

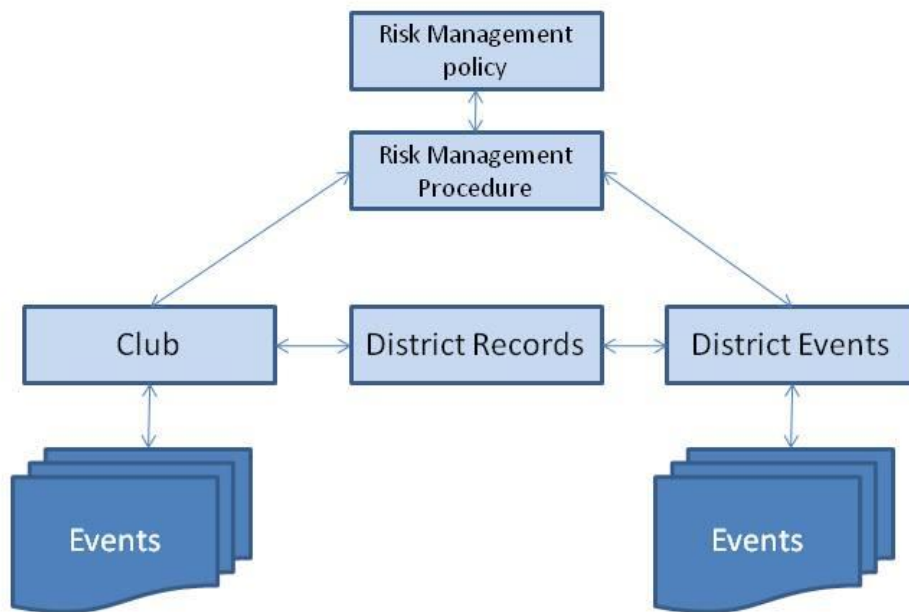
DISTRICT 9680 RISK MANAGEMENT POLICY & PROCEDURES

POLICY

It is the policy of District 9680 that all events or activities shall be reviewed to identify any risk issues that may impact on the reputation, finances, personal safety or produce other significant loss. To this end this document provides a simple process that must be carried out by all associated Clubs. On the basis of the risk ranking the Club shall take appropriate action.

PROCEDURE

The Risk Management procedure can be described by the diagram below.



PROCEDURE

Initial Risk Assessment

The Club President must ensure that all events to be carried out in the year are listed in the Risk Management Workbook and an initial risk assessment is carried out as per Appendix 1

Detailed Risk Assessment

Those events that are rated as a High or Moderate in the Initial Risk Assessment should be reviewed by the Event Coordinator prior to the event taking place as per Appendix 2. High Risk events should also be discussed with the District Risk Coordinator after the detailed risk assessment has been completed

TOOLS

The following tools are provided –

1) This procedure

2) Excel Risk Worksheet

This allows each clubs events and activities to be prioritised for risk and for higher risk activities, it allows further review and control plans to be developed.

RECORDS

Annually the completed Worksheet file should be returned electronically to the District Risk Management Co-ordinator and a new version will be sent that incorporates any new issues and precautions.

District will retain copies of the Club Worksheet for research and review if applicable.

Appendix 1

INITIAL PROJECT RISK ASSESSMENT

This is a very important part of the process because it sets in train the steps for analysing, and subsequently taking action on, risks to the project. The aim is to categorise the overall risk to the project into one of the three assessments which will then determine the extent and formality of the subsequent process.

This initial risk assessment should be done ideally by at least 2 people in the club before any project is commenced.

