

# DISTRICT ASSEMBLY

## Risk Management 2013-14



# Understanding Risk & Hazard

- Hazard
  - The potential to cause harm
- Risk
  - Likelihood of a specific harm
- Risk Assessment
  - Estimation & evaluation
- Risk Management
  - Decision & action

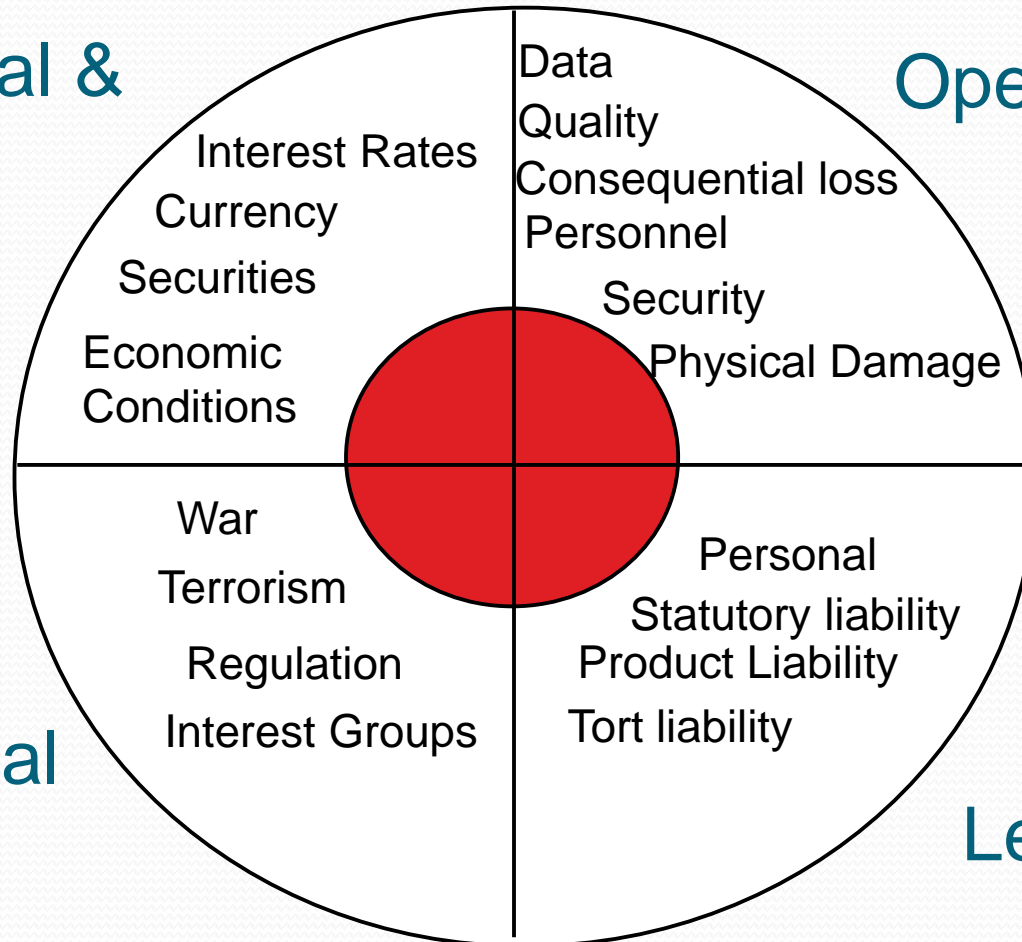
# Scope of risk

Financial &  
Market

Operational

Political

Legal



- **Financial**
  - Fraud
  - Theft
  - Loss
- **Public**
  - Food Safety
  - Public Safety
  - Security
- **Participants**
  - OHS
  - Age issues
  - Traffic
- **Reputation**
  - Failure to achieve objectives
  - Detrimental impact on Brand
  - Not in conformance with Rotary test
  - Other adverse publicity
- **Legislation**
  - Privacy
  - Child abuse
  - Liquor Licencing
- **Security**
  - Crowd Control
  - External Security
- **Emergency**
  - Lack of ERP
  - Lack of communication
  - First Aid
- **Communication**
  - Communication with stakeholders
  - Risk Management plan not available
  - Written procedures for high risk activities
- **Insurance Cover**
  - Scope of cover does not cover event
- **Training & Information**
  - Participants lack of information & training
  - Lack of experience
- **Weather**
  - Weather issues
- **Supervision**
  - Lack of adequate supervision

