

# RISK MANAGEMENT

# FOR COMMUNITY GROUPS

**Tools and Techniques**  
**Roles and Responsibilities**

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**James Crown**



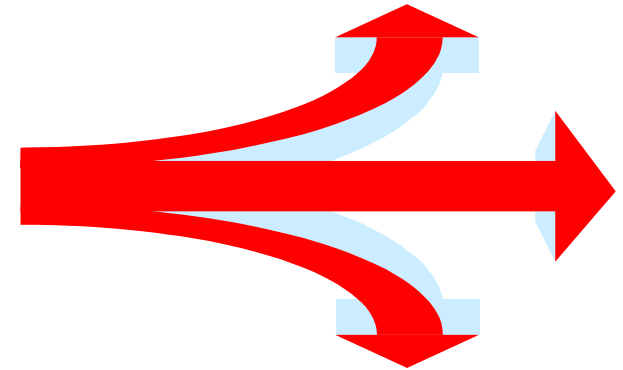
**STRATEGIC PLANNING GROUP**



Supported by the State Government  
through the Office for Volunteers



- ★ **SIMPLICITY**
- ★ **FLEXIBILITY**
- ★ **PRACTICALITY**
- ★ **REALITY**



# Volunteer Protection Act and Legal Services

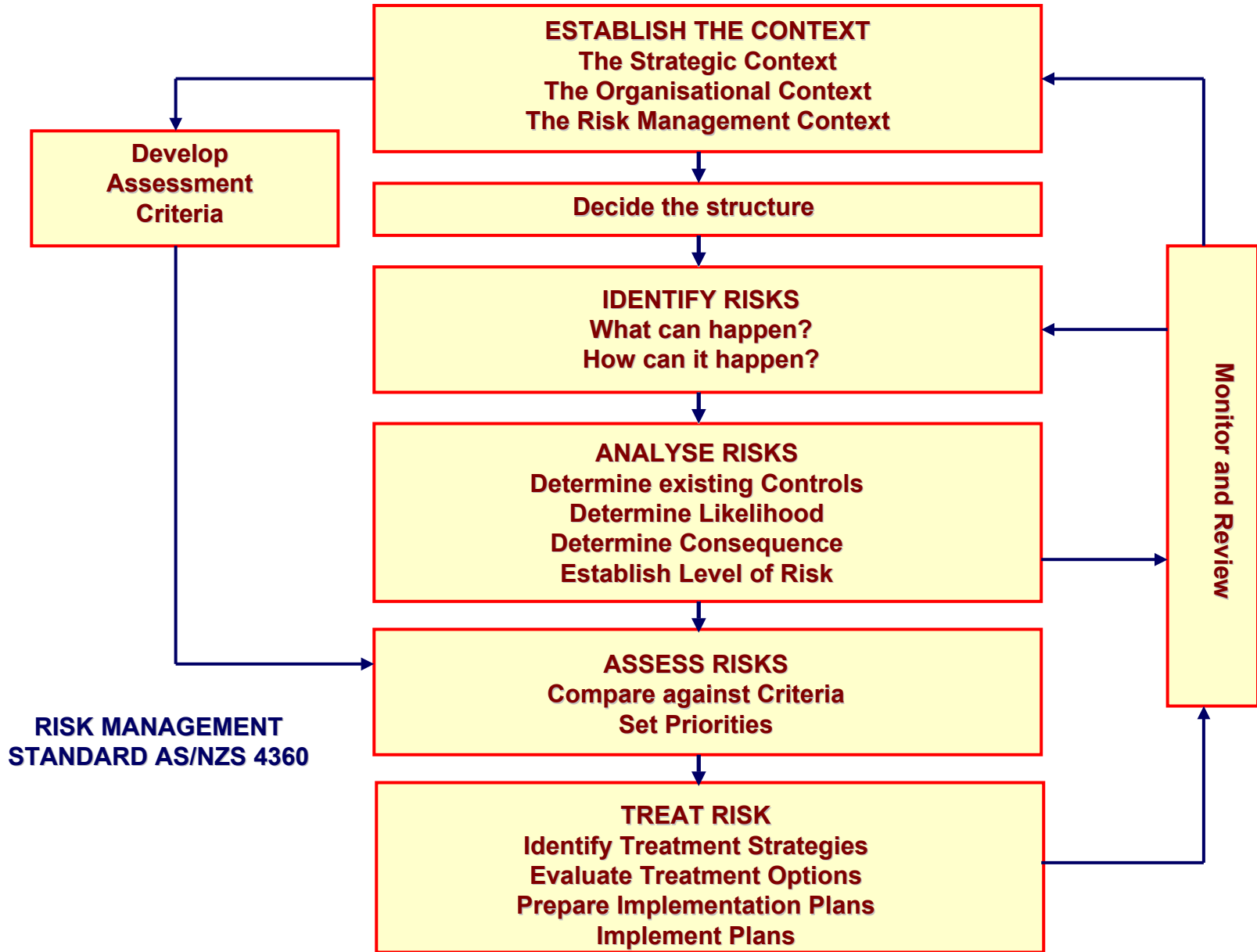
**1300-366-424**

or

**Law Society**

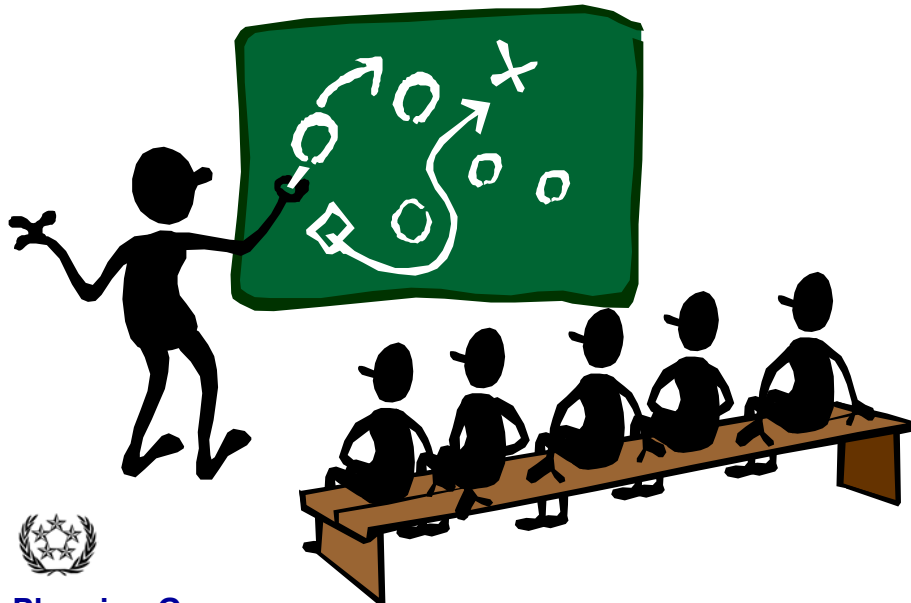
**8229-0222**





★ Deciding the **STRUCTURE** is simple.

**Manage risk where risk occurs -- at the activity level and put in place methods for escalation of High Risk 'without fear or favour'.**



***This is fundamental  
if you want it to  
work!***



# **PRIORITY CRITERIA**

- ★ **Injury to Fatality**
- ★ **Damage to Organisation's Assets**
- ★ **Damage to Private Property**
- ★ **Damage to the Environment**
- ★ **Damage to Reputation/Credibility**



# What is **RISK**?

**Risk is the chance of something happening that will have an impact upon objectives.**

**Risk is measured in terms of likelihood and consequences.**

**AS/NZS 4360 - Risk Management Standard**



# **RISK MANAGEMENT PROCESS**

***Risk Management Process* is the systematic application of management policies, procedures and practices to the tasks of identifying, analysing, evaluating, treating and monitoring risk.**

