**Risk Assessment – Simple model**

**How to assess risk**

In the grid below you will find a ‘traffic light’ system for assessing risk:

RED – this risk might threaten my project being delivered successfully and/or safely

AMBER – this risk is not a threat to safety. It might make my project more difficult to deliver

This risk is GREEN – this risk would not threaten my project being delivered and is not a threat to safety

In the example of the artist, they might think: *‘If my printing press failed, I could not work. This would mean I could not deliver my project. But it is not probable that the risk will occur because my printing press is sturdy and has never failed before. I think this is an AMBER risk in the grid below.’*

**How to control risk**

Think about ways you can make the risk less severe or less probable. Sometimes you cannot alter both of these factors. For example risk of harm to a person will always be classed as a severe risk, but it can be made less probable by taking health and safety precautions.

In the example of the artist, they might think: *‘I will organise to have access**to a press in another studio which will allow me to continue my practice in the event mine fails. I have ensured that these arrangements are available if needs be. This would have costs for me and I have allowed for these in the contingency of my project budget. I think this risk is now* ***GREEN*** *in the grid below. I am comfortable with this level of risk.’*

**How to decide if risk is tolerable**

**GREEN** risks are tolerable.

In some cases, **AMBER** risks may be tolerable. For example, you cannot control the severity of the risk of injury in circus work, only the probability. Some risks may always be **AMBER**. You may consider this is tolerable.

**RED** risks are not tolerable. You must take actions to reduce **RED** risks. This may mean a major re-think of your planned activity.

**Risk Assessment Template (One example has been filled out for you)**

|  |  |  |  |
| --- | --- | --- | --- |
| **IDENTIFY RISK** | **ASSESS RISK** (delete/explain) | **CONTROL RISK** | **REVISED RISK ASSESSMENT** |
| *50% of income in our project budget is raised through ticket sales. Failure to sell enough tickets is therefore a risk.* | ***This risk is RED***  *We have the same costs no matter how many tickets we sell. If we lose money we might threaten our business survival.* | *We will work with an experienced PR on marketing. We have reduced our sales target to be more realistic and are applying for slightly more funding. We have a contingency in our budget. These actions make the risk less severe and less probable.* | ***This risk is now GREEN*** |
|  | **This risk is RED – this risk might threaten my project being delivered successfully and/or safely**  **AMBER – this risk is not a threat to safety. It might make my project more difficult to deliver**  **This risk is GREEN – this risk would not threaten my project being delivered and is not a threat to safety** |  | **This risk is now RED – this risk might threaten my project being delivered successfully and/or safely**  **This risk is now AMBER – this risk is not a threat to safety. It might make my project more difficult to deliver**  **This risk is now GREEN – this risk would not threaten my project being delivered and is not a threat to safety** |
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