

Guidance

This document has been developed as a generic template for all risks managed within Haringey Council. It should be adopted by the risk owners.

Appendix C

Definitions

A **Risk** is 'uncertainty of outcome'. Something that may happen and could throw the programme off track.

An **Issue** is 'a concern that cannot be avoided'. Something that has happened or are current situations that are a cause for concern now.

A **Threat** is 'a factor which could lead to a risk being identified'.

Risk likelihood

Probability	Definition	Score	Likelihood percentage
Almost Certain	Is almost certain to occur	5	95%
High	Is likely to occur	4	75%
Medium	Is as likely as not to occur	3	50%
Low	May occur	2	25%
Very Low	Unlikely to occur	1	5%

Definitions of risk impact classifications

Impact	Impact on cost	Impact on quality	Impact on time	Impact on savings realisation	Score
Catastrophic	Increased costs threaten viability of the project.	Project outcomes effectively unusable.	Delay jeopardises viability of the project.	>20% project cashable savings at risk	5
Major	Requires significant additional	Failure to meet the needs of a	Failure to meet key deadlines in	15%-20% project cashable	4
Moderate	Requires significant additional	Significant elements of scope or	Delay affects key stakeholders	10%-15% project cashable	3
Minor	Requires some additional funding	Failure to include certain 'nice to	Slight slippage against key	5%-10% project cashable savings	2
Insignificant	Variations manageable within	Slight reduction in quality/ scope	Slight slippage against internal	< 5% project cashable savings at	1

Risk Scoring and Matrix for RAG Status

		Probability				
		Very Low	Low	Medium	High	Almost Certain
Impact	Catastrophic	5	10	15	20	25
	Major	4	8	12	16	20
	Moderate	3	6	9	12	15
	Minor	2	4	6	8	10
	Insignificant	1	2	3	4	5