

HERTFORDSHIRE COUNTY COUNCIL

AUDIT COMMITTEE

WEDNESDAY 23 MARCH 2016 10.00 AM

RISK MANAGEMENT ANNUAL REPORT 2015/16

Report of the Assistant Director (Resources), Improvement and Technology

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1. Purpose of Report

1.1. This report is an annual item to outline the key Risk Management activity undertaken since the last annual report presented in March 2015 and as requested by the Audit Committee.

2. Summary

2.1. The following items are included in this report:

- A summary of key corporate risk movements over the last year
- Audit findings on Risk Management
- Benchmarking/ best practice
- Other risk developments / emerging risks
- Development of the Risk Management and Insurance team

2.2. Corporate risk appendices accompany this report:

- A risk movement report at Appendix A details movements of current risk scores in the last quarter.
- A risk status report at Appendix B summarises the latest risk scores and risk scores at each of the last 3 Audit Committee meetings.
- A list of risks considered as part of the risk focus reports can be found at Appendix C
- The organisational risk matrix is included in Annex A to this paper.

3. Recommendations

- That the Risk Management Annual report be noted.
- That the Committee identifies a risk (or risks) to be reviewed at its next meeting in June 2016.

4. Corporate Risk Register

4.1. The latest review of the corporate risk register took place during January 2016 and significant changes were subsequently reported to the Strategic Management Board (SMB) on 8 February 2016 and will be similarly reported

to the Resources and Performance Cabinet Panel on 11 March 2016.

The table below shows the risk movements broken down by risk classification. The movements detailed are a continuation from the previous report dated November 2015.

	2014/15 Quarter 4	2015/16 Quarter 1	2015/16 Quarter 2	2015/16 Quarter 3	2015/16 Quarter 4
Red	9 (+1)	8 (-1)	9 (+1)	9	10 (+1)
Amber	21(-1)	22 (+1)	23 (+1)	25 (+2)	24 (-1)
Yellow	5	4 (-1)	3 (-1)	2 (-1)	1 (-1)
Green					
Total	35	34	35	36	35
Difference +/-	0	-1	+1	+1	-1

* The final quarter (highlighted in grey) is the current quarter and details movements to date. No change in absolute numbers may hide movement in and out. These will be outlined in the following section

The quarterly variations and changes to risk categories are indications of the continued active management and scrutiny of risks and controls. These movements also include newly identified risks which is a further indication of the continued activity around identifying future areas of risk and uncertainty.

5. Current position and key movements since November 2015 Audit Committee

5.1. There are now 10 red (severe) risks, one more than last quarter. One risk has a score of 64, and one has a score of 48.

- a) Due to national NHS commissioning changes from May 2015 there may be structural changes to NHS commissioning, leading to financial uncertainty for jointly commissioned projects including the Better Care Fund within Hertfordshire County Council. (HCS0012, App A, Page 1). Score of 64
- b) During unplanned incidents, such as terrorist activity, civil disturbance or large scale wide area flooding, or periods of industrial action, there is a risk that HFRS have insufficient resources to cope which may result in an over-reliance on regional or national resources or significantly reduced fire cover (HFRS0007, App A, Page 2). Score of 48
 - Reviewed by Audit Committee on 22 November 2012

5.2. There are now 8 red risks with a score of 32, the lowest score for a red risk.

- a) If we fail to retain, attract and recruit the right people and right skills and maintain staff engagement at all levels, there may be a significant impact on service delivery and major cost implications. (CSCE0007, App A, Page 4)
 - Reviewed by Audit Committee 21 November 2013

