DATA ASSURANCE GROUP

DATA RETURNS RISK ASSESSMENT – TEMPLATE

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| --- |
| **Name of return** |
|  |

# Two Types of Risk

When it comes to external data returns, we distinguish two types of risk associated with each return: A ‘financial/reputation impact risk’ and a ‘data risk’ (see ‘Guidance on Data Assurance Process and Risk Assessment of External Data Returns’ for more detail). Both are covered by this template in sections B and C respectively.

# Assessing the Risk of a Financial/Reputational Impact

Considering guidance offered by the body requesting the return as well as your knowledge about how the data submitted will be used (e.g. to determine funding grants, for calculation of performance indicators or league tables, scrutiny by the media etc.), please use the scoring provided in Table 1 to assess the risk of negative consequences to the University. Criteria for assessing the financial or reputational risk of failure (impact and likelihood) can be found in Appendix 1. The focus here is on a realistic worst case scenario (i.e. not the rather unrealistic case of complete failure to submit a return). **Where several ‘financial/reputational impact risks’ exist** (a financial risk may often come with a reputational risk)**, please indicate the one with the highest score**.

The ‘data risk’ of a return (see Section C below) is a good indicator for the likelihood of failure and, hence, negative consequences for the University. Therefore, the likelihood assessment of a ‘financial/reputational impact risk’ is expected to be consistent with the ‘data risk’ assessment made in Section C, Stage 4, below. As the aim is to gauge a worst case risk to the University, the likelihood should be thought of in terms of a gross ‘data risk’ before mitigations.

Table 1: RAG Indicators

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Impact** | **Critical (5)** | 5 | 10 | 15 | 20 | 25 |
| **Major (4)** | 4 | 8 | 12 | 16 | 20 |
| **Moderate (3)** | 3 | 6 | 9 | 12 | 15 |
| **Minor (2)** | 2 | 4 | 6 | 8 | 10 |
| **Insignificant (1)** | 1 | 2 | 3 | 4 | 5 |
|  | **Rare (1)** | **Unlikely (2)** | **Possible (3)** | **Likely (4)** | **Almost Certain (5)** |
| **Likelihood** |

Note: A ‘red’ rating indicates a high risk, ‘amber’ indicates a medium risk, ‘green’ indicates a low risk.

1. *Please complete the following table and enter the ‘financial/reputational impact risk’ in section 6 of the Risk Register where you should also elaborate on the risk assessment in more detail.*

|  |  |
| --- | --- |
| The impact of a ‘worst case scenario’ is assessed as: | 1 [ ]  2 [ ]  3 [ ]  4 [ ]  5 [ ]  |
| The likelihood of this impact occurring is assessed as: | 1 [ ]  2 [ ]  3 [ ]  4 [ ]  5 [ ]  |
| The gross risk of a negative impact on the University is assessed as: | high [ ]  medium [ ]  low [ ]  |

# Assessing the Data Risk

## Stage 1: Assessment of Data Risk along Individual Dimensions

1. *For each of the dimensions listed in Table 2, assess the likelihood and impact of occurrence not taking into account any risk controls. For assessing the data risk level, please refer to the risk scoring provided in Table 1. Further details about assessment criteria for impact and likelihood can be found in Appendix 1. As the financial/reputational impact categories do not fit the ‘data risk’, please consider the more general descriptor of an impact level (e.g. for some returns the volume of data to process may be so large that it has a major or even critical impact on the return accuracy; for others it may be insignificant).*
2. *Enter the score in the ‘Gross’ risk column in the form of ‘impact x likelihood = score’ (e.g. ‘2x4=8’) and shade the box according to equivalent RAG status (e.g. amber for medium risk).*
3. *Provide examples of the risk assessed.*

Table 2: Risk Assessment for Individual Dimensions

|  |  |  |
| --- | --- | --- |
| **Dimension** | **Risk** | **Example of assessed risk** |
| **Gross** | **Net** |
| 1. Volume of data to process and complexity of data sources involved (number of different systems, number of people entering data into systems)
 |  |  |  |
| 1. Completeness of source data
 |  |  |  |
| 1. Reliance on data from other departments or sources where the level of control over data quality is uncertain
 |  |  |  |
| 1. Timeliness in the availability of source data
 |  |  |  |
| 1. Complexity and timescale of the processes needed to complete the return
 |  |  |  |
| 1. Availability and retention of knowledge, skills and experience needed to complete the return
 |  |  |  |
| 1. IT infrastructure and appropriate technology
 |  |  |  |
| 1. Quality of, and access to, relevant guidance on the requirements of the return and other uses to which the data is likely to be put
 |  |  |  |
| 1. Compliance with regulatory requirements including data protection and data security
 |  |  |  |
| 1. Other dimensions not included above
 |  |  |  |

## Stage 2: Assessing the Overall Gross Data Risk

1. *Count up the number of dimensions with a high, medium and low score*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **High** |  | **Medium** |  | **Low** |  |

