

Risk Management – Risk assessment criteria



Table 1: Risk consequence table – Operations

Consequence categories	Insignificant	Minor	Moderate	Major	Critical
Legal and compliance	Breaches of a technical nature that do not expose the department to legal action an can be managed through routine activities	Breach resulting in exposure to civil action but fairly unlikely	Breach resulting in threats of: legal action (civil and criminal), investigation by an administrative body, registrations, licenses or permits being revoked to adverse comments made in relevant inspections, reports or ministerial inquiries	Breach resulting in ministerial inquiry, warnings to senior management, fines or litigation greater than \$500,000, registrations, licences or permits being revoked or closure of a few key services	Breach resulting in parliamentary scrutiny, prosecution, imprisonment, fines or litigation greater than \$1 million or closure of multiple services
Health and safety	No medical treatment required	Minor injury requiring first aid treatment (e.g. minor cuts, bruises, bumps)	Injury requiring medical treatment or lost time of four or fewer days	Serious injury (injuries) requiring specialist medical treatment or hospitalisation or lost time of greater than four days	Loss of life, permanent disability or injury or multiple serious injuries
Financial (excludes programs and projects – see tables 2 and 3)	The lesser of ... Impact on <1% of budget <\$100k Temporary disruption to delivery of products, services or systems	Impact on 1% - 2% of budget \$100k - \$500k Minor disruption to delivery of products, services or systems	Impact on 2% - 5% of budget \$500k - \$1m Restrictions or disruption to delivery of products, services or systems	Impact on 5% - 10% of budget \$1m - \$5m Sever delays or restrictions to key products, services or systems	Impact on >10% of budget >\$5m Non-delivery or loss of critical products, services or systems

Consequence categories		Insignificant	Minor	Moderate	Major	Critical
Service delivery	Teaching & learning	No measurable impact on business delivery or curriculum, training or learning activities	Short term interruption to delivery of some curriculum, training or learning activities	Longer term interruption to delivery of some curriculum, training or learning activities	Restricted ability to continue delivering curriculum, training or learning activities	Inability to deliver curriculum, training or learning activities
	Comms	Isolated incidents of inadequate internal communication with staff	Isolated incidents of inadequate external communication with stakeholders and community	Occasional incidents of inadequate internal communication with staff	Occasional incidents of misinformation conveyed to community and stakeholders	Regular incidents of misinformation conveyed to community, stakeholders and staff
	Asset mgmt	Difficulty experienced disposing of surplus assets or property	Slight, temporary damage to assets or property/ facilities	Significant but temporary damage to assets or property/ facilities	Sustained damage to asset repair or replacement lasting many months	Long term and permanent loss of critical assets/ building
	Service outage	Temporary disruption to a service or program	Minor effect on services and/ or programs	Restrictions to operational services, programs and loss or theft of some data	Severe restrictions to key services, programs or large loss or theft of data	Loss of critical services, programs or data
	Info mgmt	Temporary loss of non-critical files, data or records	Loss of non-critical files, data or records	Recoverable loss of critical files, data or records	Severe restrictions to access to critical files, data or records	Non-recoverable loss of critical files or records
Reputation		Some attention from minor stakeholders with little to no publicity, but able to be resolved by routine management processes without impact to the department's reputation	Limited damage to the department's reputation; minor one-off negative local publicity or visible dissatisfaction with the department by local stakeholder groups	Some negative publicity or short-term damage to the department's reputation at a state-wide level resulting in internal inquiry, potential for serious questions in parliament or disruption to some core departmental services or loss of public confidence in the department's processes	Negative publicity or damage to the department's reputation at a national or state level resulting in ministerial inquiry, Director-General involvement, possible review of the administration of government, disruption to major departmental services or loss of public confidence in the department	Significant and sustained negative publicity or damage to the department's reputation at a global, national or state level; resulting in government/ ministerial censure, senior staff resignations/ removals, parliamentary inquiry or significant long-term damage to public confidence in the department