- b) As a result of changes to the way in which development contributions will be collected from new developments through use of Community Infrastructure Levy (CIL) and Section 106 contributions, and the delay in introduction of the new arrangements across all district authorities there is a risk that there may be insufficient money to support infrastructure needs derived from new housing developments etc. (CSCE0023, App A, Page 6)
- Reviewed by Audit Committee 20 November 2014
- c) In the event of inappropriate care or attention there is a risk that a child or young person could die or be seriously injured. (CSF0055, App A, Page 8)
- Reviewed by Audit Committee 30 June 2011 and 22 March 2013
- d) There is a risk that HCC's pension fund level will not improve sufficiently to cover accrued pension costs because of economic conditions, poor investment or ineffective governance. (CSHF0002, App A, Page 9)
- e) In the event of the Residual Waste Treatment Programme being impacted by one or more of the following scenarios:
- Delay in the implementation of the Revised Project Plan (RPP)
 - Unsuitable Revised Project Plan received resulting in the termination of the contract with VES.
 - Unable to secure suitable alternatives for waste disposal should the contract with VES be terminated.
 - Implementation of suitable alternatives delayed.
- (ENV0104, App A, Page 10)
- f) Inability to attract an increased number of care workers in line with the Health and Community Services Workforce Strategy leading to non-compliance with the Care Act 2014 duties and customer dissatisfaction. (HCS0010, App A, Page 12)
- g) In the event of the quality of care from internal and external HCS care providers becoming inadequate, resulting in the death or severe abuse of a client. (HCSCP0001, App A, Page 13)
- Reviewed by Audit Committee on 28 March 2013
- h) As a result of the 2014 Supreme Court ruling around Deprivation of Liberty Safeguards (DOLS) there is a risk that an inability to conduct best interest assessments within legal timeframes could lead to unlawful detention of people and potential legal and compensation challenges to HCC. (HCSMH0002, App A Page 15)
- Reviewed by Audit Committee 16 September 2014

6. Changes within the Corporate Risk Register since March 2015 Audit Committee

6.1. New risks

7 new risks have been added to the Corporate Risk Register since the previous Risk Management Annual report (Audit Committee, March 2015).

6.1.1. HCS0012 (App A, Page 1)

“Due to national NHS commissioning changes from May 2015 there may be structural changes to NHS commissioning, leading to financial uncertainty for jointly commissioned projects including the Better Care Fund within Hertfordshire County Council.”

The NHS currently protect Hertfordshire adult social care budgets from cuts by providing £10m of income direct from Clinical Commissioning Groups every year. An additional £10m of income will be required for 2016/17 to protect them from demographic pressures. The new risk arose as both Clinical Commissioning Groups were experiencing high financial pressures due to patient demand and new government guidance around planning for acute hospital activity. The risk score was red 48 (severe). The NHS has now indicated that although committed to protecting adult social care, its own finances may mean this is not possible next year. This therefore presents a corporate financial, reputational and partnership risk for HCC. The risk score was therefore increased to red 64 (severe) in October 2015.

6.1.2. HCS0010 (App A, Page 12)

“Inability to attract an increased number of care workers in line with the Health and Community Services Workforce Strategy leading to non-compliance with the Care Act 2014 duties and customer dissatisfaction.”

The Policy and Resources Officer Group (PROG) determined that this new risk should be developed to replace HCS0004 (see para 6.5.1) on the corporate risk register to capture Part 2 of the Care Act. When first raised in April 2015 the risk score was yellow 6 (material) and this was increased to amber 16 (significant) in July 2015. The risk score has now been increased to red 32 (severe). (Please see para 6.3.1).

6.1.3. CP0004 (App A, Page 16)

“As a result of disruptive factors influencing the lives of people in Hertfordshire, there is a risk that residents or staff become radicalised or drawn into terrorism, which could cause harm to themselves or the wider public and reduce community / social cohesion.”

As a result of the Counter Terrorism and Security Act 2015 placing new duties on the authority and discussion at Policy and Resources Officer Group (PROG) in October 2015, a new corporate risk has been developed.

A number of controls have already been put in place and so the current score is; likelihood ‘possible’ and impact ‘high’, resulting in an overall current risk score of amber 24 (significant).

6.1.4. HCS0011 (App A, Page 23)

“In the event of significant, increasing demand on health and social care services, there is a risk that the Better Care Fund pooled budget will not be sufficient to meet future demand for services.”

The Policy & Resources Officer Group (PROG) in April 2015 determined that the Better Care Fund corporate risk needed to reflect the financial risk in the longer term. As a result HCS0005 (see para 6.4.3) has been withdrawn and this new risk developed. The risk score is amber 24 (significant).

6.1.5. HR0018 (App A, Page 26)

“In the event of a failure to train employees to required standards, there is a risk that staff are not fully competent in their roles, which could lead to the death, serious injury or harm to service users, members of the public or staff themselves e.g. front facing staff like QSWs and staff with access to vulnerable adults and children”. The current risk score is amber 24 (significant).

