

Appendix 2: 5x5 Risk Matrix and Likelihood Rating

- The 5x5 Risk Matrix used for assessing the Inherent, Residual and overall risk rating
- To rate the likelihood of the risk (left hand axis) the Likelihood rating table can be referenced to assist in understanding the potential frequency of a risk occurring.

Likelihood	Almost Certain <i>Frequently throughout the year</i>	Minor	Moderate	Critical	Catastrophic	Catastrophic
	Likely <i>Once every year</i>	Minor	Moderate	Critical	Critical	Catastrophic
	Possible <i>Once within two to three years</i>	Minor	Minor	Moderate	Critical	Critical
	Unlikely <i>Once within three to ten years</i>	Sustainable	Minor	Minor	Moderate	Moderate
	Rare <i>Once in every 10 years</i>	Sustainable	Sustainable	Minor	Minor	Minor
		Low	Medium	High	Major	Severe
Impact						

Likelihood Rating	Indicative Frequency (expected to occur within one year period)	Qualitative Guideline
Almost Certain	Frequently throughout the year	There is little doubt that the risk will occur. History of regular occurrence
Likely	Once every year	There is a strong possibility that the risk will occur. History of frequent occurrence
Possible	Once within two to three years	There is a possibility that the risk will occur. History of casual occurrence
Unlikely	Once within three to ten years	There is a slight possibility that the risk will occur
Rare	Once in ten plus years	The risk may only occur in exceptional circumstances

Appendix 2: Description of Consequence

Using Impact table on the previous slide you can determine the severity of the impact. Using the below table will provide you a consequence to that impact that is not just financial.

Impact Rating	Generic Impact Description	Area of Impact – description of consequence					
		Education & Research	Human	Service Delivery	Brand & Reputation	Finance ¹	Compliance
Severe	Event or circumstance with potentially disastrous impact on business or significant material adverse impact on a key area	Huge loss/reduction in student enrolments Loss of faculty Serious reduction in research activity/output Serious problems reaching a number of student, teaching or research targets Irreparable impact on relationship with partners/collaborators	Serious injury or death Loss of a significant number of key staff impacting on skills, knowledge and expertise Staff industrial action Student unrest/protest/violence	Cessation of major critical business systems or Education/Research programs for an intolerable period and/or at a critical time in the University calendar	Long term damage to reputation or G08 status Sustained negative media attention Brand/image affected nationally and/or internationally	>\$100m	Serious breach of contract or legislation Significant prosecution and fines likely Potential for litigation including class actions Future funding/approvals/registration/licensing in jeopardy
Major	Critical event or circumstance that can be endured with proper management	Significant loss/reduction in student enrolment/retention Loss of a key School Major impact on research activity over a sustained period Major problems meeting teaching or research targets Serious long term damage to partnership/collaboration	Serious injury Dangerous near miss Loss of some key staff resulting in skills, knowledge and expertise deficits Threat of industrial action Threat of student protest/activity	Cessation of major critical business systems or Education/Research programs for an intolerable period and/or at a critical time in the University calendar	Sustained damage to brand/image or reputation nationally or locally Adverse national or local media coverage	\$50m - <\$100m	Major breach of contract, Act, regulations or consent conditions Expected to attract regulatory attention Investigation, prosecution and/or major fine possible
High	Significant event or circumstance that can be managed under normal circumstances	Significant loss/reduction in number of students in a course Loss of key academic course Significant impact on research activity over a sustained period Major problems meeting teaching or research targets Significant but short term damage to partnership	Staff injury lost time or penalty notice due to unsafe act, plant or equipment Short term loss of skills, knowledge, expertise Severe staff morale or increase in workforce absentee rate Student dissatisfaction	Major service deliver targets cannot be met Loss/interruption/compromise of critical business systems or Education/Research program for a protracted period of time	Significant but short term damage to reputation Student/stakeholder and/or community concern Sustained/prominent local media coverage	\$10m - <\$50m	Significant breach of contract, Act, regulation or consent conditions Potential for regulatory action
Medium	Event with consequences that can be readily absorbed but requires management effort to minimise the impact	Moderate reduction in student enrolments/retention Minor impact on research activity Temporary problems meeting some teaching/research targets	Health and Safety requirements compromised Lost time or potential for public liability claim Some loss of staff members with tolerable loss/deficit in skills Dialogue required with industrial groups or student body	Local service or Education/research program delivery problems Loss/interruption/compromise of critical business systems or Education/Research program for tolerable period but an inconvenient time	Some short term negative media coverage Concern raised by students/stakeholders	\$1m - <\$10m	Minor non-compliance or breaches of contract, Act, regulations, consent conditions May result in infringement notice
Low	Some loss but not material; existing controls and procedures should cope with event or circumstance	Minor reduction in student enrolments/retention Negligible impact on research activity or achievement of teaching/research targets	Incident with or without minor injury Negligible skills or knowledge loss Dialogue with industrial groups/students may be required	Negligible impact on delivery of service	Minor damage to brand, image or reputation	<\$1m	Unlikely to result in adverse regulatory response or action