RESERVES RISK ASSESSMENT

SCORING MATRIX

Severe / Catastrophic Over £2.5m Major	4	4 (25%)	8 (75%)	12 (100%)	16 (100%)
£1m to £2.5m	3	3 (10%)	6 <i>(50%)</i>	9 (100%)	12 (100%)
Moderate £500k to £1m	2	2 (10%)	4 <i>(</i> 25% <i>)</i>	6 <i>(50%)</i>	8 (75%)
Minor Below £500k	1	1 (10%)	2 (10%)	3 (10%)	4 <i>(</i> 25%)
		1	2	3	4
		Unlikely	Possible	Likely	Very Likely
		 May occur in time but very infrequent, perhaps once in a lifetime 	 May occur occasionally, perhaps once every few years 	 Likely to occur imminently or within the next few months to a year Odds of 10-1 to Evens 	Will occur or does occur regularly
		• Odds of 100-1 to 1000-1	• Odds of 10-1 to 99-1		 Odds of Evens or Absolute Certainty

LIKELIHOOD

% relates to the weighting which will be given to the potential impact to determine the reserve provision required.

IMPACT

APPENDIX 3d