Following discussion at Policy and Resources Officer Group (PROG) in July 2015, the Interim Head of HR & OD considered that this general training risk should be raised at the corporate level.

6.1.6. HR0017 (App A, Page 35)

“In the event of industrial action there is a risk that services cannot be delivered effectively, which could result in harm to residents.”

Following a challenge by Audit Committee in June 2015 and discussion at Resources & Performance Board in July 2015, the Interim Head of HR & OD retained the former corporate risk relating to possible industrial action (HR0011) at a service level and raised this new risk at the corporate level. The current risk score is amber 16 (significant).

6.1.7. PHD0014 (App A, Page 36)

“In the event of a Health Protection emergency such as a communicable disease epidemic, radiological, chemical or biological agent exposure, or extreme weather conditions, there is a risk that the authority may be unable to meet its statutory duty to adequately assure multi-agency health protection arrangements and as a result there are high rates of morbidity or mortality of Hertfordshire residents.”

Public Health developed this corporate risk for health protection emergencies, which replaced PHD0010 (at para 6.4.4) on the corporate risk register. The current risk score is amber 16 (significant).

6.2. Escalated risks

1 risk was escalated from the Service risk register since March 2015.


6.2.1. CSF0070 (App A, Page 21)

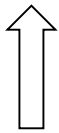
“In the event of inadequate capital being made available from a number of funding streams, part of the costs of delivering the primary and secondary expansion programme may need to be met from the council’s own resources having exhausted all other eventualities”


This risk was discussed at the Policy and Resources Officer Group (PROG) on 30/04/2015 where it was decided to escalate this risk from a service to a corporate level. The current risk score is amber 24 (significant).

6.3. Risk Score Movements since the last report to Audit Committee (November 2015)

6.3.1. HCS0010 (App A, Page 12)


 “Inability to attract an increased number of care workers in line with the Health and Community Services Workforce Strategy leading to non-compliance with the Care Act 2014 duties and customer dissatisfaction.”

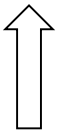



 The care sector in Hertfordshire has experienced recruitment and retention difficulties during 2015/16 which have led to under-performance against delayed discharge from hospital and waiting lists for Homecare. As a result the risk score has been increased from amber 16 (significant) to red 32 (severe).

6.3.2. CSHF0005 (App A, Page 22)

“In the event of a reduction in government and external funding there is a risk of a funding gap which may result in the need to identify measures to further reduce service spend leading to deterioration or interruption of front line service delivery”.

 Following a discussion of this risk at the Policy and Resources Officer Group (PROG) in October 2015, the December provisional spending settlement significantly reduced the overall level of Revenue Support Grant (RSG) and increased the gap between resources and spend. The risk owner raised the current probability and the current impact and as a result the current risk score increased from yellow 8 (material) to red 32 (severe).



 The authority has plans in place to deliver a balanced budget for 2016/17; this includes the transitional funding that the government have made available for 2016/17 and 2017/18 as well as a number of other measures that are capable of immediate implementation. However, the outlook for future years remains challenging. Given this SMB are working with members to bring forward a set of savings proposals early in 2016/17 in order to address the budget gap in 2017/18 and future years. As a result the overall risk score has been amended to amber 24 (significant).

6.4. **Withdrawn risks**

5 risks have been withdrawn from the Corporate risk register since March 2015.

6.4.1. ENV0106

“As a result of the complexity, public interest, scale and number of partner organisations involved in taking the Croyley Rail programme forward, there is a risk that the programme may be delayed or cancelled, which may result in additional or abortive costs, legal action and damage to the reputation of HCC.”

The terms of the agreements between HCC and TfL/LUL by which the project have been finalised were sealed on 20/11/15. The agreements identified a level of liability that is acceptable to HCC and in light of this, the risk score was reduced from amber 24 (significant) to yellow 8 (material) In December 2015.

The risk owner has subsequently reviewed this risk and as the responsibility for the project, including liability for costs beyond the agreed budget has passed to London Underground Limited, has determined that this project can be removed from the HCC risk register.

6.4.2. PROP0019

“If significant issues arise with the development of the Property Framework Re-procurement there is a risk that the new frameworks will not be in place by April 2015. As a result HCC departments, schools and others who have used the frameworks will make their own contractual arrangements which may lead to contracting decisions which are not compliant with EU legislation and/or HCC procurement policies and procedures.”

