

## Appendix 1 – Risk Methodology Detail and Matrix

- 1.1 For each target, there are a range of actions/mitigations to support delivery. Each action/mitigation is assessed for (i) impact on the target should it not be delivered and (ii) the likelihood of delay/inaction. This produces a value for residual risk. Residual risks describe the remaining risk that needs to be managed to allow the targets to be achieved. The residual risk values are then averaged to produce an overall residual risk associated with each target., which is in turn average to produce a programme level residual risk.
- 1.2 It should be noted that this methodology is designed to provide a realistic position against delivery of the council’s targets, and it is unlikely that significant changes in residual risk would be noted over short time frames. It is only with completion of actions at pace and scale that the risk will reduce, which is highly reflective of the real-world requirements to deliver net zero.
- 1.3 As with any risk register, the Action Plan remains a live dynamic document, amended and added to as new information, innovation and policy comes forward.
- 1.4 Risk Matrix

Severity is determined by the description that best fits the expected impact type, assuming reasonable effectiveness of existing controls. Where there is more than one impact type, the type with the highest severity level is applied.

Severity	Impact Types					Severity Factor
	Relative risk of climate impacts to CCC services	Carbon Reduction/biodiversity net gain	Delivery of CCC Corporate Priorities (other than Environment & Sustainability)	Path Dependency – delivery of long-term transition	Reputation	
<b>High</b>	Massive disruption to business/ services. Recovery difficult or even impossible.	Negligible benefit to target delivery	Significant, wide ranging and long-term co-benefits supporting all CCC corporate priorities	Immediate, isolated change only	Permanent public / multistakeholder reputational impact, severely affecting business continuity and wider partnerships	<b>5</b>
<b>High-moderate</b>	Major disruption to business/service delivery. This could be through a single event or a series of outages.	Minor or only indirect carbon reductions and/or biodiversity net gains towards delivery the targets.	Opportunity for significant and/or wide-ranging co-benefits supporting 3 or more CCC Corporate Priorities is lost	Short term change only	Long-standing public / multistakeholder reputational impact, requires major intervention to overcome over long-term	<b>4</b>
<b>Low-Moderate</b>	Some customers dissatisfaction but business/services restored before any major impacts.	Moderate direct or significant indirect carbon reductions or biodiversity net gains delivered towards the targets.	Opportunity for some co-benefits delivered and/or supports 2 or more CCC corporate Priorities is lost	Medium term change delivered	Wider reputational impact, requires moderate intervention to overcome	<b>3</b>

<b>Low</b>	Minor/short-term inconvenience for business/service users and staff. Services quickly restored.	Significant carbon reduction and/or biodiversity net gain delivered against the targets.	Opportunity for a few co-benefits or only delivers Environmental corporate Priority is lost	Delivers long-term change, but requires continual inputs to sustain	Marginal / temporary reputational impact that can be readily overcome.	<b>2</b>
<b>Very Low</b>	Negligible. No impact on business/services.	Fully delivering target and contributing to significant and permanent direct carbon reduction and/or biodiversity net gain delivered	No loss of opportunity as action delivers no/negligible co-benefits	Delivers sustained, long-term change	Low-level impact to reputation	<b>1</b>

The probability factor is determined by the likelihood of CCC or its stakeholders incurring (experiencing) the selected impact, assuming reasonable effectiveness of the existing and tested preventative controls.

<b>Level</b>	<b>Likelihood of delay Factor</b>		<b>Frequency</b>
Very Low	1	Less than 5% chance	Is very unlikely to occur in normal circumstances
Low	2	Around 10% chance	Is unlikely to occur in normal circumstances
Low-Moderate	3	Around 25% chance	Likely to occur in some circumstances or at some time
High-moderate	4	Around 60% chance	Is likely to occur at some time in normal circumstances
High	5	Around 90% chance	Will or almost certainly occur in normal circumstances

When the risk rating has been assigned to each of the risks, they can be plotted on a risk map to have an overview of the Council's overall risk profile.

<b>Likelihood</b>	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
		1	2	3	4	5
<b>Severity</b>						

1 - 2	Very Low
3 - 4	Low
5 - 10	Low-Moderate
11 - 15	High-moderate
16 - 25	High