

## Using the Risk and Opportunity Assessment Matrix

When assessing a risk or opportunity for the first time you should assume there are no management actions in place. The second assessment is completed with those actions already in place and with any additional actions needed to reduce the risk further/realise the opportunity.

The assessor should assign values for the identified 'likelihood of occurrence (A)' and the 'impact (B)'. By multiplying 'A' and 'B' together you get the rating score, which gives an indication of how important the risk/opportunity is. The thick black line is the 'line of tolerance'. Those risks that are plotted above the line (score 10-25) are 'out of tolerance and should be referred to Group managers and Corporate Management Team for further consideration.

**Green=Low risk,  
Amber 9=Medium risk,  
Amber 10-12 Medium risk (above  
line of tolerance),  
Red=High risk**

**Red= High priority opportunity,  
Amber 10-12= Medium priority  
opportunity,  
Amber 10-12=Medium priority  
opportunity,  
Green=Low priority opportunity**

LIKELIHOOD (A)	Very Likely 5	5	10	15	20	25
	Likely 4	4	8	12	16	20
	Feasible 3	3	6	9	12	15
	Slight 2	2	4	6	8	10
	Very unlikely 1	1	2	3	4	5
		Insignificant 1	Minor 2	Significant 3	Major 4	Critical 5
IMPACT RISKS (B)						

LIKELIHOOD (A)	Very Likely 5	25	20	15	10	5
	Likely 4	20	16	12	8	4
	Feasible 3	15	12	9	6	3
	Slight 2	10	8	6	4	2
	Very unlikely 1	5	4	3	2	1
		Exceptional 5	Major 4	Significant 3	Minor 2	Insignificant 1
POSITIVE IMPACT - OPPORTUNITIES (B)						