Consequence categories		Insignificant	Minor	Moderate	Major	Critical
Organisational environment	Recruitment	Lack of suitable candidates to fill key operational roles within a reasonable timeframe	Difficulty recruiting or replacing officer in critical or key departmental positions within a reasonable timeframe	Inability to attract and retain key personnel in identified high demand roles or hard to fill locations	Low retention rates of key personnel	Sudden or unexpected loss of a number of key personnel
	Staff morale	Isolated incidents of short term decline in individual staff confidence/ morale	Some short term decline in staff confidence/ morale	Frequent decline in staff confidence/ morale	Long term decline in staff confidence/ morale	Ongoing lack of staff confidence and low staff morale across the organisation
Business continuity		Minor business disruption or security threat that causes no material disruption to departmental services. No impact on stakeholders. Incident absorbed by routine management.	Localised business disruption or security incident. Minimal impact to stakeholders. Readily contained and absorbed through local unit management intervention in contingency mode	Moderate business disruption or security incident resulting in disruption to some of the department's critical services. Some inconvenience to stakeholders. Cross management intervention is required and effort in contingency mode	Significant business disruption or security incident resulting in prolonged disruption to critical services across the department. Considerable impacts to stakeholders. Substantial senior executive intervention is required and effort in contingency mode	Extreme business disruption or security incident resulting in indeterminate prolonged suspension of critical services across the department. Debilitating impact on stakeholders. Immediate senior executive and/or ministerial intervention is required. May require external assistance.

Table 2: Risk consequence table – Programs

Consequence categories	Insignificant	Minor	Moderate	Major	Critical
Benefits	No reduction, but minor delay in realising one or more agreed Business Case benefits (financial or non-financial)	Minor reduction and delay in realising one or more agreed Business Case benefits (financial or non-financial)	Significant delay, but no, or minor, reduction in realising one or more Business Case benefits (financial or non-financial)	Significant reduction and delay in realising one or more Business Case benefits (financial or non-financial)	Complete failure to realise one or more Business Case benefits (financial or non-financial)
Continuance	Slight disruption but does not impair functioning or ability to complete program	Minor disruption that does not impair continuous functioning or ability to complete program	Temporary suspension of program; temporary suspension of up to 30% of projects in the program	Temporary suspension of program; temporary suspension of >30% of projects in the program; significant impairment of ability to complete the program	Premature closure of program
Financial	Variance (+/-) from currently approved program financial year-to-date, financial year or tranche budget of up to 5% or up to \$100K (whichever is less)	Variance (+/-) from currently approved program financial year-to-date, financial year or tranche budget of >5% up to 10% or > \$100K up to \$200K (whichever is less)	Variance (+/-) from currently approved program financial year-to-date, financial year or tranche budget of >10% up to 20% or >\$200K up to \$500K (whichever is less)	Variance (+/-) from currently approved program financial year-to-date, financial year or tranche budget of >20% up to 30% or >\$500K up to \$1M (whichever is less)	Variance (+/-) from currently approved program financial year-to-date, financial year or tranche budget of >20% or >\$1M (whichever is less)
	Variance (+/-) from currently approved life of program cost, of estimated cost at program completion of up to 5% or up to \$100K (whichever is less)	Variance (+/-) from currently approved life of program cost, of estimated cost at program completion of >5% up to 10% or >\$100K up to \$200K (whichever is less)	Variance (+/-) from currently approved life of program cost, of estimated cost at program completion of >10% up to 20% or >\$200K up to \$500K (whichever is less)	Variance (+/-) from currently approved life of program cost, of estimated cost at program completion of >20% up to 30% or >\$500K up to \$1M (whichever is less)	Variance (+/-) from currently approved life of program cost, of estimated cost at program completion of >30% or >\$1M (whichever is less)
	Variance (+/-) from capital and operating split of currently approved total financial year budget or funding plan of up to \$100K	Variance (+/-) from capital and operating split of currently approved total financial year budget or funding plan of >\$100K up to \$200K	Variance (+/-) from capital and operating split of currently approved total financial year budget or funding plan of >\$200K up to \$500K	Variance (+/-) from capital and operating split of currently approved total financial year budget or funding plan of >\$500K up to \$1M	Variance (+/-) from capital and operating split of currently approved total financial year budget or funding plan of >\$1M

