

**Oldham Primary Care Trust**  
**Guidance on the Completion of Risk Assessment Forms, December 2006**

**Review Date**

Risks and action plans are required to be reviewed after three months or by the date stated within the assessment, if sooner.

**Risk Reference**

All risks will be given a reference by the Risk Manager.

**Risk**

The risk should be described. Risks to be considered are those that may affect the Trust, Practice, Directorate, Department or Individuals (singularly or in groups). All other stakeholders such as patients, the public the SHA and the DoH should also be considered. The risk may relate to health and safety, the provision and/or quality of service or care, the finances of the Trust or it's reputation.

**Likelihood**

Likelihood refers to how the PCT may be exposed to the identified risk. The options are: -

<b>Likelihood</b>	<b>Description</b>
<b>Almost Certain 5</b>	Likely to reoccur on many occasions, a persistent issue
<b>Likely 4</b>	Will probably reoccur but is not a persistent issue
<b>Possible 3</b>	May reoccur occasionally
<b>Unlikely 2</b>	Do not expect it to happen again but it is possible
<b>Rare 1</b>	Can't believe that this will happen again

**Consequence**

Consequence refers to the effect if the identified risk occurs. The options are: -

Catastrophic      Major      Moderate      Minor      Insignificant

The following table gives examples of these consequences in relation to Injury/Harm, Organisational Impact, Financial Loss, Reputation, Quality and Litigation.

Consequence	Injury/Harm	Organisational impact	Financial Loss	Reputation	Quality	Litigation
<b>Catastrophic 5</b>	Multiple Deaths Fire	Interruption to all Trust activities	>£500k	National media coverage MP concern	Failure to meet professional standards	Criminal prosecution. Executive officers fined or imprisoned
<b>Major 4</b>	Fatality Multiple injury Permanent	Suspension of operational activity for sustained period	£100-£500k	National media coverage. MGT exec concern	Failure to meet National standards	Criminal prosecution. Prohibition notice
<b>Moderate 3</b>	Serious injury to one person or minor injuries to a number of people	Suspension of operational activity for limited period	£25-£100k	Local media coverage. Regulator concern	Repeated failures to meet internal standards	Civil action. Improvement notice.
<b>Minor 2</b>	Minor injury to one person or irritation or discomfort to a number of people	Significant inconvenience or cost in maintaining activity	£10-£25k	Within organisation	Failure of a standard	Possible minor out of court settlement
<b>Insignificant 1</b>	Little or no harm	Little or no disruption to activity	<£10k		Minor non compliance	

## Risk Rating

The inherent risk rating is obtained by using the comparison of likelihood and consequence in the table below. The rating will be High, Significant, Medium or Low.

	Consequences				
	Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Likelihood					
<i>Almost Certain</i> 5	Low 5	Significant 10	Significant 15	High 20	High 25
<i>Likely</i> 4	Low 4	Medium 8	Significant 12	High 16	High 20
<i>Possible</i> 3	Low 3	Medium 6	Medium 9	Significant 12	Significant 15
<i>Unlikely</i> 2	Low 2	Low 4	Medium 6	Medium 8	Significant 10
<i>Rare</i> 1	Low 1	Low 2	Low 3	Low 4	Low 5

## Justify

Statement of factors used in making the decision on both impact and likelihood.

## **Controls**

Controls are actions that are taken to manage the risks. They may avoid the risk by specifying alternative courses of action, eliminate the cause of the risk, reduce the likelihood of the risk occurring, reduce the consequences of the risk, or transfer the risk elsewhere.

Controls can be Preventive, Detective or Directive in nature.

Preventive controls prevent something from happening – a lock on a door, passwords to prevent unauthorised access to computer files.

Detective controls detect when something has happened – an alarm on a door, exception reports generated for unusual transactions.

Directive controls instruct people what to do (or not to do) – a Keep Out sign on a door, procedures, policies, and guidelines.

### **Controls in Place**

The control measures currently in place in relation to the identified risk should be identified and described.

### **Control Effectiveness**

The control measures in place must be judged on their effectiveness at controlling the identified risk. The controls may be satisfactory, have some weaknesses or be weak.

**Satisfactory:** Controls are strong, operating properly and provide a reasonable level of assurance that the risk is adequately controlled.

**Some Weaknesses:** Some measure of control is applied, but improvements are still required to provide reasonable assurance that the desired level of control is attained.

**Weak:** Controls do not meet an acceptable standard and do not provide assurance that the identified risk is adequately controlled.

Risks should initially be rated giving consideration to the existing control measures in place.

If the risk rating is low – end the assessment and record the risk assessment in the risk management file.

If the risk rating is medium to high an action plan needs to be recorded under further actions. This plan must address the risks and bring them down to an acceptable level within a timescale appropriate to the level of risk identified.

The risk manager must be notified of risk reviews being undertaken with risk scores of 5+

**Residual Risk Rating**

The control measures may reduce the level of risk. The residual risk, after taking into account the existing control measures, should be entered by referring to the tables for consequence, likelihood and risk rating.

**Monitoring**

On entering the risk register the residual risk rating and action plan will be monitored and followed up as described within the strategy.