Explanatory Key

A risk is something that **could** happen in the future and have an impact on the completion or outcome of the Programme.

All programmes have an element of risk; all new risks will be recorded as soon as they are identified and all risks will be updated when a change (positive or negative) occurs. This is to ensure that the programme can demonstrate how it will deal with potential problems or varying sever a controlled manner.

Risk is calculated according to the probability (P) of it happening and the impact (I) of this occurrence, based on a scale of 1 (very low) and 5 (very high) for each element of the calculation. A RAG rating is then assigned to the total score (i.e. the outcome, which is calculated by multiplyi the probability score and the impact score: P x I = O).

Definition of Scores

	1 (very Low)	2 (Low)	3 (Medium)	4 (High)	5 (Very High)
Probability	Unlikely 0-10%	Low 11-30%	Possible 31-50%	Probable 51-80%	Definite 81-100%
Impact	Minimal (no interruption to programme delivery)	Minor (temporary interruption to programme delivery)	Significant (lasting interuption to programme delivery)	Severe (complete interruption to programme delivery)	Catastrophic (programme will fail unless risk urgently mitigated/resolved)

RAG Status	Score	Definition	Action
Green (Low)	1-5	The programme is meeting expectations.	No action required.
Amber (Medium)	6-15	The programme is not meeting expectations. There are mitigating circumstances in most cases and improvement is likely but risks need to be flagged to the programme team.	SSG should be notified at the earliest opportunity; mitigation action will be explored at the appropriate governance level and implemented, as appropriate.
Red (High)	16-25	There are significant problems with the programme and it is not meeting expectations to date. Corrective action is required to meet business objectives. The problem cannot be handled solely by the programme	The matter should be escalated to SSG immediately for consideration/res olution at the appropriate governance level.

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