**(AS/NZS 4360:1999)**



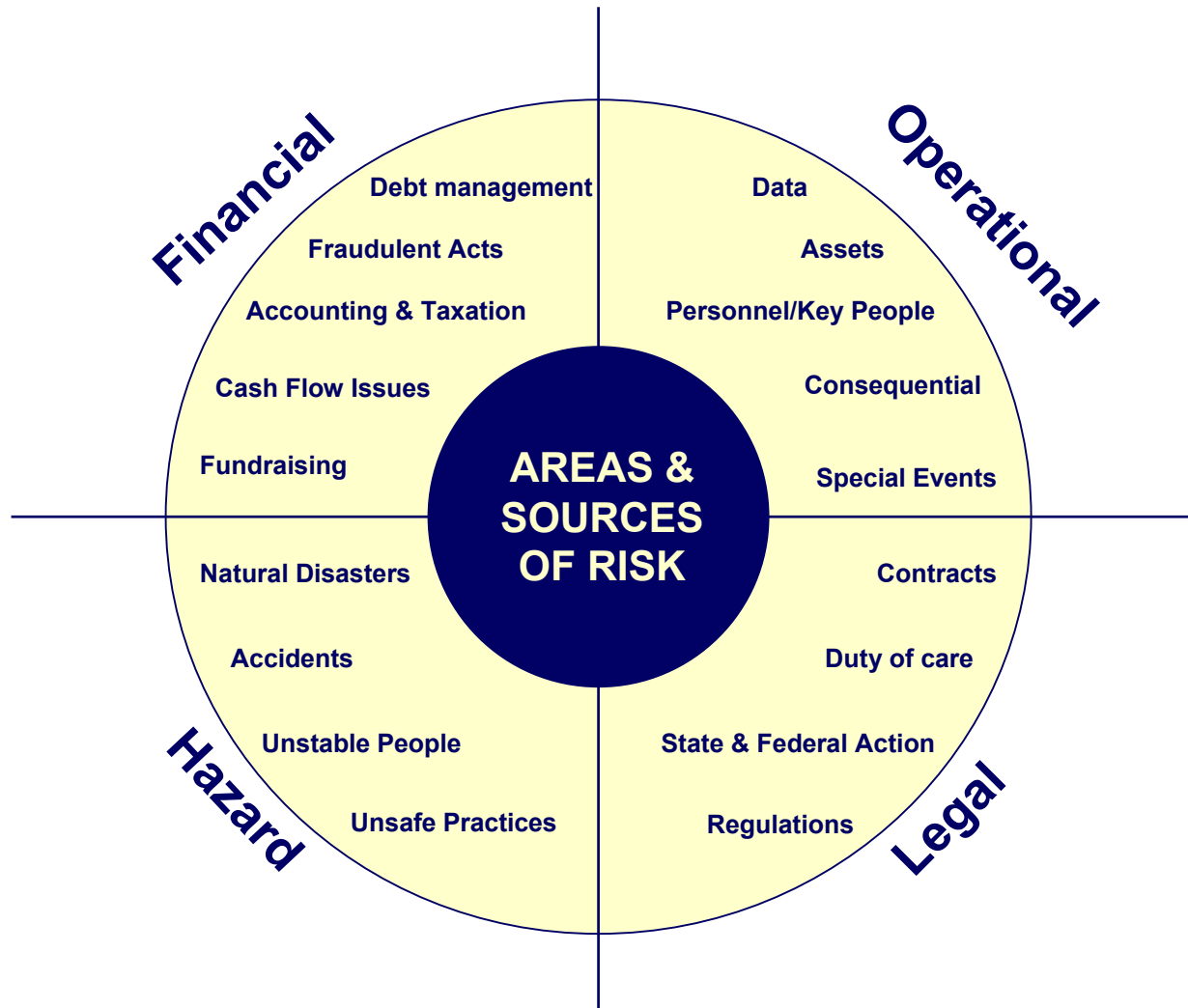
# **RISK MANAGEMENT**

***Risk Management* is the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects.**

**(AS/NZS 4360)**



# HOLISTIC RISK MANAGEMENT



# **AREAS & SOURCES OF RISK**

- ★ **Financial (Budgets, Fundraising)**
- ★ **Legal (Contracts)**
- ★ **Assets (Equipment)**
- ★ **Information Technology (Computers)**
- ★ **Personnel OH&S (Staff and Volunteers)**