Consequence categories	Insignificant	Minor	Moderate	Major	Critical
Governance	Minor aspects of Board establishment, maintenance and/or control is affected, but specific attention not required to ensure effective governance	Minor aspects of Board establishment, maintenance and/or control is affected that would require attention to ensure effective governance	One or more important aspects of Board establishment, maintenance and/or control is affected that would require specific attention to ensure effective governance	Major aspects of Board establishment, maintenance and/or control are affected that would require significant attention to ensure effective governance	Effective governance through Board establishment, maintenance and/or control is not ensured
Schedule (variance in working days)	Variance (+) in currently approved tranche or program completion date, or estimated completion date of up to 5% or up to 30 days (whichever is less) AND No slippage in completion of a tranche product or milestone on which a key stakeholder (internal or external) has a critical dependency	Variance (+) in currently approved tranche or program completion date, or estimated completion date of >5 up to 10% or >30 days up to 40 days (whichever is less) AND No slippage in completion of a tranche product or milestone on which a key stakeholder (internal or external) has a critical dependency	Variance (+) in currently approved tranche or program completion date, or estimated completion date of >10% up to 20% or >40 days up to 50 days (whichever is less) AND No slippage in completion of a tranche product or milestone on which a key stakeholder (internal or external) has a critical dependency	Variance (+) in currently approved tranche or program completion date, or estimated completion date of >20% up to 30% or >50 days up to 60 days (whichever is less) AND/OR Slippage in completion of a tranche product or milestone on which a key stakeholder (internal or external) has a critical dependency	Variance (+) in currently approved tranche or program completion date, or estimated completion date of >30% or >60 days (whichever is less) AND/OR Slippage in completion of more than one tranche product or milestone on which a key stakeholder (internal or external) has a critical dependency
Scope (products, organisational)	Delivery of a component of currently approved scope regarded as insignificant by Senior Responsible Owner is impaired	Delivery of a component of currently approved scope regarded as non-essential by Senior Responsible Owner is impaired	Delivery of a component of currently approved scope regarded as essential by Senior Responsible Owner is impaired	Delivery of a significant portion of currently approved scope regarded as essential by Senior Responsible Owner is seriously impaired	Complete failure of program to deliver currently approved scope

Table 3: Risk consequence table – Projects

Consequence categories	Insignificant	Minor	Moderate	Major	Critical
Benefits	No reduction but minor delay in realising one or more agreed Business Case benefits (financial or non-financial)	Minor reduction and delay in realising one or more agreed Business Case benefits (financial or non-financial)	Significant delay, but no, or minor, reduction in realising one or more Business Case benefits (financial or non-financial)	Significant reduction and delay in realising one or more Business Case benefits (financial or non-financial)	Complete failure to realise one or more Business Case benefits (financial or non-financial)
Continuance	Slight disruption but does not impair functioning or ability to complete project	Minor disruption that does not impair continuous functioning or ability to complete project	Temporary suspension of project but ability to complete project is not impaired	Suspension of project and/or significant impairment of ability to complete project impacting business or corporate objectives	Premature closure impacting business or corporate objectives
Financial	Variance (+/-) from currently approved program financial year-to-date, financial year or tranche budget of up to 5% or up to \$50K (whichever is less)	Variance (+/-) from currently approved program financial year-to-date, financial year or management stage budget of >5% up to 10% or >\$50K up to \$100K (whichever is less)	Variance (+/-) from currently approved program financial year-to-date, financial year or management stage budget of >10% up to 20% or >\$100K up to \$200K (whichever is less)	Variance (+/-) from currently approved program financial year-to-date, financial year or management stage budget of >20% up to 30% or >\$200K up to \$500K (whichever is less)	Variance (+/-) from currently approved program financial year-to-date, financial year or management stage budget of >30% or >\$500K (whichever is less)
	Variance (+/-) from currently approved life of program cost, of estimated cost at program completion of up to 5% or up to \$50K (whichever is less)	Variance (+/-) from currently approved life of program cost, of estimated cost at program completion of >5% up to 10% or >\$50K up to \$100K (whichever is less)	Variance (+/-) from currently approved life of program cost, of estimated cost at program completion of >10% up to 20% or >\$100K up to \$200K (whichever is less)	Variance (+/-) from currently approved life of program cost, of estimated cost at program completion of >20% up to 30% or >\$200K up to \$500K (whichever is less)	Variance (+/-) from currently approved life of project cost, of estimated cost at program completion of >30% or >\$500K (whichever is less)
	Variance (+/-) from capital and operating split of currently approved total financial year budget or funding plan of up to \$50K	Variance (+/-) from capital and operating split of currently approved total financial year budget or funding plan of >\$50K up to \$100K	Variance (+/-) from capital and operating split of currently approved total financial year budget or funding plan of >\$100K up to \$200K	Variance (+/-) from capital and operating split of currently approved total financial year budget or funding plan of >\$200K up to \$500K	Variance (+/-) from capital and operating split of currently approved total financial year budget or funding plan of >\$500K

