

MACS Risk Assessment Criteria

Table 1 - Consequence criteria

This guide provides indicative terms against which the significance of risk is evaluated.

Consequence	Risk Categories						
	Strategic	Reputation	Operational				IT
			Financial	Compliance or Legal Liability	Service Delivery	Student Wellbeing/People/ Work Health and Safety	
Extreme	<ul style="list-style-type: none"> Mission would not be achieved. Ongoing loss of critical infrastructure. Significant impact on ability to meet governance, accountability or strategic objective (>30%). Longevity of MACS is compromised. 	<ul style="list-style-type: none"> Impact the reputation of MACS from an international/ national/state perspective, wider community or welfare perspective. Sustained negative publicity or damage. 	<ul style="list-style-type: none"> Loss of assets or annual revenue of >\$5 million OR >30% deviation from budget. 	<ul style="list-style-type: none"> Sustained/serious non-compliance with legislation that has funding impacts or results in prosecution. Failure/breach of multiple controls, policies or code of ethics/conduct. Board not abiding by its role as a school governing authority. 	<ul style="list-style-type: none"> Severe impact on majority of critical projects or closure of a service for >10 days. 	<ul style="list-style-type: none"> Death due to injury/illness. An instance or allegation of abuse of a child. 	<ul style="list-style-type: none"> Interruption to services including IT (>1 month) or multiple cybersecurity-related incidents.
High	<ul style="list-style-type: none"> Major impact on the ability to achieve governance, accountability or strategic objective, or mission (25–30% deviation). Temporary loss of critical infrastructure – medium to long-term. 	<ul style="list-style-type: none"> Impact on reputation of MACS from a national/state perspective, wider community or welfare perspective. Short-term negative publicity or damage. 	<ul style="list-style-type: none"> Loss of assets or annual revenue of \$1–5 million OR 15–30% deviation from budget. 	<ul style="list-style-type: none"> Failure to comply with legislative/ regulatory requirements that results in fines/common law action. Significant breach of policies or code of ethics/conduct. 	<ul style="list-style-type: none"> Impact on key requirements of a major project or closure of a service for 5–9 days. 	<ul style="list-style-type: none"> Serious injury or illness. Workers compensation claims or permanent disability frequency rate and/or severity rate increased. 	<ul style="list-style-type: none"> Interruption to services (1 week to 1 month) or one cybersecurity-related incident.
Moderate	<ul style="list-style-type: none"> Minor impact on ability to achieve governance, accountability or strategic objective, or mission (10–25% deviation). Adjustment to resource allocation and service required to manage impact – recovery is medium-term. 	<ul style="list-style-type: none"> Impact on reputation of MACS to a specific audience which may not have long-term or community effects. Brief negative publicity or damage. 	<ul style="list-style-type: none"> Loss of assets or annual revenue of \$250,000–\$1 million OR 10–15% deviation from budget. 	<ul style="list-style-type: none"> Regulatory breach that results in letter to management. Breach of code of ethics/conduct. 	<ul style="list-style-type: none"> Compromised effectiveness and efficiency of a major project or closure of a service for 2–4 days. 	<ul style="list-style-type: none"> Injury/illness. Medically treated injury (MTI) frequency rate and/or severity rate increased. 	<ul style="list-style-type: none"> Interruption to services (<1 week).
Low	<ul style="list-style-type: none"> Negligible impact on critical objectives and mission. Impact can be managed through routine activities – recovery is short-term. 	<ul style="list-style-type: none"> Minor unsubstantiated negative publicity or damage to reputation to an insignificant audience. 	<ul style="list-style-type: none"> Loss of assets or annual revenue of <\$250,000 OR <%10 deviation from budget. 	<ul style="list-style-type: none"> Breach of policy, with little or no impact on code of ethics/conduct. 	<ul style="list-style-type: none"> Compromised effectiveness and efficiency of minor projects or closure of a service for <2 days. 	<ul style="list-style-type: none"> Minor illness frequency rate increased. 	<ul style="list-style-type: none"> Minor delays (<3 hours).

This guide provides the indicative terms against which the probability of a risk event occurrence is evaluated.

Consequence	Likelihood				
	Rare (1)	Unlikely (2)	Possible (3)	Likely (4)	Almost Certain (5)
	Control failures or repetitive risk events during operations:				
	Possibility of occurrence <5%	Possibility of occurrence 5–25%	Possibility of occurrence 25–50%	Possibility of occurrence 50–75%	Possibility of occurrence >75%
	Historical:				
	Is possible, but has not occurred to date	Has never occurred, but has occurred in other organisations with a similar risk profile	Has occurred at least once in the history of MACS	Has occurred in the last few years or circumstances could cause it to occur again in the next few years	Has occurred in the past or circumstances could cause it to occur again
	Discrete risk events (e.g. cyclone, failure to meet strategic objectives, loss of key personnel):				
May occur less than once in 15 years	May occur at least once in 5–15 years	May occur at least once in 2–5 years	May occur at least once in a year	May occur multiple times in a year	

Table 3 - Risk rating matrix

Used to combine consequence with likelihood to determine the overall level of risk.

	Rare (1)	Unlikely (2)	Possible (3)	Likely (4)	Almost Certain (5)
Extreme (4)	High (4)	High (8)	High (12)	Extreme (16)	Extreme (20)
High (3)	Moderate (3)	Moderate (6)	High (9)	High (12)	Extreme (15)
Moderate (2)	Low (2)	Moderate (4)	Moderate (6)	High (8)	High (10)
Low (1)	Low (1)	Low (2)	Moderate (3)	Moderate (4)	High (5)

Table 4 - Control Effectiveness Rating

Indicates the self-assessment of control effectiveness.

Good	Current controls will identify risk occurrence or prevent it, enabling effective management.
Fair	Current controls have a reasonable chance of preventing or detecting risk occurrence to enable effective management.
Poor	Minimal chance of current control framework preventing or detecting risk occurrence to enable effective management.