

RISK SCORECARD

Financial Impact and Likelihood

The financial impact to the Council is an important consideration, however this should be viewed alongside the likelihood of the risk occurring and not assumed to be inevitable.

The scoring of the financial impact relates to the cost to the Council if that risk were to occur, however it should not relate to the cost of managing or mitigating the risk.

The financial impact is scored as highly likely it would be prudent for the Council to ensure that it has set aside an adequate financial provision.

The financial impact is scored as follows:

Financial Impact Score	Cost
£	£1 – £20,000
££	£20,0001 - £250,000
£££	£250,001 - £2,000,000
££££	£2,000,001 plus

Likelihood	Probability
Highly Unlikely	1 - 25% chance in 5 years
Unlikely	26 - 50% chance in 5 years
Likely	51 - 75% chance in 5 years
Highly Likely	76 - 100% chance in 5 years

Impact Rating

The following table provides the definitions which should be used when determining whether a risk would have a Low, Moderate, Major or Significant impact

Impact	Score	Financial	Service provision	Health & Safety	Morale	Reputation	Government Relations
Low	1	Less than £20K	No effect	Sticking Plaster / first aider		No media attention / minor letters	One off single complaint
Moderate	2	£20k or over and less than £250K	Slightly Reduced	Broken bones/illness Lost time, accident or occupational ill health	Some hostile relationship and minor non cooperation	Adverse Local media Leader	Poor Assessment(s)
Major	3	£250K or over and less than- £2MK	Service Suspended Short Term / reduced	Loss of Life/Major illness – Major injury incl broken limbs/hospital admittance. Major ill health	Industrial action	Adverse National publicity	Service taken over temporarily
Significant	4	£2M plus	Service Suspended Long Term / Statutory duties not delivered	Major loss of life/Large scale major illness	Mass staff leaving/Unable to attract staff	Remembered for years	Service taken over permanently

		I M P A C T			
		Low	Moderate	Major	Significant
L I K E L I H O O D	Highly Likely	4	8	12	16
	Likely	3	6	9	12
	Unlikely	2	4	6	8
	Highly Unlikely	1	2	3	4