# Risk impacts for Rotary

# Why Risk Management?

- Increased private litigation
- Insurance (risk transfer) doesn't cover all risks
- Increased overlay of legislation relating to any activity
- Comfort issue for club and District
- More likely to achieve project objectives
- Less chance of risks turning into actual problems
- Improved ability to negotiate premiums
- Higher level of Rotary professionalism and management of activities

# Insurance cover limited

- Insurance generally only covers risks that are definable
- Insurance only applies to quantifiable losses
- Insurance doesn't stop hurt
- Insurance doesn't stop you going to prison

# Public Liability costs

- Costs have increased
  - Attitude of society
  - Changes to regulations covering lawyers
  - Courts & legislation
- Claims have increased from 55,000 to 88,000 in the period 1998-2000
- Average claim size has doubled from 1996 - 2001

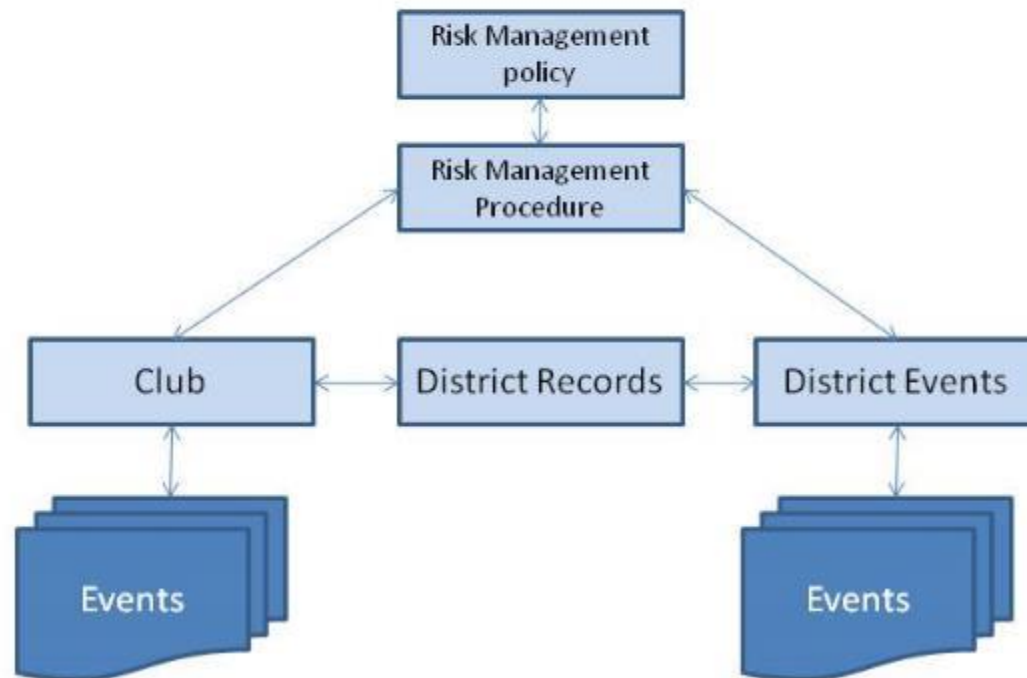
Insurance Council of Australia submission

# Proposed Simple Policy

- It is the policy of District 9685 that all events and activities shall be reviewed to identify any risk issues that may impact on the reputation, finances, personal safety or other significant loss. To this end this document provides a simple process that **must** be carried out by all associated Clubs.