The 3 risk categories are:-

- High risk
- Moderate risk
- Low risk

“High Risk” is designated for projects that will involve any or all of the following

- Substantial exposure to the public
- Overseas activity
- High risk activity
- Large amount of money
- Activity that has not been attempted by Rotary before
- Control measures that are difficult to achieve or maintain
- High risk to project objectives

‘Moderate risk’ is designated for projects that will involves some or all of following items/ criteria

- Some public exposure
- Amount of money is not large but worthy of attention
- Activity has some risks but only limited consequences can be foreseen
- Project objectives are at some risk but are surmountable with sound action
- Quality /Effectiveness of Control measures may be exposed at some point

“Low risk” is designated for projects that will involves some or all of following

- Little or no public risk
- Event has been carried out on many occasions without adverse consequences
- Little or no money involved
- Very good controls exist and high confidence in their efficacy
- Limited range of risks to project

All High & Moderate projects or events should be further assessed as in Appendix 2

Appendix 2

COMPLETION OF RISK MANAGEMENT WORKSHEET

A comprehensive review of risk for the event can only be carried out using a systematic checklist designed to cover all the likely issues. The Risk Management worksheet is designed to provide this and also indicate the scope of risks and some of the precautions that need to be thought about.

The worksheet is designed to be an aid to the Risk Identification & Assessment process and not remove common sense. For most events many of the issues will be not applicable or the level of risk will be sufficiently low to be ignored.

In some cases the Rotary Club will not be primarily responsible for the Risk Management Process, under these circumstances where a Council or other organisation has developed a written Risk Management process for the event then the worksheet need only reflect the residual risks in the area of Club responsibility.

RISK RANKING

When we talk about a 'risk' we are actually thinking about the risk of a particular event. For instance the risk of drowning is the likelihood of a person being drowned in the environment concerned. This relationship between the likelihood and the severity of the event means that risks can be graded i.e. a significant event that can occur often is a greater risk than something that is of a limited impact and which occurs seldom.

To enable the impact of various risks to be compared it is necessary to develop a simple risk matrix. This allows risks of high consequence but limited likelihood to be compared to risks where the impact is low but the likelihood is reasonably frequent.

The likelihood of an event occurring can be defined using a standard table (Table 2).

The impacts on the organisation are in a variety of areas including injuries, environmental harm, legal liability or public perception. To ensure that the severity of an event can be quickly identified a Severity Table (Table 1) has been developed. This table allowed severity scores to be assigned to a risk on the basis of the major area of impact.

To rank a risk the following steps are required when working down the list of possible risks –

1. Decide on the scenario that might provide the highest risk.
2. From Table 1 read off the score associated with the type of severity associated with the scenario you have identified
3. From Table 2 identify the likelihood of the severity you have chosen in Table 1.
4. The risk ranking is shown in Table 3 and is calculated automatically in the spreadsheet.
5. From the risk ranking the requirement for further action is shown as in Table 4

SEVERITY TABLE (Table 1)

Score	Description	Cost	People	Environment	Legal Liability	Public Perception
5	Catastrophic	>\$1 million	Single fatality	Long term environmental harm	Officer gaoled or class action	Impacts on Rotary International
4	Major	\$100,000 - \$1million	Permanent Incapacity	Major environmental harm	Significant Insurance claim	National adverse publicity campaign
3	Medium	\$10,000 - \$100,000	Serious injury	Measurable permanent harm	Potential fine	Local media coverage
2	Low	\$1,000 - \$10,000	Non permanent injury	Transient release of pollutants	Third party claim of over \$10,000	Local user issue
1	Negligible	<\$1,000	Minor injury	Brief transient pollution	Third party claim of <\$10,000	Minor Club

LIKELIHOOD TABLE (Table 2)

Score	Description	Likelihood
3	Frequent	High likelihood of occurrence. The consequences have occurred in the organisation in the past 10 years
2	Reasonably probable	Could occur in the next 10 years but no evidence at this stage of this level of occurrence in the organisation
1	Occasional	Has occurred in the industry
0	Remote	Low probability that a situation with the defined consequences will occur
-1	Very unlikely	Possible but unlikely to occur

The score in the matrix below is by the addition of the Likelihood & Severity Score

RISK RANKING TABLE (Table 3)

	Negligible	Low	Medium	Major	Catastrophic
Frequent	4	5	6	7	8
Reasonably probable	3	4	5	6	7
Occasional	2	3	4	5	6
Remote	1	2	3	4	5
Very unlikely	0	1	2	3	4

RISK MITIGATION TABLE (Table 4)

Risk Rating	Colour	Action Required
Extreme		Event not to go ahead without discussion with District
High		Written action plan required
Moderate		Existing precautions to be enforced
Low		No action required