



Procurement Risk Profile

This template must be used to determine the risk profile in the early stages of your procurement planning.

Why assess procurement risk?

Procurement effort should be proportionate to the risk profile of the procurement. As the risk increases, the procurement process and documentation demands greater rigor and level of detail.

Information on how to use the Risk Register is available on the [Risk Management page](#).

Additional information including examples of procurement risk can be accessed via [Risk in Procurement](#).

Risk Factor Ratings

The **overall risk profile** is the **rating with the most checks**. In case of a tie, select the highest rating.

STEP 1: Complete Risk Profile

Note: If a risk is assessed as **medium or high**, you must evaluate if the level of risk is acceptable or not. **Unacceptable risks require the development of risk treatments, and Step 2 must also be completed.**

| Completed by: | s22 | | | | |
|---|--|--------------------------|--------------------------|---|--------------------------|
| Delegate: | David Laffan, Assistant Secretary, Alcohol, Tobacco and Other Drugs Branch | | | | |
| Risk Factor | Risk Rating | | | Is the risk Acceptable? (For Medium and High risk <i>only</i>) Do you accept the risk at this level? | |
| Impact | L | M | H | Yes | No |
| Potential for negative impact on the reputation of the organisation or government | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Potential for negative impact on the capability of the organisation | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Potential for poor supplier performance | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Potentially difficult to find replacement goods/ services | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Complexity | | | | | |
| Potential for delivery of goods/ services that do not meet the requirements | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Potential for procurement process errors | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Overall costs | | | | | |
| Potential for increase in procurement costs | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Overall Risk Profile | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | |

If the **overall risk profile** is **medium or high**, the delegate must be informed and the [Risk Register – Assessment and Treatment](#) must be completed.

STEP 2: Complete Risk Treatment

| The Risk <i>(What can happen?) A risk description may be written as either: Failure to..... OR..... An ineffective (XXX) leads to (XXX) resulting in (XXX).</i> | Consequence (Impact) <i>(What would be the consequence/impact on the department, division or project if it does happen?)</i> | Risk Treatment <i>(What remedies currently exist? What is being developed to reduce the chance of the risk happening or the impact if it does?)</i> |
|--|--|---|
| | | |
| | | |
| | | |
| Additional Comments: | | |

Note: The completed Risk Profile must be saved with your procurement documentation and attached with the procurement plan to your Approval in Principle in SAP.