

Organisational Risk Register

Risk Management links together service delivery, the organisational environment) and financial resources and ensures that:

- Risks are identified (what can happen and how)
- Risks are analysed (the likelihood and consequences of something untoward happening)
- Action plans to control risks are prioritised and implemented

The risk register is the framework within which risks to the organisation are identified and assessed. Component parts of the register are:

- The **likelihood** of a risk occurring and
- The **impact** of the consequences.

Scoring these components on a scale of 1-5 enables a risk rating to be calculated.

It is vital for all staff and trustees to be aware of the framework, so that there is a consistent approach to reporting and handling risks of a serious nature.

Likelihood:

1	Rare	Not likely to happen or will only happen in exceptional circumstances
2	Unlikely	Not expected to happen but there is a remote possibility that it will occur
3	Possible	May occur on some occasions but not frequently
4	Likely	Is likely to occur or will happen on more occasions than not
5	Certain	Likely to occur in the majority of cases

Impact:

1	Insignificant	No impact on our objectives
2	Minor	Slight impact on our objectives
3	Moderate	Some impact on our objectives; possible adverse publicity
4	Significant	Impact on our objectives & affecting delivery over several areas; adverse publicity
5	Major	Impact on our objectives requiring radical review; national/international media interest

The risk rating (RR) is identified by multiplying the likelihood of the risk by the impact or severity of the risk. The minimum risk would be 1 – 1(likelihood) x 1 (impact) = 1 (RR). The highest risk would be 25 – 5(likelihood) x 5(impact) = 25 (RR).

Where risks are identified, the controls that are already in place need to be identified, and an action plan agreed so that risks are reduced to an acceptable level.

Risk Rating Score	Level	Action Level
1-8	Low Risk	Accept Risk. To be managed at the activity level.
9-16	Medium Risk	Management action required to reduce risk level to low risk level.
17 -25	High risk	Significant Risk. Board Level Action/Awareness required.