

## Risk Description & Categories

### Description

Risks should be recorded on a Risk Management Action Plan following the standard risk description:

"Failure to.....that would have the consequence of..... leading to/resulting in....." outlined in more detail below.

Risk Description
<b>Cause</b> - What could happen that creates uncertainty as to the achievement of objectives?
<b>Event</b> - What does this give rise to?
<b>Consequence</b> - What is the impact?

The Risk Management Action Plan is a template that holds all the necessary information about the risk, the controls in place to manage the risk, the likelihood and impact and the actions identified to further manage the risk. Sheffield City Region uses a standard Risk Management Action Plan which is included at Annex E. A new version of the action plan should be created each time the plan is reviewed to provide an audit trail of changes to the action plan.

## Risk Assessment Guidelines – Strategic and Operational Risks - Likelihood and Impact

These guidelines are a tool to assist in the assessment of the level of risk.

LIKELIHOOD	
Ranking	Probability
4	More than 50%
3	26 – 49%
2	20 – 6 - 25%
1	Less than 1 - 5%

**Note:** Impact and likelihood are calculated after taking into account those controls and mitigating actions currently in place. The emphasis is on assessing the 'order of magnitude' for impact rather than a detailed absolute assessment.

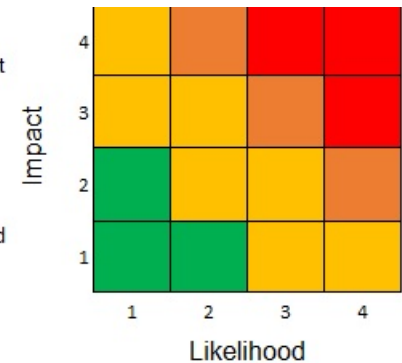
### Risk Status

Critical - Immediate action required by senior management with detailed action plan

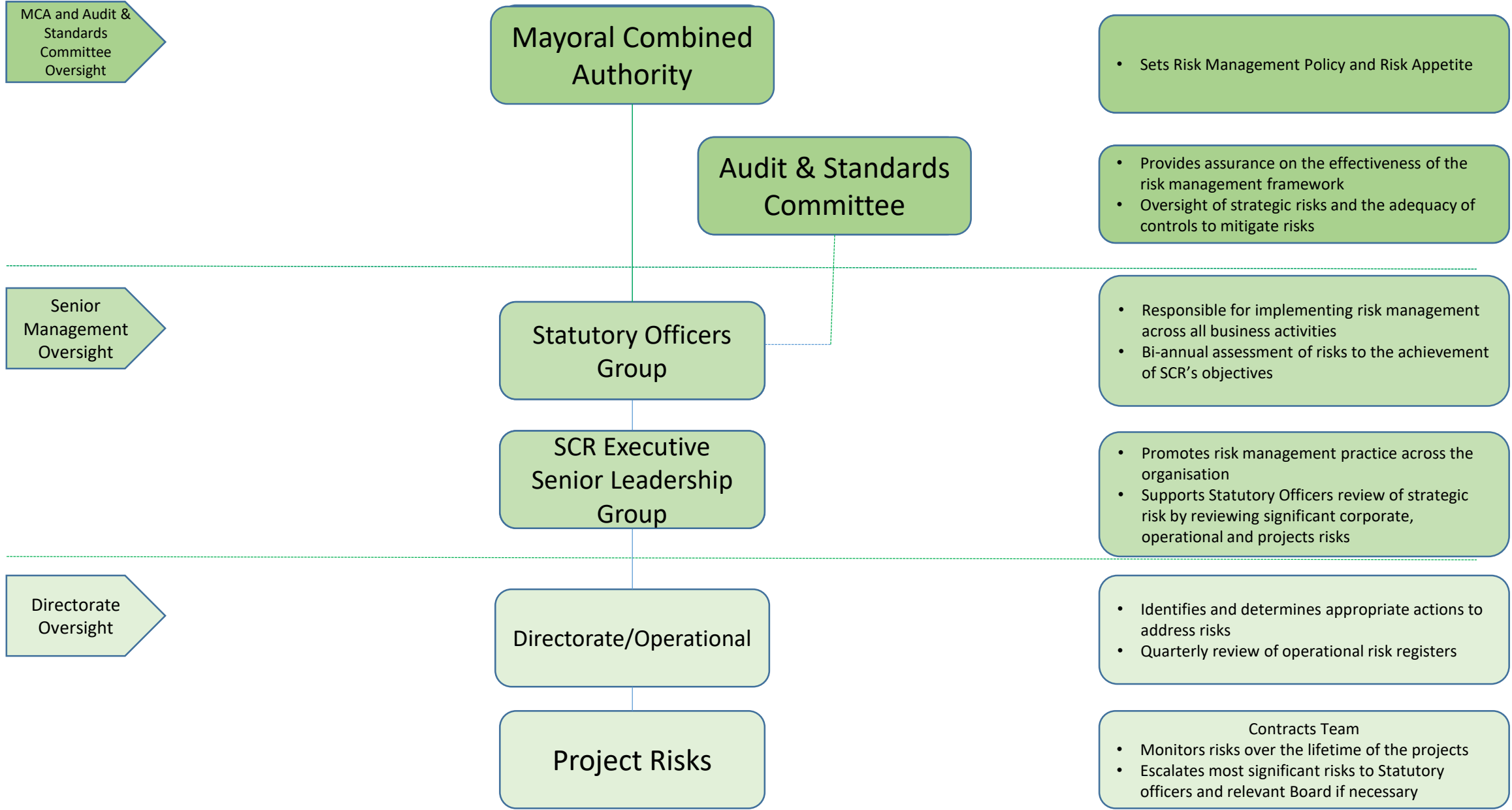
High - Senior management attention and responsibility defined

Medium - Management responsibility must be specified and actions or control procedures monitored

Low - Manage by routine procedures



IMPACT			
	Type of Impact		
Level of Impact & Descriptor	Political & Economic	Reputation	Financial
4 Extreme	Government enquiry into operational inadequacies/intervention from Whitehall	Sustained adverse publicity (press, social media) from a national perspective. Serious impact on stakeholder confidence.	Loss of over £10m
3 Major	Concerns or complaints raised in Parliament	Adverse publicity (press, social media) from a national perspective. Serious impact on stakeholder confidence. High profile legal proceedings.	Loss of up to £10m
2 Moderate	Local operational issues	Regional/Local, short term adverse (press, social media. Significant embarrassment. Moderate impact on stakeholder/partner confidence.	Loss of up to £1m that can be contained within budget
1 Minor	Internal awareness only	Isolated, internal issue. Minimal impact on stakeholder/partner confidence.	Loss of up to £200k that can be contained within budget



### Strategic Risk:

**DATE:**

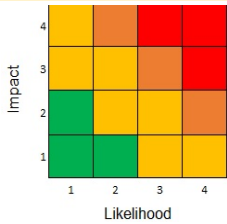
**Risk Owner:**

**Risk Description:**

**Cause:**

**Event:**

**Consequence:**



Current Risk Assessment		
Likelihood	Impact	Risk Rating
		0

[illegible]