The Policy and Resources Officer Group (PROG) met on 30/04/2015 and agreed that this risk should be withdrawn from the corporate risk register as the Frameworks had been successfully procured on time. The risk score was yellow 8 (material).

6.4.3. HCS0005

“In the event of a failure to meet emergency admissions targets set out in the Better Care Fund (BCF) plan, there is a risk that part or all of the pay for performance element of the BCF could be withheld.”

This risk has been withdrawn as the controls have been effective in mitigating this risk and a new risk (HCS0011 see para 6.1.4) has been developed to cater for both the short term and longer term financial risks. The risk score was amber 12 (significant).

6.4.4. PHD0010

“In the event of the Public Health (PH) department failing to deliver its statutory responsibilities in the key 5 areas of PH, (Health Checks, National Childhood Measurement Programme, sexual health services, advice to CCGs and Health Protection) there is a risk we will fail to sufficiently improve the

health and wellbeing of the public and reduce health inequalities.” The risk score was amber 16 (significant).

The Audit Committee requested an update on Public Health’s corporate risk (PHD0010) and a risk focus report was presented at its meeting on 26 June 2015. As a result of a subsequent review of this risk by the Public Health team it was decided that this risk be withdrawn and a new risk which focuses on the authority’s statutory duty has been developed (PHD0014 see para 6.1.7) at the corporate level.

6.4.5. HR0016

“There is a risk to the recruitment and retention of senior managers in response to the changing market place”. The risk score was amber 12 (significant).

Following discussion at PROG in October 2015, the risk owner has withdrawn this as a separate risk, but transferred the associated controls to risk CSCE0007 (recruit and retain staff, App A, Page 4.

6.5. **De-escalated risks**

3 risks have been de-escalated from the corporate risk register since March 2015.

6.5.1. HCS0004

“As a result of the changes brought about by the introduction of The Care Act 2014 (being managed by the HCS Care Act Programme Board) there is a risk to ensure that there are clear ongoing arrangements/agreements in relation to planning to implement multiple changes happening in parallel. Failure in delivery may result in reputational damage to HCS.”

The Policy and Resources Officer Group (PROG) determined at its meeting of 30/04/2015 that this risk should be de-escalated to a service level and that a new risk be developed to replace it on the Corporate Risk Register to capture Part 2 of the Care Act (HCS0010 at para 6.1.2). The risk score was yellow 6 (material).

6.5.2. HR0011

“As a result of internal and national changes to employment package, there is a risk of declining industrial relations which may result in industrial action”

The score had been reduced due to there being no local industrial disputes, and in the light of this the risk owner de-escalated the risk from the Corporate risk register to the Service risk register

The decision by officers to de-escalate this risk was challenged by Audit Committee at its meeting of 26 June 2015. There were no live local disputes and the risk was being managed and mitigated. However, in the light of the ongoing national Fire and Rescue dispute, PROG decided at their meeting of 30 July that this risk will remain at the service level and a new risk be developed at a corporate level to cover the risk of industrial action where

services may not be delivered effectively, which could result in harm to residents. The risk score was yellow 8 (material).

6.5.3. CSCE0018

“In the event of an extensive failure of the service provided by Hertfordshire Catering Ltd (HCL), there is a risk that meals to children cannot be supplied and of financial losses, which may lead to reputational damage and an impact on the R&P budget”.

Resources & Performance Board in July 2015 determined this risk should be de-escalated to a service level and was re-worded to reflect a failure to supply meals to children, financial losses to the Authority and reputational damage. The risk score was yellow 8 (material).

6.6. **Other Risk Developments**

6.6.1. Risk Focus

The following risk will be the subject of a risk focus report at Audit Committee, 23 March 2016.

HFRS0007 (App A, Page. 2) “During unplanned incidents, such as terrorist activity, civil disturbance or large scale wide area flooding, or periods of industrial action, there is a risk that HFRS have insufficient resources to cope which may result in an over-reliance on regional or national resources or significantly reduced fire cover.” The risk score is currently red 48 (severe). This risk was previously the subject of a risk focus by Audit Committee on 22 November 2012.

6.6.2. Emerging risk issue – Tree Health

A report to Resources and Performance Cabinet Panel (July 2015) introduced tree health issues and the potential implications to HCC.

