time in the future	Once every 1 - 5 years	1 in 100 - 1,000	3	Low	Medium	Medium	High	Extreme
	Unlikely	Could occur but doubtful	Once every 5 - 20 years	1 in 1,000 - 10,000	2	Low	Medium	Medium	High	High *
	Rare	May occur but only in exceptional circumstances	Once every 20 - 100 years	1 in 10,000 - 100,000	1	Low	Low	Medium	Medium	High *

Priority for Attention / Action		
Priority	Suggested Timing of Treatment	Authority for continued tolerance of risk
Extreme	Short term – normally within one month * Detailed action plan required	Director- General
High	Medium term – normally within three months Needs senior management attention	Senior Executive
Medium	Normally within 1 year Specify management responsibility	Managers
Low	Ongoing control as part of a management system Manage by routine procedures	All staff

Risk Control Effectiveness	
Control Effectiveness	Guide
Adequate	Nothing more to be done except review and monitor the existing controls. Controls are well designed for the risk, are largely preventative and address the root causes and Management believes that they are effective and reliable at all times. Reactive controls only support preventative controls.
Room for Improvement	Most controls are designed correctly and are in place and effective however there are some controls that are either not correctly designed or are not very effective. There may be an over-reliance on reactive controls. Some more work to be done to improve operating effectiveness or Management has doubts about operational effectiveness and reliability.
Inadequate	Significant control gaps or no credible control. Either controls do not treat root causes or they do not operate at all effectively. Controls, if they exist are just reactive. Management has no confidence that any degree of control is being achieved due to poor control design and/or very limited operational effectiveness.

Hint:
To help make an assessment of consequence and likelihood as yourself the following questions.
1. What is the consequence that the risk would take in the most normal form should it eventuate?
2. What is the likelihood of that consequence?

Note:
When identifying, analysing and rating risk consideration should be given, but not necessarily limited to, the attached categories of risk and the suggested examples of frequency and consequences.

*** Priority for Attention / Action**
Every care should be taken to act as soon as possible to implement risk control measures wherever possible or to take action to fix the problem. Extreme and High risk especially where the risk relates to people and personal injury require us to act immediately to take steps to fix the problem.
The suggested timing of treatment does not mean that immediate action ought not be taken or that the timing can not be completed sooner than suggested.

Categories of Risk	Consequence					
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	General management activities	no impact on business outcomes and strategic objectives.	Minor impact on business outcomes and strategic objectives. Non-essential or subsidiary services experience minor disruptions.	Moderate impact on business outcomes and strategic objectives. A number of objectives not met, minor or subsidiary services impaired.	Significant impact on business and strategic objectives. Key service delivery impaired.	Strategic business outcomes processes fail and business objectives not met. Unable to delivery necessary services.
Reputation & Image	Internal Review	Scrutiny required by internal committees or internal audit to prevent escalation.	Scrutiny required by external committees or ACT Auditor General's Office, or inquest, etc.	Intense public, political and media scrutiny. Eg: front page headlines, TV, etc.	Assembly inquiry or Commission of inquiry or adverse national media.	
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