



Risk No	Risk Area	Risk Level				See Guidance Below			Additional information	Actions
		Low			High	Likelihood	Impact	Risk Rating		
1	Monitoring concerns and safeguarding	Low level Contract Monitoring Concerns	Low numbers of concerns and safeguarding alerts of a minor nature.	Numerous concerns and safeguarding alerts of a moderate nature.	Single concerns and/or safeguarding alerts of a serious nature	High	Critical			
2	Monitoring Information	Service completes QMI on time.	Service late in completing QMI but no missed information.	Service regularly late or missed submission.	No information submitted in QMI returns. New service with no monitoring history.	Low	Marginal			
3	CQC	Service is CQC compliant.	Service has minor improvement actions required by CQC to become compliant	Service has improvement actions with a moderate to major impact	Service has enforcement actions being taken by CQC	High	Critical			
4	External Agencies	No concerns raised by other local authorities / partner agencies.	Minor concerns raised by other local authorities / partner agencies.	Numerous minor or moderate concerns and soft intelligence by other agencies	Suspension of contracts or major concerns from other local authorities / partner agencies.	Low	Marginal			
5	Finance	No concerns with financial viability of service.	Minor concerns regarding financial viability i.e. occupancy levels.	Low Financial Credit Score and soft intelligence from their suppliers that bills not being paid	Service in receivership or being sold. Major concerns regarding financial viability.	Low	Marginal			
6	Annual Spend	£0-£49,999	£50k-£249K	£250k > £499k	At or above £500k	Very high	Marginal			
<b>OVERALL RISK RATING</b>										

**Risk Matrix Guidance**  
The Risk Assessment Matrix:

The matrix sets out the suggested criteria for assessing the likelihood and consequences to produce an overall score. The Risk Rating is calculated by multiplying the likelihood against the consequences, the risk score is then plotted on the matrix.

**Likelihood**  
Very high  
High  
Significant  
Low  
Very low  
Almost impossible

		Risk 6
		Risk 1, 3
	Risk 2, 4, 5	
Negligible	Marginal	Critical

The colours red, amber and green reflect varying levels of overall risk:

**Green:** Generally acceptable - subject to monitoring (a green)

How likely is it that the risk is going to happen?

- 6: Very High – More likely to happen than no - >80% chance of occurrence
- 5: High – More likely to happen than not - 60% - 80% chance of occurrence
- 4: Significant – Quite probable that the risk could occur especially if control measures are inadequate - 40% - 60% chance of occurrence
- 3: Low – Quite possible that the risk could occur especially if control measures are inadequate - 20% - 40% chance of occurrence
- 2: Very low – Likelihood of occurrence is relatively slim - 10% - 20% chance of occurrence
- 1: Almost impossible – Likelihood of occurrence is very slim - <10% chance of occurrence

What would the impact be if the risk was to crystallise?

- 4: Catastrophic – Severe impact on performance through a reduced ability to deliver.
- 3: Critical – Potential impact on performance and service delivery. May be adequately managed through existing processes.
- 2: Marginal – Unlikely to have a permanent or significant effect
- 1: Negligible – Very unlikely to have a permanent or significant effect

- 1 Very high
  - 2 High
  - 3 Significant
  - 4 Low
  - 5 Very low
  - 6 Almost impossible
- 1 Negligible
  - 2 Marginal
  - 3 Critical
  - 4 Catastrophic

- 1 GREEN
- 2 GREEN
- 3 GREEN
- 4 GREEN
- 5 GREEN
- 6 GREEN
- 7 GREEN
- 8 GREEN
- 9 AMBER
- 10 AMBER
- 11 AMBER
- 12 AMBER
- 13 AMBER
- 14 AMBER
- 15 AMBER
- 16 AMBER
- 17 AMBER
- 18 RED
- 19 RED
- 20 RED
- 21 RED
- 22 RED
- 23 RED
- 24 RED