**Risk Rating Matrix**

The risk matrix could be used as a tool when considering risks associated with LDM activities and plans in communities. For each context, a shared definition of each consequence classification should be developed.

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | | |  | | **Consequence** | | | | |
|  | | | |  | | **Insignificant** | **Minor** | **Moderate** | **Major** | **Catastrophic** |
|  | **Probability** | **Historical** |  | |  | **1** | **2** | **3** | **4** | **5** |
| **Likelihood** | Annually or within one year | Expected to occur in most circumstances | **5** | | **Almost Certain** | 5 | 10 | 15 | **20** | **25** |
| Within 3 years | Will probably occur | **4** | | **Likely** | 4 | 8 | 12 | **16** | **20** |
| Within 10 years | Might occur at some time in the future | **3** | | **Unlikely** | 3 | 6 | 9 | 12 | 15 |
| Within 30 years | Occurrence very doubtful | **2** | | **Highly Unlikely** | 2 | 4 | 6 | 8 | 10 |
| Once in 100 years event | Occurrence only in exceptional circumstances | **1** | | **Rare** | 1 | 2 | 3 | 4 | 5 |

|  |  |  |
| --- | --- | --- |
| **Score** | **16 – 25**  **6 – 15**  **1 - 5** | **H – High Risk –action within 3 months**  **M – Medium Risk – action within 6 to 12 months**  **L – Low Risk – monitor** |

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| --- | --- | --- | --- | --- | --- |
| **Consequence descriptions** | | | | | |
| **Category** | **Insignificant** | **Minor** | **Moderate** | **Major** | **Catastrophic** |
| Example: Strategic | No impact on strategy | Minimal impact on strategy | Strategy is impacted or requires change | Parts of strategy cannot be maintained | Strategic direction is not achieved at all |
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