1. *Determine the overall risk score using the following table. Starting with the number of dimensions scored high, then read across to the number of dimensions scored medium. The overall risk is given in the right column. Stop at the line that matches the counts of dimension scores given above.*

|  |  |  |
| --- | --- | --- |
| **Number of Dimensions ScoredHigh** | **Number of Dimensions ScoredMedium** | **Overall Risk for Return** |
| 0 | 0-3 | Low |
| 4-6 | Medium |
| 7+ | High |
| 1-2 | 0-3 | Medium |
| 4+ | High |
| 3+ | 0+ | High |

1. *Enter the assessment of Gross Risk into the Risk Register document (section 9).*

## Stage 3. Managing Gross Data Risk

1. *Determine the methods of managing risk that will be used in compiling the return, taking account of the recommended levels of controls where gross risk is assessed as high, medium or low (see Guidance on Data Assurance Process and Risk Assessment of External Data Returns, Section C.III Managing Risk).*
2. *Complete the relevant part of the Risk Register (sections 10-14).*

## Stage 4. Assessing the Overall Net Data Risk

1. *Repeat Stages 1 and 2 taking into account the effect of controls that are specified in Stage 3.*
2. *Count up the number of dimensions with a high, medium and low net risk score.*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **High** |  | **Medium** |  | **Low** |  |

1. *Determine the overall risk score using the table provided in Stage 2b.*
2. *Enter the assessment of Net Risk into the Risk Register (section 15).*

# Appendix 1: Criteria for Assessing the Impact and Likelihood of a Risk

The criteria below are taken from the University Risk Register and have been adjusted to be more relevant to the potential negative consequences of failing to submit accurate data returns.

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| **IMPACT ASSESSMENT:**Select the impact descriptor which is most realistic, taking into account likelihood of occurring in current or next academic year. Where you have more than one potential impact criteria (e.g. reputational impact at ‘critical’ and financial at 'minor') select the higher result (‘critical’). The impact should be assessed from the perspective of the University as a whole unless there is a particular impact on the unit completing the risk assessment (e.g. posts funded from a certain income stream at risk). |
| **IMPACT** | **Descriptor** | **Financial impacts**losses (including fines) or loss of income of: | **Reputational impacts** |
| **5** | **Critical** | A very serious issue, the impact of which could cause **critical** financial or reputational damage across the University. | £5m + **OR**>20% of the unit in question’s operating budget (whichever is greater) | Widespread loss of confidence and calls for senior dismissals. Loss of credibility & stakeholder withdrawal. Sustained adverse national and international media coverage. |
| **4** | **Major** | A serious issue, the impact of which could cause **major** financial or reputational damage across the University. | £1m - 4.9m **OR**15% - 20% of the unit in question’s operating budget (whichever is greater) | A number of serious complaints from the public, with potential for government to investigate.Major impact on community standing and serious concerns raised by key stakeholders.On-going adverse national media coverage with short-term international coverage. |
| **3** | **Moderate** | An issue whose impact could cause **moderate** financial or reputational damage across the University. | £500k – 999k **OR**10% - 14% of the unit in question’s operating budget (whichever is greater) | Some serious complaints from the public with the potential for a moderate impact on community standing.On-going adverse regional media coverage and short-term criticism in national press, though very limited international coverage. |
| **2** | **Minor** | An issue whose impact might result in **minor** financial or reputational damage across the University. | £100 - 499K **OR**5 - 9% of the unit in question’s operating budget (whichever is greater) | Some local complaints and on-going adverse local press coverage. Limited Impact on community standing. |
| **1** | **Insignificant** | An issue whose impact might result in **insignificant** financial or reputational damage across the University. | <£100K **OR**<5% of the unit in question’s operating budget (whichever is greater) | One off criticism in local press / local complaint.No impact on community standing.Potentially some public awareness but no public concern. |

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| --- |
| **LIKELIHOOD ASSESSMENT:** Select the likelihood of the assigned impact being felt in the current or next academic year.Select the likelihood descriptor which is most suitable, taking into account the probability guidance descriptions. |
| **LIKELIHOOD** | **1** | **2** | **3** | **4** | **5** |
| **Descriptor** | **Rare** | **Unlikely** | **Possible** | **Likely** | **Almost certain** |
| **Probability** | 1 - 10% | 11 - 24% | 25 - 50% | 51 - 85% | >85% |
| Could only occur in exceptional circumstances  | Unlikely to occur | Reasonable chance of occurring | Likely to occur | More likely to occur than not  |
| **\*Emerging** | A risk is emerging if it is ‘rare’ or ‘unlikely’ to have an impact of level 4 or 5 in the current or next academic year, but IS ‘possible’, ‘likely’ or ‘almost certain’ to have that level of impact in the 3 - 5 years after that based on the existing controls.For example:An IT system needed to hold or process data for a return may be anticipated to require upgrading over the next 3-5 years. The likelihood of a high impact on the return would still be low for the current return. However, it would be classified as an emerging risk if the likelihood of a medium/high impact could be expected to rise to levels 3, 4 or 5 within the next 3-5 years. |