

Risk Matrix

February 2018



UNIVERSITY OF
CANBERRA

Categories

Guidance

The categories of risk are to be used as a guide only to help make an assessment of consequence and likelihood.

To determine the Risk Rating, consider:

1) what is the consequence that the risk would take in the most **usual form** should it eventuate?

e.g. the consequence of 'A paper cut' is:

- *usual form*: cut not requiring first aid treatment
- *extreme form*: cut resulting in an infection, blood poisoning and death.

2) what is the likelihood of **that** consequence?

		Frequency		Matrix	1	2	3	4	5
Likelihood	Almost Certain	Expected to occur	Once a year or more	>1 in 10	5	Medium	Medium	High	Extreme
	Likely	Will probably occur	Once every 1-3 years	1 in 10 - 100	4	Low	Medium	High	Extreme
	Possible	Might occur at some time in the future	Once every 3 - 5 years	1 in 100 – 1,000	3	Low	Medium	High	High *
	Unlikely	Could occur but doubtful	Once every 5 - 10 years	1 in 1,000 – 10,000	2	Low	Medium	Medium	High *
	Rare	May occur in exceptional circumstances	Once every 10 - 100 years	<1 in 10,000	1	Low	Low	Low	Medium

Reporting		
Priority	Suggested Timing of Treatment	Risk reported to:
Extreme	Short term – within 1 month** Treatment Action Plan required	Vice-Chancellor, VCG, ARMC/ Board***
High	Medium term – within 3 months Needs senior management attention Treatment Action Plan required	Deans, Directors, VCG, ARMC/ Board***
Medium	Within 1 year Specify management responsibility	Managers, Supervisors
Low	Ongoing control part of management system - Manage by routine procedures	All staff

Monitoring and Review			
Risk Register	Review timing	Reviewed & approved by:	Reported to:
Strategic	Bi-annually**	Vice-Chancellor, VCG	ARMC, Council (every meeting) Risk and Audit team
Operational	Bi-annually**	Portfolio Head, Dean or Director	ARMC. VCG Risk and Audit team
Program, Project or Event	At key milestones or more regularly**	Program/Project Manager, Board and/or Steering Committee	ARMC (major proj.) Program/Project Sponsor Steering Comm. Risk and Audit team

* Priority for attention
** Controlled entities are required to report to their relevant Board.

Note: **Extreme and High risk especially where the risk relates to people and personal injury** require us to act immediately to take steps to fix the problem.

Control Effectiveness Rating (CER)	
Control Effectiveness	Guide
Adequate	Controls are well designed and working effectively. No more to do except to continually review and monitor the existing controls.
Room for Improvement	Most controls are designed correctly and are in place and effective. More work is required to improve operating effectiveness and reliability.
Inadequate	No controls operating or existing controls are reactive and/or poorly designed.