

Risk Ratings Matrix

A Risk Ratings Matrix is a table which matches specific Likelihood ratings and Consequence ratings to a Risk Rating of low, medium, high or very high.

Consequence	Likelihood				
	1 Rare	2 Unlikely	3 Possible	4 Likely	5 Almost Certain
5 Extreme	Medium	High	High	Very High	Very High
4 Major	Medium	Medium	High	Very High	Very High
3 Moderate	Low	Medium	Medium	High	High
2 Minor	Low	Low	Medium	Medium	High
1 Insignificant	Low	Low	Low	Low	Medium

Likelihood Ratings Guide

The following table is a general guide to assess the chance of a risk event happening. It is desirable to adhere to the common meaning of these descriptors however it may on occasion be necessary to align the descriptors to the probabilities used by specific areas of the University or which are appropriate for a different timeframe.

Rating	Likelihood	Indicative frequency of occurrence	General definition
1	Rare	Less than 5% chance of occurring / once every 5 – 10 years	The event will only occur in exceptional
2	Unlikely	5% and 30% chance of occurring / once every 3 – 5 years	The event is not likely to occur in the planning
3	Possible	30% to 50% chance of occurring / once every 2 – 3 years	The event may occur within the planning
4	Likely	51% to 90% chance of occurring / once every 1 – 2 years	The event is likely to occur within the planning
5	Almost Certain	Greater than 90% chance of occurring / known to occur every year	The event will occur within the planning period

Example: The event of a systemic academic misconduct by a large cohort of students has happened once every 2 – 3 years at the University, hence, a “Possible” event. These would attract some media coverage and scrutiny from regulators which can be of “Major” consequence. Therefore, the inherent risk rating of this event is “Very High”.

Risk Consequence Matrix

Risk Categories	Risk Consequence Definition and Guidance				
	5 Extreme	4 Major	3 Moderate	2 Minor	1 Insignificant
General Definition	<ul style="list-style-type: none"> Core business objectives of the University can no longer be achieved for an extended period of time. 	<ul style="list-style-type: none"> A number of key business objectives can no longer be achieved in the medium term (18 – 36 months). 	<ul style="list-style-type: none"> Some important business objectives can no longer be achieved in the short term (12 – 18 months) and requires reprioritisation of resources. 	<ul style="list-style-type: none"> Little impact on achieving University objectives. Some additional effort or resources required to stay on track. 	<ul style="list-style-type: none"> Impact to University wide objectives can be addressed by existing business activities.
Academic Quality	<ul style="list-style-type: none"> Suspension or loss of TEQSA accreditation to operate or provide educational services arising from systemic academic governance failures and mismanagement. 	<ul style="list-style-type: none"> Loss of accreditation or significant qualifications imposed by regulators for multiple courses or a single flagship course. Major breaches of academic policies or accreditation requirements across multiple faculties/disciplines. Deterioration in academic quality and reputation which will take 18 – 36 months to restore. Significant increase in student attrition rate and decline in student enrolments. 	<ul style="list-style-type: none"> Breaches which attract interest from regulators to show cause or University put on notice. Loss or unsuccessful professional accreditation of courses including ability to offer Workplace Learning (WPL). Loss of key academic partnerships due to a major quality breach. Multiple failures and breaches of academic quality or conduct with considerable external impact and reputational impact. 	<ul style="list-style-type: none"> Isolated failures and breaches in academic quality or conduct with limited external impact or interest from regulators. Breaches of academic quality and standards with only localised impact to a particular faculty or discipline and can be rectified within 12 months. 	<ul style="list-style-type: none"> Isolated non-compliance of academic quality processes or conduct which only affect a specific cohort of students, subject or course. Events which do not concern stakeholders such as regulators, professional accreditation bodies or students.
Research Performance	<ul style="list-style-type: none"> Significant decline (greater than 50%) in University research performance or output due to loss of key research centres, clusters or research talent. Severe damage to University's research reputation impacting ability to secure future research funding and engage with industry. Suspension of multiple / large research programs by regulators or funding agencies. 	<ul style="list-style-type: none"> Decline in research performance / output (between 30% - 50%) due to loss of key research centres, clusters or research talent. Loss of major research funding contracts. Inquiry or investigation with adverse impact on University's reputation by regulators and/or funding agencies on major research projects. 	<ul style="list-style-type: none"> Loss of research income or performance which can be recovered in the next 12 – 18 months resulting in a minimal decline in research ranking. Research misconduct which will not impact the reputation and integrity of the University but is subject to scrutiny by funding agencies. 	<ul style="list-style-type: none"> Minimal impact on University's research funding and performance and will not affect research rankings. Breach of compliance obligations, which can be rectified without active regulator or funding agency intervention. 	<ul style="list-style-type: none"> Non-compliances which do not affect the University's integrity and managed through day to day compliance management processes. Loss of insignificant research funding or not in line with research strategy.
Community Engagement & Brand Reputation	<ul style="list-style-type: none"> Severe tension and loss of confidence between the University and the community, requiring government or regulator intervention. Long lasting reputational impact to the University domestically and internationally from adverse publicity in the media. 	<ul style="list-style-type: none"> Loss of University presence and importance in the community, seeing a reduction in regional participation rates. Students and/or community outrage on the University for a prolonged period affecting reputation. Adverse media exposure of short term duration which may spark interests from regulators and government. 	<ul style="list-style-type: none"> Isolated negative publicity from the media which requires swift response from the University. Events that affect only one of the campuses or section of the University. Events that are likely to attract interest from specific lobbying groups or activists. 	<ul style="list-style-type: none"> Media exposure and public awareness, but of no lasting concern to stakeholders, government or the general public. 	<ul style="list-style-type: none"> Little to no impact on community or brand.

