

IMPACT OF RISK				
Impact / Outcome One or a combination of the following	Low (minor)	Medium (moderate)	High (Significant)	Critical (Major)
Financial / Business– Budget Impact	Low financial loss or overspend of less than. £50,000 Unless the loss or overspend can be offset within service budgets.	Financial loss or overspend of £50,000 - £250,000 Unless the loss or overspend can be offset within service budgets.	Financial loss or overspend of £250,000 - £1,000,000 Re - alignment of Corporate Budget	Financial loss or overspend of over £1,000,000. Re - alignment of Corporate Budget
Effect on service delivery Or Effect on service provision (refer to the Business Impact Analysis in the Business Plan)	Minor / brief disruption to operations requiring action / minor delay. Handled within the normal day to day routines Less than 20 day loss of service to non- urgent (P7) service area.	Moderate disruption / for a short period. Services do not fully meet needs. Service action will be required. Less than 24 hour partial loss of service (s) with P1 or P2 Activities Less than 5 day significant loss of services (s) with P3 or P4 activities Less than 10 day significant loss of service (s) with P5 or P6 activities	Significant disruption. Key targets missed, service compromised. Management action required to overcome medium term difficulties. More than 24 hour significant loss of service(s) with P1 or P2 activities More than 5 day significant loss of service(s) with P3 or P4 activities More than 10 day significant loss of service(s) with P5 or P6 activities	Major disruption / Cessation of core activities, service is severely degraded. CLT action required. More than 24 hour total loss of service(s) with P1 or P2 activities More than 5 day total loss of service(s) with P3 or P4 activities More than 10 day total loss of service with P5 or P6 activities
Implications for achievements of key targets / objectives	Impact on the delivery of, or failure to achieve, one or more Service Area Priorities / Service Area Strategic Objectives.	Impact on the delivery of, or failure to achieve, one or more Directorate Priorities / Directorate Strategic Objectives.	Impact on the delivery of one or more Corporate Priorities / Corporate Strategic Objectives or Corporate Collaborations.	Failure to deliver one or more Corporate Priorities / Corporate Strategic Objectives or Corporate Collaborations.
Effect on stakeholders / community	Some minor / short term effect on stakeholders' welfare / wellbeing / financial stability.	Moderate / short terms effect on stakeholders' welfare / wellbeing/ financial stability.	Significant / medium term effects on stakeholders' welfare / wellbeing / financial stability.	Major / long terms effect on stakeholders' welfare / wellbeing / financial stability. May face life threatening consequences



Stage 3 – Evaluate/Assess Risks (continued)

IMPACT OF RISK				
Impact / Outcome One or a combination of the following	Low (minor)	Medium (moderate)	High (Significant)	Critical (Major)
<p>Health and Safety and Human Welfare.</p> <p>(Impact can be on staff or the public)</p>	<p>Minor injury no injuries beyond 'first aid' level.</p> <p>Minor impact on staff morale / stress levels</p>	<p>Moderate Injuries requiring medical treatment</p> <p>Potentially some workdays lost</p>	<p>Serious injuries or stressful experience requiring long term medical treatment.</p> <p>Multiple workdays lost. Incident reportable to HSE i.e. serious injury / over 7 days lost from work.</p>	<p>Fatality(ies)</p> <p>Life threatening or multiple serious injuries or prolonged workplace stress.</p>
<p>Legal, Statutory Compliance and Reputation</p>	<p>Breaches of local procedures / standards</p> <p>Increase in complaints minimal reputational damage; little public interest; unlikely to have impact on corporate image.</p>	<p>Breaches of regulations / standards</p> <p>High potential for complaints; local press coverage; litigation possible</p> <p>(e.g. complaint to Ombudsman)</p> <p>Short term reduction in public confidence Some unfavourable media coverage leading to short term reduction in public confidence</p>	<p>Breaches of law punishable by fines.</p> <p>Adverse national publicity;</p> <p>Long term reduction in public confidence</p> <p>Scrutiny required by external agencies, (e.g. Audit Commission) Fines of between £250,000 to £1,000,000</p>	<p>Possible criminal or high profile civil action against the Council, Members or Officers. Intense national media attention.</p> <p>Public enquiry / intervention by external regulators.</p> <p>Requires resignation of Officers and Members</p> <p>Total loss of public confidence Fines of over £1,000,000</p>
<p>Implications for the Environment</p>	<p>Incident with no lasting / short term detrimental effect on the environment or the community. E.g. noise, fumes, dust</p>	<p>Medium term public health / environmental incident. Local discharge of pollutant or source of community annoyance requiring remedial action</p>	<p>Long term major public health / environmental incident</p>	<p>Extensive detrimental long term impact.</p>
<p>Impact on Key Partnership / Major Project</p>	<p>Minimal effect on partnership / project</p>	<p>Adverse effect on partnering arrangements / Major project</p> <p>Moderate impact on stress levels, morale and performance on teams rather than by individual case (i.e. not isolated)</p>	<p>Significant impact on partnership or most of expected benefits fail Significant impact on delivery of major project.</p> <p>Significant impact on morale and performance.</p>	<p>Complete failure / breakdown of partnership / major project</p> <p>Major / Severe impact on morale and service performance.</p>

Assigning the best estimate of likelihood can be a simple or complex task. For example detailed historical records of flooding can help assess the likelihood of future flooding. On the other hand, where little or no previous data exists, it will be necessary to assign likelihood - for example, the likelihood that a contractor might become bankrupt.

As we are trying to predict and describe future events, we recognise that there is a degree of uncertainty in our assessments – they involve judgement as well as measurement, and the precise value will not be known exactly in advance. A knowledge of external or internal factors which could affect the likelihood will also need to be considered.

If a risk has occurred in a similar operating environment then this should be used to inform the likelihood assessment. E.g. if a particular risk has occurred in another Council.

To assist, the guidance below has been developed. Likelihood of occurrence has been given in two formats the most suitable of which can be used. Sometimes neither will apply and the assessment of likelihood will be based on the judgement of the person evaluating the risk.

LIKELIHOOD OF RISK			
Factor	Score	Description	Likelihood of occurrence
Low (unlikely)	1	Very unlikely to occur; only in exceptional circumstances.	<ul style="list-style-type: none"> • Has not happened in the past 5 years or more (either in BGCBC or in a similar operating environment) • Not expected to happen in the next 5 years or more • Less than 25% probability of occurring
Medium (possible)	2	Unlikely to occur but could transpire at some point.	<ul style="list-style-type: none"> • Has happened in the past 2 – 5 years (either in BGCBC or in a similar operating environment) • Expected to happen in the next 2-5 years • 25% to 50% probability of occurring
High (likely)	3	Almost certain to occur.	<ul style="list-style-type: none"> • More than 50% probability of occurring. • Has happened in the past year (either in BGCBC or in a similar operating environment) • Expected to happen in the next year.