Consequence categories	Insignificant	Minor	Moderate	Major	Critical
Governance	Minor aspects of Board establishment, maintenance and/or control is affected, but specific attention not required to ensure effective governance	Minor aspects of Board establishment, maintenance and/or control is affected that would require attention to ensure effective governance	One or more important aspects of Board establishment, maintenance and/or control is affected that would require specific attention to ensure effective governance	Major aspects of Board establishment, maintenance and/or control are affected that would require significant attention to ensure effective governance	Effective governance through Board establishment, maintenance and/or control is not ensured
Product quality	Quality of one or more products not on critical path does not meet quality criteria for product acceptance, but specified quality is achievable	Quality of a product on critical path does not meet quality criteria for product acceptance, but specified quality is achievable	Quality of more than one product on critical path does not meet quality criteria for product acceptance, but specified quality is achievable	Quality of a product on critical path does not meet quality criteria for product acceptance, and specified quality is not achievable	Quality of more than one product on critical path does not meet quality criteria for product acceptance, and specified quality is not achievable
Schedule (variance in working days)	Variance (+) from currently approved management stage or project completion date, of estimated completion date of up to 5% or up to 10 days (whichever is less) AND No slippage in completion of a stage product or milestone on which a key stakeholder (internal or external) has a critical dependency	Variance (+) from currently approved management stage or project completion date, of estimated completion date of >5% up to 10% or >10 days up to 20 days (whichever is less) AND No slippage in completion of a stage product or milestone on which a key stakeholder (internal or external) has a critical dependency	Variance (+) from currently approved management stage or project completion date, of estimated completion date of >10% up to 20% or >20 days up to 30 days (whichever is less) AND/OR Slippage in completion a stage product or milestone on which a key stakeholder (internal or external) has a critical dependency	Variance (+) from currently approved management stage or project completion date, of estimated completion date of >20% up to 40% or >30 days up to 60 days (whichever is less) AND/OR Slippage in completion of more than one stage product or milestone on which a key stakeholder (internal or external) has a critical dependency	Variance (+) from currently approved management stage or project completion date, of estimated completion date of >40% or >60 days (whichever is less) AND/OR Slippage in completion of all stage products or milestone on which a key stakeholder (internal or external) has a critical dependency
Scope (products, organisational)	Delivery of a component of currently approved scope regarded as insignificant by Project Executive is impaired	Delivery of a component of currently approved scope regarded as non-essential by Project Executive is impaired	Delivery of a component of currently approved scope regarded as essential by Project Executive is impaired	Delivery of a significant portion of currently approved scope regarded as essential by Project Executive is seriously impaired	Complete failure of project to deliver currently approved scope