

SHIRE OF IRWIN RISK MATRIX

Loss Type				Consequence				
				1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic
Health and Safety				Negligible injuries.	First aid injuries.	Medical type injuries.	Lost time injury.	Fatality, permanent disability.
Environment				Contained, reversible impact managed by on site response.	Contained, reversible impact managed by internal response.	Contained, reversible impact managed by external agencies.	Uncontained, reversible impact managed by a coordinated response from external agencies.	Uncontained, irreversible impact.
Service Interruption				No material service interruption.	Short term temporary interruption – backlog cleared < 1 day.	Medium term temporary interruption – backlog cleared by additional resources < 1 week.	Prolonged interruption of services – additional resources; performance affected < 1 month.	Indeterminate prolonged interruption of services – non-performance > 1 month.
Compliance				No noticeable regulatory or statutory impact.	Some temporary non-compliance.	Short term non-compliance but with significant regulatory requirements imposed.	Non-compliance results in termination of services or imposed penalties.	Non-compliance results in litigation, criminal charges or significant damages or penalties.
Reputation				Unsubstantiated, low impact, low profile or 'no news' item.	Substantiated low impact, low news item.	Substantiated public embarrassment, moderate impact, moderate news profile.	Substantiated, public embarrassment, high impact, high news profile, third party actions.	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions.
Property				Inconsequential or no damage.	Localised damage rectified by routine internal procedures.	Localised damage requiring external resources to rectify.	Significant damage requiring internal & external resources to rectify.	Extensive damage requiring prolonged period of restitution. Complete loss of plant, equipment & building.
Financial Impact				< \$5,000	\$5,001 to \$20,000	\$20,001 to \$100,000	\$100,001 to \$1,000,000	> \$1,000,000
Likelihood	5 Almost Certain	Consequence expected to occur in most cases	More than once per year	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
	4 Likely	Consequence will probably occur in most cases	At least once per year	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
	3 Possible	Consequence should occur at some time	At least once in 3 years	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
	2 Unlikely	Consequence could occur at some time	At least once in 10 years	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
	1 Rare	Consequence may occur only in exceptional circumstances	Less than once in 15 years	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)
Residual Risk Acceptance								
Risk Rank	Description	Criteria						Responsibility
LOW	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring.						Operational Manager
MODERATE	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to bi-annual monitoring.						Operational Manager
HIGH	Urgent Attention	Risk acceptable with excellent controls, managed by management / executive and subject to monthly monitoring.						Director / CEO
EXTREME	Unacceptable	Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring.						CEO / Council