

6.4 Appendix D - Risk Matrix

Consequence Rating Table (Where there are multiple types of impacts, use the highest rating for scoring risk)					
IMPACT TYPE:	INSIGNIFICANT	MINOR	MODERATE	MAJOR	CRITICAL (potential RAS breach within 1 year)
<b>HEALTH AND SAFETY</b> Physical & Psychosocial	•Near miss event. •No first aid or medical treatment required.	•First Aid injury or illness.	•Injury or illness requiring medical intervention or treatment. •Reversible, temporary impairment.	•Serious injury or illness requiring hospitalisation. •Ongoing impairment with functional restriction.	•Permanent impairment with significant functional restriction. •Fatality / fatalities.
<b>CULTURE / UQ VALUES</b>	Some non-supervisory staff unaware of and/or their behaviour occasionally inconsistent with UQ Values, Code of Conduct, and/or local safety procedures.	Middle management not appropriately responding to staff behaviour that is inconsistent with UQ Values, Code of Conduct and/or safety procedures.	•Noticeable reduction in staff morale at a faculty, institute, or central divisional level. • Widespread staff perception that senior management does not appropriately respond to staff breaching UQ Values, Code of Conduct Principles and/or safety procedures.	•Noticeable reduction in staff morale across UQ. •Sustained inability to fill essential roles and/or attract sought-after potential staff in a timely manner. •Persistent failure to retain valued staff for desired periods of time. •Widespread staff perception that UQ does not appropriately respond to senior management staff breaching UQ Values, Code of Conduct Principles and/or safety procedures.	•Students and/or staff lose trust in UQ's commitment and ability to abide by its Values. •Majority of internal stakeholders believe UQ's culture is corrosive and/or noticeably detrimental to UQ's success, and to the success of its staff and students.
<b>COMPLIANCE and LEGAL RISK</b> (Compliance with laws, regulations, contracts, licenses, court judgements, UQ policies and procedures)	•Award of damages or negotiated settlement less than \$100K net outlay (not regulator related). •Breach of a local standard operating procedure but not of any UQ policy or procedure.	•Minor corrective actions from regulator on non-essential matters. •Award of damages or negotiated settlement between >\$100K - \$500K net outlay (not regulator related). •Minor breach of a UQ policy or procedure.	•Court or regulator-imposed fines and penalties less than \$500K. •Breach of law/regulation/license but without the consequences described in 'Major' or 'Critical'. •Award of damages or negotiated settlement between >\$500K-\$1M (net loss) •Significant but ad hoc breach of a UQ policy or procedure.	•Court or regulator-imposed fines and penalties >\$500K - \$10M. •Show cause notice, major adverse finding or enforceable undertaking issued by regulator. •Award of damages or negotiated settlement between >\$1M - \$10M (net loss). •Significant and systemic breaches of UQ policies or procedures.	•Criminal conviction of UQ and/or its executive/s in their official capacity. •Court imposed fines and penalties >\$10M. •Loss of mission-essential licence /accreditation. •Award of damages against UQ or negotiated settlement costing UQ >\$10M (net loss).
<b>REPUTATION</b> Key stakeholders: • Students and Staff (current and prospective) • Alumni / Donors / Partners / Peers • Government; all levels • Research Investors / Customers • Community; domestic and international • Suppliers, Unions	•Negligible impact. •Ad hoc negative mentions or rumours of a negative event on social media.	•Adverse conventional or social media coverage for a brief time. •Limited ability to meet some legitimate but insignificant student, staff and/or other stakeholders' demands and expectations.	•Regular adverse conventional or social media coverage. •Students and staff (including unions) frequently and publicly express their disapproval and disappointment at UQ. •Short-term failure to meet legitimate and significant student, staff and/or other stakeholders' demands and expectations.	•Ongoing criticism of UQ in conventional or social media gradually undermining public perception of UQ. •Sustained long-term failure to meet legitimate and significant student, staff and/or other stakeholders' demands and expectations.	•Strong, sustained and largely unanimous criticism of UQ by key stakeholders or general public, via conventional or social media. •Very public and rapid withdrawal of support for, and trust in, UQ by its key stakeholders.
<b>STRATEGIC</b> Strategic KPIs are the highest priority KPIs included in UQ's Strategic Plan	Negligible but has potential to adversely impact UQ's strategic KPIs.	Negative but acceptable variations in less than 10% of UQ's strategic KPIs when assessed on an annual basis or against annual milestones.	Significant but acceptable negative variations in >10%-20% of UQ's strategic KPIs when assessed on an annual basis or against annual milestones.	Significant or unacceptable negative variations in >20%-30% of UQ's strategic KPIs when assessed on an annual basis or against annual milestones.	Significant or unacceptable negative variations in more than 30% of UQ's strategic KPIs when assessed on an annual basis or against annual milestones.
<b>FINANCIAL</b> (Note 1) Measured as adverse impact on budgeted annual EBIT	Net adverse EBIT impact of less than 1% of budgeted total income: <i>this equates to negative EBIT impact of &lt;\$20M for 2021</i>	Net adverse EBIT impact of 1%-2.5% of budgeted total income: <i>this equates to negative EBIT impact of \$20M - \$50M for 2021</i>	Net adverse EBIT impact of >2.5%-5% of budgeted total income: <i>this equates to negative EBIT impact of &gt;\$50M - \$100M for 2021</i>	Net adverse EBIT impact of >5%-10% of budgeted total income: <i>this equates to negative EBIT impact of &gt;\$100M - \$200M for 2021</i>	Net adverse EBIT impact of greater than 10% of budgeted total income: <i>this equates to negative EBIT impact of &gt;\$200M for 2021</i>
<b>OPERATIONS</b> (Note 1) • Functions refer to Academic activities, i.e. research, teaching, learning • Support services refer to Non-Academic activities e.g. COO portfolio, professional services	Insignificant impact on the delivery or performance of non-essential functions and/or support services; issue/s quickly resolved.	•Minor, unplanned negative impact on the delivery or performance of non-essential functions and/or support services. •Some damage, loss or contamination of non-essential facilities, infrastructure, resources (incl. research samples, data, information assets), systems or operational capabilities.	•Moderate, unplanned negative impact on the delivery or performance of essential functions and/or support services. •Significant damage, loss or contamination of non-essential facilities, infrastructure, resources (incl. research samples), systems or operational capabilities. •Some damage, loss or contamination of essential facilities, infrastructure, resources (incl. research samples, data, information assets), systems or operational capabilities.	•Significant and/or sustained, unplanned impact on the delivery or performance of essential functions and/or support services during a less operationally critical time. •Significant damage, loss, or contamination of essential facilities, infrastructure, resources (incl. research samples, data, information assets), systems or operational capabilities that <b>can</b> be replaced, repaired, or recovered from.	•Significant, unplanned negative impact on the delivery or performance of essential functions and/or support services during an operationally critical time and for an unacceptable period. •Significant damage, loss, or contamination of essential facilities, infrastructure, resources (incl. research samples, data, information assets), systems or operational capabilities that <b>cannot</b> be practicably replaced, repaired, or recovered from.

