

# Risk Assessment Matrix for Risk Register

Appendix 2

		Impact				
		Very Low	Low	Medium	High	Very High
Likelihood	Very High	VH/VL (7)	VH/L (13)	VH/M (17)	VH/H (23)	VH/VH (25)
	High	H/VL (6)	H/L (9)	H/M (15)	H/H (22)	H/VH (24)
	Medium	M/VL (4)	M/L (8)	M/M (14)	M/H (19)	M/VH (21)
	Low	L/VL (2)	L/L (5)	L/M (11)	L/H (16)	L/VH (20)
	Very Low	VL/VL (1)	VL/L (3)	VL/M (10)	VL/H (12)	VL/VH (18)



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## Likelihood Ratings

<b>Very Low – (VL)</b>	0 – 5% Extremely unlikely to happen
<b>Low – (L)</b>	6 – 20% Low but not impossible to occur
<b>Medium – (M)</b>	21 – 50% Fairly likely to happen
<b>High – (H)</b>	51 – 80% More likely to occur than not
<b>Very High – (VH)</b>	>80% Almost certain to occur

## Impact Ratings

<b>Very Low –(VL)</b>	Minimal loss, delay, inconvenience or interruption. Can be easily and quickly remedied.
<b>Low – (L)</b>	Minor loss, delay, inconvenience or interruption. Short to medium term effect.
<b>Medium - (M)</b>	Significant waste of time and resources. Impact on operational efficiency, output and quality. Medium term effect which may be expensive to recover.
<b>High – (H)</b>	Major impact on costs and objectives. Serious impact on output and/or quality and reputation. Medium to long-term effect and expensive to recover.
<b>Very High – (VH)</b>	Critical impact on the achievement of objectives and overall performance. Huge impact on costs and/or reputation. Very difficult and possibly long-term to recover.



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## Likelihood Ratings

Very Low – (VL)
Low – (L)
Medium – (M)
High – (H)
Very High – (VH)

## Impact Ratings

Very Low –(VL)
Low – (L)
Medium - (M)
High – (H)
Very High – (VH)



<b>Black = Very Severe Risk</b>	<ul style="list-style-type: none"> <li>• There is concern about this risk</li> <li>• Disastrous impact on reputation and business continuity</li> <li>• Comprehensive action is required immediately</li> </ul>
<b>Red = Severe Risk</b>	<ul style="list-style-type: none"> <li>• There is concern about carrying this risk</li> <li>• Consequences of risk materialising would be severe but not disastrous</li> <li>• Some immediate action required plus the development of a comprehensive action plan</li> </ul>
<b>Yellow = Material Risk</b>	<ul style="list-style-type: none"> <li>• There is unease carrying this risk</li> <li>• Consequences of risk not severe and can be managed via contingency plans</li> <li>• Action plans developed</li> <li>• Status of risk to be monitored regularly</li> </ul>
<b>Green = Manageable Risk</b>	<ul style="list-style-type: none"> <li>• Content to carry this risk</li> <li>• Consequences of risk relatively unimportant to business</li> <li>• Status of risk should be reviewed periodically</li> </ul>



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