- ★ **Program Activities and Projects**
- ★ **Marketing, Publicity, Advertising**
- ★ **Food Handling**



# **SIMPLE, PRACTICAL RISK ASSESSMENTS**

**THREE easy steps to work through ...**

- 1 An exercise on a white board  
(or butcher's paper, or an A3 sheet)**
- 2 Some simple forms to fill in**
- 3 Some ACTION to take place ...**



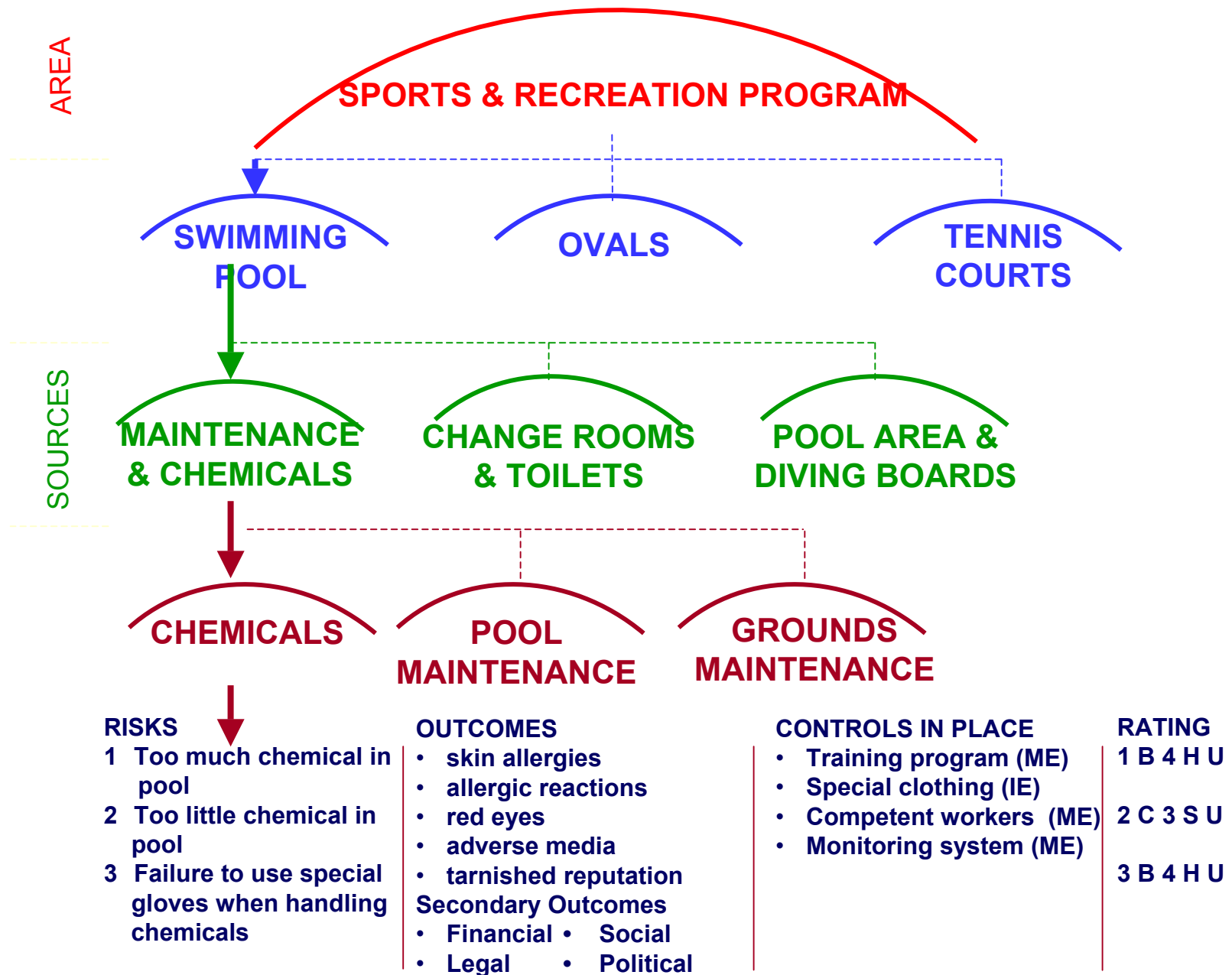
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**THREE** easy steps to work through ...

