

Appendix 2: Corporate Risk Management Guidance – Risk Scoring Matrix

Likelihood Score	Definition	Impact Score				
		1	2	3	4	5
		Low	Minor	Moderate	High	Major
5	Almost certain to happen within 1 Year	1	10	15	20	25
4	Likely to happen within 1 – 3 years	4	8	12	16	20
3	Could happen within 3 – 10 years	3	6	9	12	15
2	Unlikely to happen. 10 -15 years away.	2	4	6	8	10
1	Rarely occurs. 15 years plus away.	1	2	3	4	5

R	<ul style="list-style-type: none"> • Outside of risk appetite • Requires escalation to SMB and inclusion in Corporate Risk Register for monitoring. • Requires action at SMB and / or Authority level to mitigate risk. • Any additional resources to mitigate risk requires approval by SMB and / or the Authority in accordance with the Scheme of Delegation to Officers and the Financial Regulations.
A	<ul style="list-style-type: none"> • Potentially outside of risk appetite. • Requires escalation to PMB for review and consideration for inclusion in Corporate Risk Register if cannot be mitigated at Directorate / Departmental level. • If not escalated to Corporate Risk Register requires active mitigation with measures approved by relevant Area Commander / Director / Head of Service
A	<ul style="list-style-type: none"> • Inside risk appetite. • Can be escalated to PMB for review at discretion of Area Commander / Director / Head of Service • Requires mitigation and can be achieved within the current level of resources with measures approved by relevant Area Commander / Director / Head of Service
G	<ul style="list-style-type: none"> • Inside risk appetite. • Monitor and manage at Directorate / Departmental level. • Mitigate further only if cost-effective to do so and can be achieved within the current level of resources”.