# Schematic



# Initial Risk Assessment

- To be done at start of year and documented
- High Risk- Substantial exposure to public, overseas project, large amount of money involved, control measures difficult to maintain, activity not done before etc
- Moderate risk- Some public exposure, amount of money not large, activity has risks but control measures proven but could be exposed, consequences are limited.
- Low risk- all other projects and activities

# Detailed Risk Assessment

- Those events that are rated as a High or Moderate should be reviewed by the Event Coordinator prior to the event taking place.
- High Risk events could also be discussed with the District Risk Coordinator after the detailed risk assessment has been completed if advice being sought
- Assessment should always be fully documented and stored in records for further review and training purposes

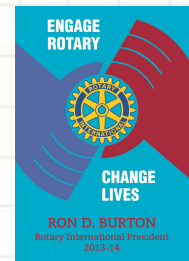
## Risk Questionnaire

Score	Description	Cost	People	Environment	Legal Liability	Public Perception	Consequence Score	Description	Likelihood
5	Catastrophic	>\$2 million	Long-term fatality	Long-term environmental damage	Officer quoted or lawsuit	Impacts on history international	5	Frequent	High likelihood of occurrence, the consequences have occurred in the past 10 years or more 10 years
4	Major	\$500,000 - \$2 million	Permanent fatality	Major environmental damage	Significant environmental damage	National science publicity campaign	4	Reasonably probable	Could occur in the next 10 years but no evidence in this category in last 10 years or more 10 years
3	Medium	\$100,000 - \$500,000	Person injury	Minor environmental damage	Potential fine	Local media coverage	3	Occasional	Has occurred in the industry
2	Low	\$25,000 - \$100,000	Non permanent injury	Transient damage or pollution	Third party claim of over \$10,000	Local news story	2	Rare	Low probability that a situation with the defined consequences will occur
1	Negligible	<\$25,000	Minor injury	Small transient pollution	Third party claim of <\$10,000	Minor class	1	Very unlikely	Possible but unlikely to occur

Risk Issue	Severity	Likelihood	Risk Rating	Requirement	Risk Information	Precautions	Comment
<b>Financial</b>							
Theft	1	0	0	1 No Action	Financial Theft		
Thrift	1	0	0	1 No Action	Thrift & Security of Money		
Loss	1	0	0	1 No Action	Basic Security		
<b>Public</b>							
Food Safety	4	0	0	4 And Risk Mitigation	Food Safety Theft Shop	ensure food handling rules enforced	
Public Safety	3	0	0	3 And Risk Mitigation		Surveillance CM plan	
Security	3	0	0	3 And Risk Mitigation		Surveillance CM plan	
<b>Participants</b>							
OHS	4	0	0	4 And Risk Mitigation		Ensure electrical cables tagged	
Age issues	2	0	0	2 No Action			
Traffic	3	0	0	3 And Risk Mitigation		Surveillance CM plan	
<b>Reputation</b>							
Failure to achieve objectives	1	1	1	2 No Action			
Environmental Impact on Brand	1	1	1	2 No Action			
Non-inconformance with Regulatory	1	0	0	1 No Action			
Other adverse publicity	2	0	0	2 No Action			
<b>Legislation</b>							
Privacy	1	0	0	1 No Action			
Child abuse	1	0	0	1 No Action			
Equity - lowering	3	0	0	3 And Risk Mitigation		enhance signage & training rules	
<b>Security</b>							
Crimes Control	2	1	1	1 No Action		Surveillance CM plan	
Personal Security	3	0	0	3 And Risk Mitigation			
<b>Emergency</b>							
Lack of ERP	3	0	0	3 And Risk Mitigation			
Lack of communication	3	0	0	3 And Risk Mitigation			
First Aid	1	0	0	1 No Action		Surveillance CM plan	
<b>Communication</b>							
Communication with stakeholders	0	0	0	0 No Action			
Risk Management plan not available	0	0	0	0 No Action			
Written procedures for high risk activities	0	0	0	0 No Action			
<b>Insurance Cover</b>							
Scope of cover does not cover event	0	0	0	0 No Action			
<b>Training &amp; Information</b>							
Participants lack of information & training	0	0	0	0 No Action			
Lack of experience	0	0	0	0 No Action			
<b>Weather</b>							
Weather forecast	2	2	2	4 And Risk Mitigation		Weather plan required	