- 1 An exercise on a white board  
(or butcher's paper, or an A3 sheet)**
- 2 Some simple forms to fill in**
- 3 Some ACTION to take place ...**

**Example - Consider the local swimming pool ...**





AREA

**SPORTS & RECREATION PROGRAM**



AREA

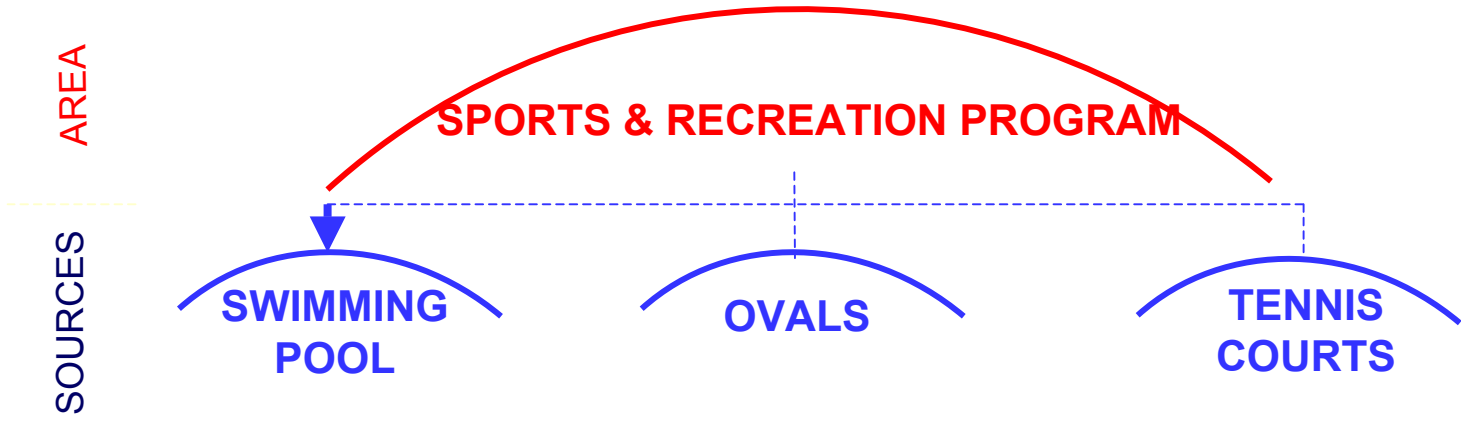
**SPORTS & RECREATION PROGRAM**

SOURCES

**SWIMMING  
POOL**

**OVALS**

**TENNIS  
COURTS**



