

## RESERVES RISK ASSESSMENT

### SCORING MATRIX

		LIKELIHOOD			
		1	2	3	4
IMPACT	Severe / Catastrophic Over £2.5m	4 4 (25%)	8 (75%)	12 (100%)	16 (100%)
	Major £1m to £2.5m	3 3 (10%)	6 (50%)	9 (100%)	12 (100%)
	Moderate £500k to £1m	2 2 (10%)	4 (25%)	6 (50%)	8 (75%)
	Minor Below £500k	1 1 (10%)	2 (10%)	3 (10%)	4 (25%)
		1	2	3	4
		Unlikely	Possible	Likely	Very Likely
		<ul style="list-style-type: none"><li>• May occur in time but very infrequent, perhaps once in a lifetime</li><li>• Odds of 100-1 to 1000-1</li></ul>	<ul style="list-style-type: none"><li>• May occur occasionally, perhaps once every few years</li><li>• Odds of 10-1 to 99-1</li></ul>	<ul style="list-style-type: none"><li>• Likely to occur imminently or within the next few months to a year</li><li>• Odds of 10-1 to Evens</li></ul>	<ul style="list-style-type: none"><li>• Will occur or does occur regularly</li><li>• Odds of Evens or Absolute Certainty</li></ul>

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