Risk Tolerance & Action Table			
Overall Assessed MRL at Enterprise Level	Recommended Action	Immediate Response to WHS Risk <i>(Refer to WHS Risk Management Procedure for specific action requirements)</i>	Sign-off/ Reporting level
<b>Extreme</b>	•If the MRL indicates a potential breach of Senate approved RAS, advise ERS immediately. •Develop a Risk Management Action Plan and implement proposed controls/treatments as soon as practicable to lower the MRL to an acceptable TRL. •Confirm effectiveness and timely implementation to ERS as per agreed action plan.	Task must not proceed. Appropriate and prompt action must be taken to reduce the risk to an acceptable level.	Vice Chancellor, VCRCC & SR&AC
<b>High</b>	•If MRL within RAS, accept risk and document the reasons. •If outside of RAS, develop a Risk Management Action Plan and implement proposed controls/treatments as soon as practicable to lower the MRL to the TRL. •Confirm effectiveness and timely implementation to ERS as per agreed action plan.	Task can only proceed in extraordinary circumstances**, provided it is within RAS, and there is authorization by relevant Head of Function* and a plan is in place to promptly reduce the risk to an acceptable level.	Relevant USLG member (the risk may be reported by ERS to VCRCC, USET and SR&AC, depending on the impact on UQ)
<b>Medium</b>	•If MRL within RAS, accept risk and document the reasons. •If outside of RAS, develop a Risk Management Action Plan and implement proposed controls/treatments as soon as practicable to lower the MRL to the TRL. •Regularly review existing controls for effectiveness and introduce new or changed controls if cost is justifiable. •Develop and implement action plan, if new or changed controls are proposed, followed by re-assessment of new risk level after implementation.	Task can proceed upon approval of the risk assessment by relevant Line Manager or Supervisor is received. Implementation of a review cycle to review the risks and mitigate further wherever possible.	Relevant USLG member and relevant Head of Function*
<b>Low</b>	•Maintain and monitor existing controls to ensure they continue to be effective; •Monitor internal and external changes in the portfolio's environment.	Task can proceed upon approval of the risk assessment by relevant Line Manager or Supervisor is received.	Relevant Line Manager or Supervisor
At each organisational level (e.g. faculty, institute, school, controlled entity, project, function, division), management has to identify their portfolio's or project's top risks and demonstrate the effective management of these risks. * Relevant Head of Function; Head of school, Institute Deputy Director or Division Director ** Extraordinary circumstances are opportunities for the University that align with its strategic mission and RAS.			

Risk Level Calculator	Insignificant [1]	Minor [2]	Moderate [3]	Major [4]	Critical [5]	Likelihood of the risk materialising		Definition	Probability	Likelihood Table
	Medium	Medium	High	Extreme	Extreme	5	Very High	Almost certain; extremely likely	> 90%	
	Low	Medium	High	High	Extreme	4	High	Very Likely; will probably occur	60% - 90%	
	Low	Low	Medium	High	Extreme	3	Medium	Likely to happen	40% - 59%	
	Low	Low	Medium	Medium	High	2	Low	Possible but unlikely	10% - 39%	
	Low	Low	Low	Medium	High	1	Very Low	Conceivable but extremely unlikely	<10%	

'Essential' in the matrix above refers to those activities, staff, means, conditions, and resources that are of such importance that without these the university will be unable to deliver its core functions of teaching, learning and research.

Note 1; to provide meaningful risk ratings for risk assessments other than at UQ level (e.g. faculty, institute, school, function, division), the reference to budgeted total income in the 'Financial' impact line can be replaced by local budgeted total income. For projects, the 'Financial' and 'Operations' impact levels may be adjusted to better reflect the project specific impacts and tolerances. If lower level and/or adjusted consequence levels for Financial and/or Operations impact types have been used, the total risk rating needs to be reported by stating the organisational level of the assessment before the risk rating; e.g. Faculty-High, Project-Medium, School-Extreme, etc.