Members noted that tree pests and diseases currently in the UK had the potential to affect an increasing range of native trees in urban parks, streets and gardens, woodlands, highways, schools, nature reserves, hedgerows and the wider landscape. Two of these, Chalara Ash Dieback and Oak Processionary Moth (OPM), posed an imminent threat and had the potential to impact on the future of trees and woodlands in the County with significant cost implications for individuals, landowners and local authorities.

At the October 2015 meeting Policy and Resources Officer Group (PROG) considered that this poses an emerging risk at a corporate level. The Shared internal Audit Service (SIAS) also provided a draft report on HCC Tree Management to relevant stakeholders (officers) in December 2015. Officers are now determining how this risk will be developed and taken forward.

7. Highlight of risks that are rare but may have very high impacts

- 7.1. It is good practice to consider these risks, which otherwise, due to their relatively low risk score, may not be subject to scrutiny.

There are 3 risks on the corporate risk register in this category, which score amber 16 (significant).

- a) CPRES0001 (App A, Page 28) - In the event of a failure of the Local Resilience Forum to provide adequate inter-agency plans which correctly identify the capabilities required to deal with a major emergency in Hertfordshire, there is a risk that Hertfordshire's multi-agency response may not be fully effective.
- Reviewed by Audit Committee 24 November 2011 and 23 September 2015
- b) CPRES0002 (App A, Page 29) – In the event of a failure to prepare adequate Corporate and departmental generic BCP plans, there is a risk that should a major incident take place (to building, technology & people) there may be insufficient back up arrangements in place, which could result in a higher level of disruption than anticipated causing increased disruption to key resources.
- Reviewed by Audit Committee 24 November 2011 and 23 September 2015
- c) PHD0014 (App A, Page 36) - In the event of a Health Protection emergency such as a communicable disease epidemic, radiological, chemical or biological agent exposure, or extreme weather conditions, there is a risk that the authority may be unable to meet its statutory duty to adequately assure multi-agency health protection arrangements and as a result there are high rates of morbidity or mortality of Hertfordshire residents.

8. Audit and Risk Management

- 8.1. Risk Management is a key element of the governance and assurance structures in the organisation. The Shared Internal Audit Service (SIAS) takes a risk approach to assessing activity for the audit plan.
- 8.2. The report of the Head of Assurance Services to 26 June 2015 Audit Committee, 'Annual Governance Statement 2014/15 and Code of Corporate Governance' states that the system of internal control is a significant part of that (governance) framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

- 8.3. The Council has a well-developed risk management strategy and embedded risk monitoring processes, which operate at the highest levels of the organisation, and are overseen by the Council's Audit Committee. The risks associated with meeting budget targets are also considered as part of the integrated planning process, and then monitored in quarterly reports to Cabinet.
- 8.4. At its quarterly meetings the Audit Committee receives and considers reports on the Council's overall risk management arrangements and also receives reports on specific risk issues that are considered worthy of individual reporting by internal audit or the officers of the Council.
- 8.5. The report of the Head of Assurance Services to 26 June 2015 Audit Committee, '2014/15 Annual Assurance Statement 2014/15 and Internal Audit Annual report' states that risk management arrangements are considered during annual audit planning and the delivery of individual audit assignments. No fundamental changes were made to the Council's risk management arrangements in 2014/15. In our opinion the corporate governance and risk management framework substantially complies with the best practice guidance on corporate governance issued by CIPFA/SOLACE. This conclusion is based primarily on the work undertaken by the Council and reported in its Annual Governance Statement for 2014/15.

9. Risk Management Benchmarking Club / Best Practice

- 9.1. The Risk Management function and approach continues to be benchmarked annually against Alarm's National Performance Model for Risk Management in Public Services published in 2009, developed by members of the professional body ALARM and expert Risk consultants and coordinated by Cipfa. The assessment received in 2015 described the risk management function as 'Embedded and Integrated' and 'Driving' in 7 different areas, which was a very encouraging analysis and demonstrates the continuing maintenance of the function. A summary of results is detailed in the table below.