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Financial & Commercial	<ul style="list-style-type: none"> Financial loss or exposure in excess of \$50m or impacts which requires greater than 3 years to restore to current financial position. University current liabilities exceed cash, short and medium term investments. Complex commercial activities, arrangements and partnerships with commitments exceeding \$50m per year and/or has significant reputational impact domestically and internationally. 	<ul style="list-style-type: none"> Financial loss or exposure between \$20m - \$50m or impacts which requires 2-3 years to recover. University current liabilities exceed cash and short term investments. Commercial activities, arrangements and partnerships with commitments between \$20m - \$50m per year and/or has significant reputational impact domestically. 	<ul style="list-style-type: none"> Financial loss or exposure between \$2m - \$20m or impacts which requires 1-2 years to recover. University current liabilities exceeds cash. Commercial activities, arrangements and partnerships with commitments between \$10m - 20m per year contained within a specific area of the University. 	<ul style="list-style-type: none"> Financial loss or exposure between \$500K - \$2m or impacts which can be recovered within 1 year. Commercial activities, arrangements and partnerships with commitments up to \$10m per year contained within a specific area of the University. 	<ul style="list-style-type: none"> Financial loss or exposure is insignificant and can be absorbed through current year budget.
Service Delivery & Infrastructure	<ul style="list-style-type: none"> Unavailability of critical business systems / infrastructure or loss of data integrity affecting whole of University operations for a longer than tolerable period (e.g. 2 days – 1 week) and/or at a critical time of the University calendar. Events which require immediate replacement of staff and resources impacting ability to deliver University wide critical and/or core services. 	<ul style="list-style-type: none"> Unavailability of critical business systems / infrastructure or loss of data affecting multiple University operations for a longer than tolerable period (e.g. 2 days – 1 week) and/or at a critical time of the University calendar. Events which require replacement of staff and resources within 4-12 weeks where temporary reallocation of resources is not sustainable without impacting delivery of University wide core services. 	<ul style="list-style-type: none"> Unavailability of business systems / infrastructure or loss of data in isolated University operations for a longer than tolerable period not critical in the University calendar. Events where reallocation of resources and temporary arrangements would not be sustainable in the short term (e.g. 3-12 months) without impacting delivery of services. 	<ul style="list-style-type: none"> Disruptions to business systems and infrastructure which are not critical and tolerable for 6 months to 1 year until resolved. Events where reallocation of resources and temporary arrangements would not be sustainable for more than 12 months. 	<ul style="list-style-type: none"> Disruptions to business systems and infrastructure will not affect the delivery of services and can be dealt with comfortably through reallocation of resources.
Health, Safety and Environment	<ul style="list-style-type: none"> Events / incidents that may cause a fatality and / or serious physical and psychological injuries. Long term / irreversible high grade environmental degradation. 	<ul style="list-style-type: none"> Events / incidents which may cause serious injuries and require critical medical treatment. Medium term environmental degradation which may significantly impact the University's reputation. 	<ul style="list-style-type: none"> Incidents / accidents which may cause non-life threatening injuries and require medical attention. Short term environmental degradation in isolated areas. 	<ul style="list-style-type: none"> Incidents / accidents which may cause minor injuries and first aid medical attention. Minimal environmental degradation. 	<ul style="list-style-type: none"> Incidents that are not likely to result in injury or that may result in a minor injury that is not likely to require first aid attention. Negligible environmental impact.
Culture, Legal & Compliance	<ul style="list-style-type: none"> Significant breach of key legislation and/or regulations with widespread impact to the University and may result in loss of license to operate, sanctions against University, criminal prosecution and/or heavy fines or penalties. High profile fraud, misconduct and/or maladministration which is investigated by ICAC and/or regulators with attention from the media and public. Significant contract breaches which will attract costly litigation, potential 	<ul style="list-style-type: none"> Major breach of key legislation and/or regulations with impacts multiple key areas of University operations which may trigger an external enquiry, investigation or regulatory review. Negative sanction by regulators result in potential sanctions against University, criminal prosecution and/or heavy fines or penalties. Major or systemic fraud, misconduct and/or maladministration which is reportable to ICAC or 	<ul style="list-style-type: none"> Isolated fraud or misconduct which is reportable to ICAC and investigated internally by the University. Non-compliances which may result in show cause or notice from regulatory authorities and may require reporting or disclosure to regulatory authorities with minimal fines or penalties. Contract breaches in key university contracts which may lead to relationship issues and minor damages claims 	<ul style="list-style-type: none"> Minor and isolated non-compliance or misconduct matters which can be through existing management processes. Not likely to give rise to regulatory consequences (so unlikely to result in prosecution, fines or penalties), and litigation is unlikely. 	<ul style="list-style-type: none"> Non-compliance matters which will not pose a threat to the integrity of processes and reputation of the University.

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	<p>class actions, leading to material relationship issues and major damages claims.</p>	<p>regulators and may attract some attention from the media and public.</p> <ul style="list-style-type: none"> • Major contract breaches which may lead to litigation and/or potential for material relationship issues and major damages claims. 			