

Risk Description <i>A clear statement of the identified risk</i>	Consequence <i>A clear statement of the effect if the risk is realised</i>	Existing controls <i>Details of controls <u>already in place</u> designed to mitigate the risk and/or address the consequence (contingency plans) [NB - must express in 'control language': controls must be tangible/auditable.]</i>		Prob. <i>Likelihood of risk being realised, H(igh), M(edium), or L(ow)</i>	Impact <i>Severity of consequence, H(igh), M(edium), or L(ow)</i>	Risk Rating <i>Combine Probability / Impact score</i>	Tolerate / Accept (Y/N) <i>[see risk matrix.]</i>	Further Actions to improve controls <i>If risk <u>not</u> tolerable / acceptable</i>	Action by date	Resp. Officer
		A) Existing controls which mitigate the risk	B) Existing contingency plans to address consequences							
Clear description of objective *										
Risk_1 to achievement of objective	If Risk_1 realised, then effect will be...			H	M	H / M	N	<i>Actions to strengthen mitigating controls, contingency plans, or both.</i>		
Risk_1 to achievement of objective	If Risk_2 happens, then effect will be...			M	M	M / M	N			
Risk_1 to achievement of objective	If Risk_n happens, then effect will be...			L	M	L / M	Y			

* register must include all objectives for which team is responsible, Including those in HEFCW's current Corporate Strategy and Corporate & Operational Plan

Detailed notes on completion of risk registers

The delivery of HEFCW's objectives is surrounded by uncertainty which poses threats to success and offers opportunity for increasing success. Risk is defined as this uncertainty of outcome, whether positive opportunity or negative threat, of actions and events.

A statement of a risk is an assessment of the combination of the probability of something happening, and the impact which arises if it does actually happen. (i.e. the cause of the impact, and the impact on the achievement of the objective - "cause and consequence"). Risk management includes identifying and assessing risks (the "inherent risks") and then responding to them. Further guidance and examples can be found in the HM Treasury Orange Book *Management of Risk* (October 2004) and the Welsh Assembly Government's *Risk Essentials* publication (October 2006). Both these documents are available on the intranet.

HEFCW's standard risk register template is divided into four main parts:

- i) Identification of risk: description of risk and consequence if realised;
- ii) Details of the existing controls and contingency plans to manage the risks;
- iii) An assessment of the risk rating; and
- iv) Identification of any further actions required to improve controls.

Column Heading	Guidance
<p>Risk Description Risk reference linked to strategic aim and a description of the risk</p>	<p>Cross reference the risk to the Corporate or other Team objective to which it relates.</p> <p>Each objective should be recorded, even if there are no significant risks associated with it. This will act as a reminder when reviewing the register. You do not have to identify a risk/risks for every objective, provided you have worked through all objectives systematically in determining what needs to be recorded.</p> <p>Risks identified could relate to more than one objective.</p> <p>To identify the risk:</p> <ol style="list-style-type: none"> 1. Ask what is the objective? 2. Ask what will prevent the objective being achieved? <p>Care is needed here to:</p> <ul style="list-style-type: none"> • Avoid defining risks with statements which are simply the converse of the

Column Heading	Guidance
	<p>objectives</p> <ul style="list-style-type: none"> • Avoid stating consequences as being the threats themselves • Avoid stating risks which do not impact on objectives
Consequence	A clear statement of the impact that the risk would have on the organisation's objectives if the risk were realised.
Existing Controls:	
A) Existing controls which mitigate the threat. ('prevention' or 'detection')	<p>What controls are already in place to mitigate the risk?</p> <p>Controls could consist of authorisation and approval mechanisms, monitoring mechanisms, physical controls, segregation of duties, organisational, personnel, management and supervisory controls, or arithmetic reconciliations and accounting controls.</p> <p>The Risk Assurance Section can provide further guidance on the identification of controls if required.</p>
B) Existing contingency plans to address the consequences ('correction')	What contingency plans are already in place to deal with the consequences should they be realised ?
Probability	An assessment of the probability of the risk being realised (High, Medium or Low), taking account of any controls in place to manage the risk. The assessment is made against the criteria set out in the exemplars / definitions (Annex A).
Impact	An assessment of the severity of the impact (High, Medium or Low) if the consequence of the risk were realised. The assessment is made against the criteria set out in the exemplars / definitions (Annex A).
Risk Rating	The combined risk score of the assessed probability and impact, from High/High down to Low/Low.

Column Heading	Guidance
Tolerate / Accept Risk ? (Y/N)	<p>Is this risk tolerable/acceptable? (Yes or No)</p> <p>The answer will depend on where the risk rating sits in terms of the risk tolerance boundary on the risk matrix. In some circumstances it may be judged that there are no further actions that HEFCW can take to reduce a significant risk (a risk above the tolerance boundary), and in such instances the risk may have to be tolerated.</p>
Further actions to improve controls:	
Action	<p>If the risk rating is not tolerable, identify any additional actions required to strengthen the existing controls.</p> <p>In considering the need for a contingency plan, you will also need to take into account the timescales for completion of the actions. If it will take some time to manage the risk down to a reasonable level, you may need a contingency plan for what will happen if the risk is realised in the meantime.</p> <p>Management Board is responsible for ensuring that actions proposed are sufficient and proportional to the risk identified.</p>
Action by date	
Responsible officer	

And on an on-going basis:

Next review date

What date will you review the risk?

Some risks require weekly or monthly monitoring, others will only need to be revisited following the proposed date for completion of the action.

Review

Did the review take place? Either Yes + date of review, or No + why

Document the review and update the register accordingly. Actions, once taken, are likely to give rise to new controls that can then be recorded as existing controls in the next assessment, possibly reducing the assessment of the residual risk.

Current status

Please provide a brief indication of the current status of the risk.

This records progress against the actions identified. Should progress be unsatisfactory, this could give rise to the need for new actions or contingency plans