

A LIKELIHOOD (The Change of a Loss/Incident during the exposure period - considering the controls in place)				
	<u>Category</u>	<u>Description</u>	<u>Percentage</u>	<u>VALUE</u>
1.1	ALMOST CERTAIN	Happens Often - e.g. Daily or Weekly	100 %	10
		Happens Often – e.g. Once in a Monthly	90 %	9
1.2	LIKELY	Quite Possible – e.g. Happens once in three Months	80 %	8
		Quite Possible – e.g. Happens once in six Months	70 %	7
1.3	POSSIBLE	Unusual But Possible – e.g. Could happen once in a year	60 %	6
		Unusual But Possible – e.g. Could happen once in two years	50 %	5
1.4	UNLIKELY	Only Remotely Possible – e.g. Could happen one in five years	40 %	4
		Only Remotely Possible – e.g. Could happen one in ten years	30 %	3
1.5	RARE	Conceivable but very unlikely – e.g. Could happen in twenty years	20 %	2
		Conceivable but very unlikely – e.g. Could happen in fifty years	10 %	1

B: SEVERITY / CONSEQUENCES Criteria

VALUE

<u>Classification</u>	<u>Health & Safety</u>	<u>Revenue Loss</u>	<u>Process / Technology</u>	<u>Reputation</u>	<u>Legal</u>	<u>Environment</u>		
2.1	CATASTROPHIC	> 10 Fatalities / Severe permanent ill	Damage over M 100 m	National Blackout	Prolonged international condemnation	Prolonged litigation; jail terms for directors	Highly Detrimental e.g extreme impairment of ecosystem function widespread on a significant area	10
		5-10 Fatalities / Severe permanent ill	M 50- 100 m	Regional Blackout	International media condemnation	Prosecutions and fines	Detrimental e.g some impairment of ecosystem function, relatively wide spread, medium to long term impact.	9

2.2	MAJOR	2-5 Fatality / Severe permanent ill	M 10 – M 50 m	More than one district	Serious Media Coverage. Severely Tarnished reputation	Multiple litigation	Very Serious & Major e.g significant effect on biological or physical environment not affecting ecosystem function; significant short-medium term widespread impact	8
		One Fatality / Severe permanent ill	M 5m – M 10m	Large District / City	Significant Public outcry (international)	Significant prosecution and fines	Major & Serious	7
2.3	MODERATE	Multiple Disabling injuries	M 2m – M 5m	District/Industrial Area/Hospital	Significant public/media outcry	Major breach of regulation	Moderate – long term; moderate effect on biological, physical environment	6
		Disabling injury	M 1m – M 2m	Commercial Area /HP Res Area / Town	National criticism	Moderate fines possible	Short term	5
2.4	MINOR	Prolonged hospitalisation	M 250K – M 1m	Large Village	Adverse public attention	Serious breach	Minor – long term	4
		Hospitalisation for few days or 1to7 lost days	M 50k – M 250k	Part of Village / Small Village	Attention of local public and media	Moderate breach of regulation; investigations	Short term	3
2.5	OF CONCERN	First aid treatment	M 10k – M 50k	Several Customers	Minor attention, adverse effect on reputation	Minor legal issue	Insignificant	2
		No medical treatment required	Less than M 10K	One or few customers	Public concerns restricted to local complaints	Low-level legal issue	Low	1

C: CONTROL EFFECTIVENESS Criteria		SCORE (%)
<u>Category</u>	<u>Description</u>	
3.1	Controls and detection mechanisms are in place and substantially reduce the probability of the impact occurring and the severity of the impact	100

	EXCELLENT	Controls and detection mechanisms are in place and substantially reduce the probability of the impact occurring	90
3.2	WELL	Controls and detection mechanisms are in place and are proactive in nature	80
		Controls and detection mechanisms are in place but reactive in nature	70
3.3	REASONABLE	No controls but detection mechanisms are in place to limit the duration of the impact. Remedial measures are possible	60
		No controls but detection mechanisms are in place to limit the length of the impact. Remedial measures are possible but likely to be prohibited by high costs	50
3.4	BELOW PAR	Impacts would become evident to the Organisation but controls are not formally developed for prevention and remediation	40
		Management and physical controls exist but are not efficient or appropriate, partly negating the effects of the controls	30
3.5	POOR	Management and physical controls exist but are not efficient or appropriate, completely negating the effects of the controls	20
		No management or physical controls exist to prevent event or impact occurring	10

RISK RATING =

(Probability X Severity)

RISK CLASSIFICATION

DECISION

Over 80	EXTREME RISK	Consider Discontinuation / Emergency Preparedness Programme
60 - 80	VERY HIGH RISK	Urgent and Immediate Correction Required
40 - 60	HIGH RISK	Immediate Correction Needed
20 - 40	MODERATE	Attention Indicated
UNDER 20	LOW RISK	Tolerable or Managed using routine procedures