# DISTRICT ASSEMBLY

- Bobbin Head Cycle Classic Example



### **RISK ASSESSMENT AND ACTION PLAN**

REF	RISK/HAZARD	L	C	INITIAL RISK	RISK ACTION & RESPONSIBILITY	L	C	RESIDUAL RISK	
1	Severe weather conditions such as rain, hail or wind. Conditions could deteriorate causing risk to increase.	3	2-3	low to medium	Event cancelled before start if advised conditions unsafe by the Police, or if deteriorating, stopped by marshals who would be advised by the Cycle Organiser Arrange transport where possible	3	3-2	Low	
2	Excessive heat ,say over 41 degrees, cause riders to become distressed even severely ill	3	4	medium	Event cancelledbefore start or during ride if heat buildup quickly by Cycle Organiser if Bureau forecast 41 degrees or higher	2	3	low	
3	Dehydration or sunburn risk to riders	3	4	medium	Dietary fluid advice given at registration. Drink stations along route .Mobile support on route Marshals to observe riders health. Trained first aid personnel along route	2	3	low	
4	A rider involved in an incident during the event causing injury or accidental death	3 - 4	3-5	high	Riders to receive email briefing of safety risks and specific sites that are known to be hazardous Marshals briefed to respond to emergencies	3	3-4	medium to low	



REF	RISK/HAZARD	L	C	INITIAL RISK	RISK ACTION PLAN	L	C	RESIDUAL RISK
4 cont					warning signs at all potentially dangerous points, traffic crossings etc Signs for drink stations Final survey of route prior to race start to assess conditions- trained first aid and total emergency response plan			
5	A number of riders involved and potentially serious injuries	2 - 3	4-5	very high	As above Support vehicles to assist recovery of riders and bicycles Ambulance service notified in advance .Marshals controlling vehicle	2	3-5	medium
6	Cyclists come across poor or dangerous road conditions resulting in it being blocked and impassable	2	2	low	Immediate pre road survey will identify such conditions and if too blocked the event stopped and riders returned to start Windy conditions Caution provided at briefing that branches may be down	2	2	low to very low
7	Riders come across severe ascent /descent on the route and lose control	- 4	3	medium	Riders will be briefed on route of descents pre ride . Warning signs placed at spots to alert them Marshals also placed to warn riders of inclines ahead First aid staff positioned at key points Bobbin Head, West head, Akuna Bay, Terrey Hills	3	2	medium to low

REF	RISK/HAZARD	L	C	INITIAL RISK	RISK ACTION PLAN	L	C	RESIDUAL RISK
8	Cyclist have no or little experience of participating in such an event	3	2	Low	Advice at registration re level of experience If unable to complete route support vehicle on hand to provide transportation back to start or public transport Marshals to monitor physical conditions and advise team leaders of cyclists in trouble Cut off times to turn cyclists around	2	2	low
9	Cyclists dont obey marshals at busy traffic intersection	3	3	medium	Marshals posted to monitor cyclists and its a condition of entry that they obey marshals. Can be removed from event and bib taken away	2	3	medium to low
10	Participants suffer mechanical/equipment breakdown/failure during the event	4	1	low	Mobile support/ sweeper vehicles to travel route and will be in communication with marshals- process to call up bike repairs All participants to carry repair kit	4	1	low
11	Pilot /rear escort vehicle suffers mechanicalbreakdown	2	1	very low	Back up vehicles will be available Riders to communicate with personnel support	1	1	very low