Enablers	Leadership & Management	Awareness	Happening	Working	Embedded & Integrated	Driving
	Policy & Strategy	Awareness	Happening	Working	Embedded & Integrated	Driving
	People	Awareness	Happening	Working	Embedded & Integrated	Driving
	Partnerships & Shared Resources	Awareness	Happening	Working	Embedded & Integrated	Driving
	Processes	Awareness	Happening	Working	Embedded & Integrated	Driving
Results	Risk Handling & Assurance	Awareness	Happening	Working	Embedded & Integrated	Driving
	Outcomes & Delivery	Awareness	Happening	Working	Embedded & Integrated	Driving

10. Development of the Risk Management and Insurance Team

- 10.1. An Insurance Strategy has been developed which sets out ways the authority plans to improve its management of insurable risks. The strategy highlights opportunities for the authority to take a more holistic approach to insurance and risk management in order to provide comprehensive risk identification, assessment and mitigation. In order to take advantage of these opportunities a new structure will be introduced in April 2016 creating a new Risk Management and Insurance team within the Assurance service.

11. Next Steps

- 11.1. Challenges and recommendations from Audit Committee will be considered by the relevant risk owners/Services. Action taken as a result will update the corporate risk register and be reported to the appropriate cycle of risk review meetings.

Risk Matrix – The following chart shows where, and what category/colour the risk will fall in dependent on the scores. Red being the most severe and green being the least.

The scores within the chart are multiples of the likelihood and impact, e.g. (*Likelihood of*) 4 x (*Impact of*) 8 = (*Risk Score of*) 32

Assessing Impacts

Impact Score	Impact Title	Example description
1	Negligible	Annoyance but does not disrupt service: Minor injury to an individual; Financial loss under £50k; Isolated service user complaints contained within unit/section; Litigation claim or fine less than £50k; Failure to achieve a core team plan objective
2	Low	Minor impact on service; Minor injuries to several people; Financial losses between £50k-100k, Isolated service user complaints contained within department; Litigation claim or fine between £50k -100k; Failure to achieve several team plan objectives including a core objective
4	Medium	Service disruption; Major injury to an individual; Financial losses between £100k-1 Million; Adverse local media coverage. Lots of service user complaints; Litigation claims or fine between £100k - £1Million; Failure to achieve one or more strategic plan objective
8	High	Significant service disruption; major/disabling injury to employee, service user or other stakeholder; financial losses between £1Million-£5Million; adverse national media coverage; litigation claim or fine between £1Million-£5Million; Failure to achieve one or more strategic objective
16	Very High	Total service loss for a significant period; fatality to employee, service user or other stakeholder; financial loss in excess of £5 Million; National publicity more than 3 days. Possible resignation of leading member or chief officer; Multiple civil or criminal suits. Litigation claim or fine above £5 Million; Failure to achieve a major corporate objective in the Corporate Plan

Severe	The Board feels most concerned about carrying this risk. The consequences will have a severe impact on the delivery of a key priority and comprehensive management action is required immediately.
Significant	The Board feels concerned about carrying this risk. The consequences of the risk materialising would be significant, but not severe. Some immediate action is required plus the development of an appropriate action plan.
Material	The Board is uneasy about carrying this risk. Consequences of the risk are not significant and can be managed through contingency plans. Action plans can be developed later to address the risk.
Manageable	The Board is content to carry this risk. Consequences of the risk are considered relatively unimportant. The status of the risk should be reviewed periodically.

Assessing Likelihood

Scale	Description	Likelihood of Occurrence
1	Rare	<ul style="list-style-type: none"> Extremely unlikely or virtually impossible Less than 5% chance of happening Unlikely to occur in a 50 year period
2	Unlikely	<ul style="list-style-type: none"> Could occur at some point 6% to 20% chance of happening Unlikely to occur within a 10 year period
3	Possible	<ul style="list-style-type: none"> Fairly likely to occur 21% to 50% chance of happening Likely to occur once within a 10 year period
4	Likely	<ul style="list-style-type: none"> Will probably occur in most circumstances 51% to 80% chance of happening Likely to occur once within a one year period
5	Almost certain	<ul style="list-style-type: none"> Expected to occur in most circumstances More than 80% chance of happening Likely to occur within 3 months

Likelihood

Impacts

	Negligible (1)	Low (2)	Medium (4)	High (8)	Very High (16)
Almost certain (5)	5	10	20	40	80
Likely (4)	4	8	16	32	64
Possible (3)	3	6	12	24	48
Unlikely (2)	2	4	8	16	32
Rare (1)	1	2	4	8	16