AREA

**SPORTS & RECREATION PROGRAM**

**SWIMMING  
POOL**

**OVALS**

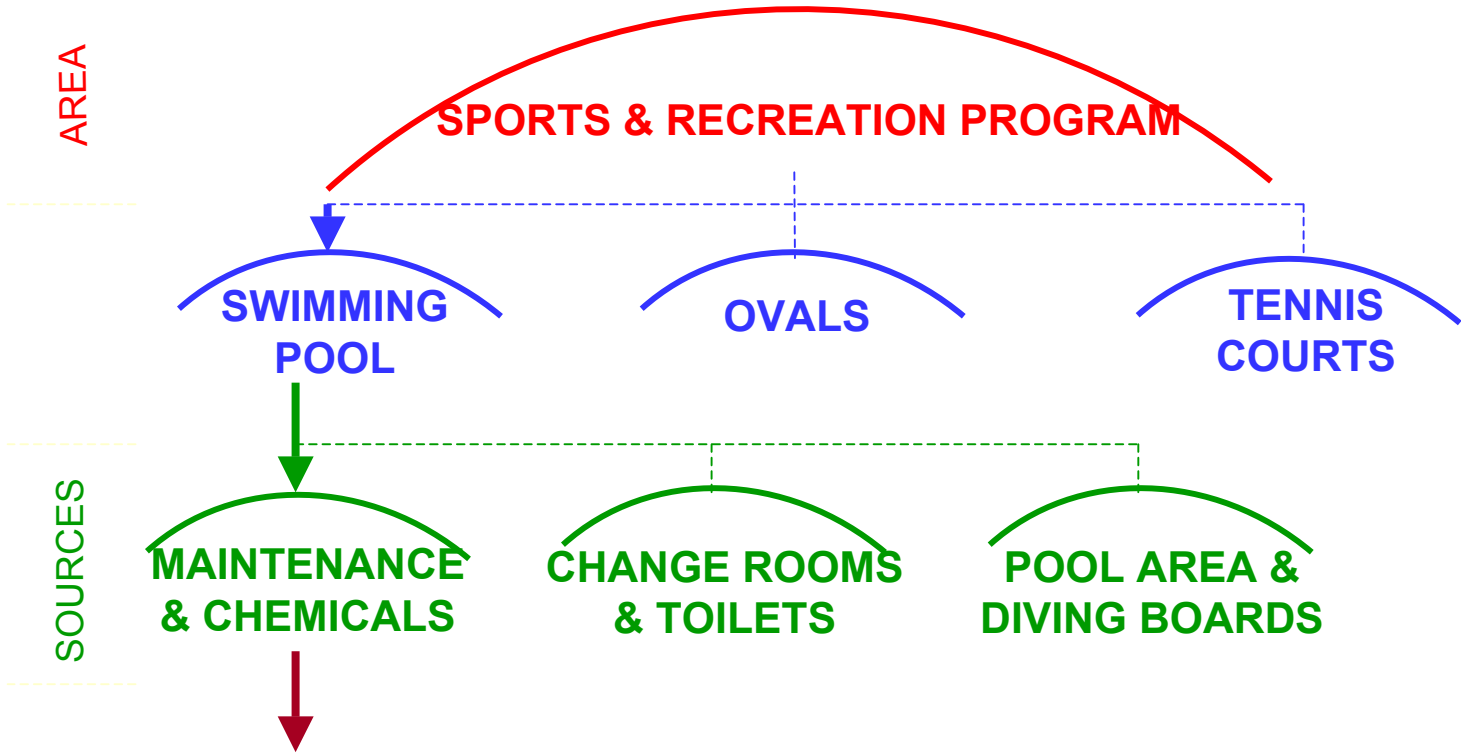
**TENNIS  
COURTS**

SOURCES

**MAINTENANCE  
& CHEMICALS**

**CHANGE ROOMS  
& TOILETS**

**POOL AREA &  
DIVING BOARDS**



AREA

**SPORTS & RECREATION PROGRAM**

**SWIMMING  
POOL**

**OVALS**

**TENNIS  
COURTS**

SOURCES

**MAINTENANCE  
& CHEMICALS**

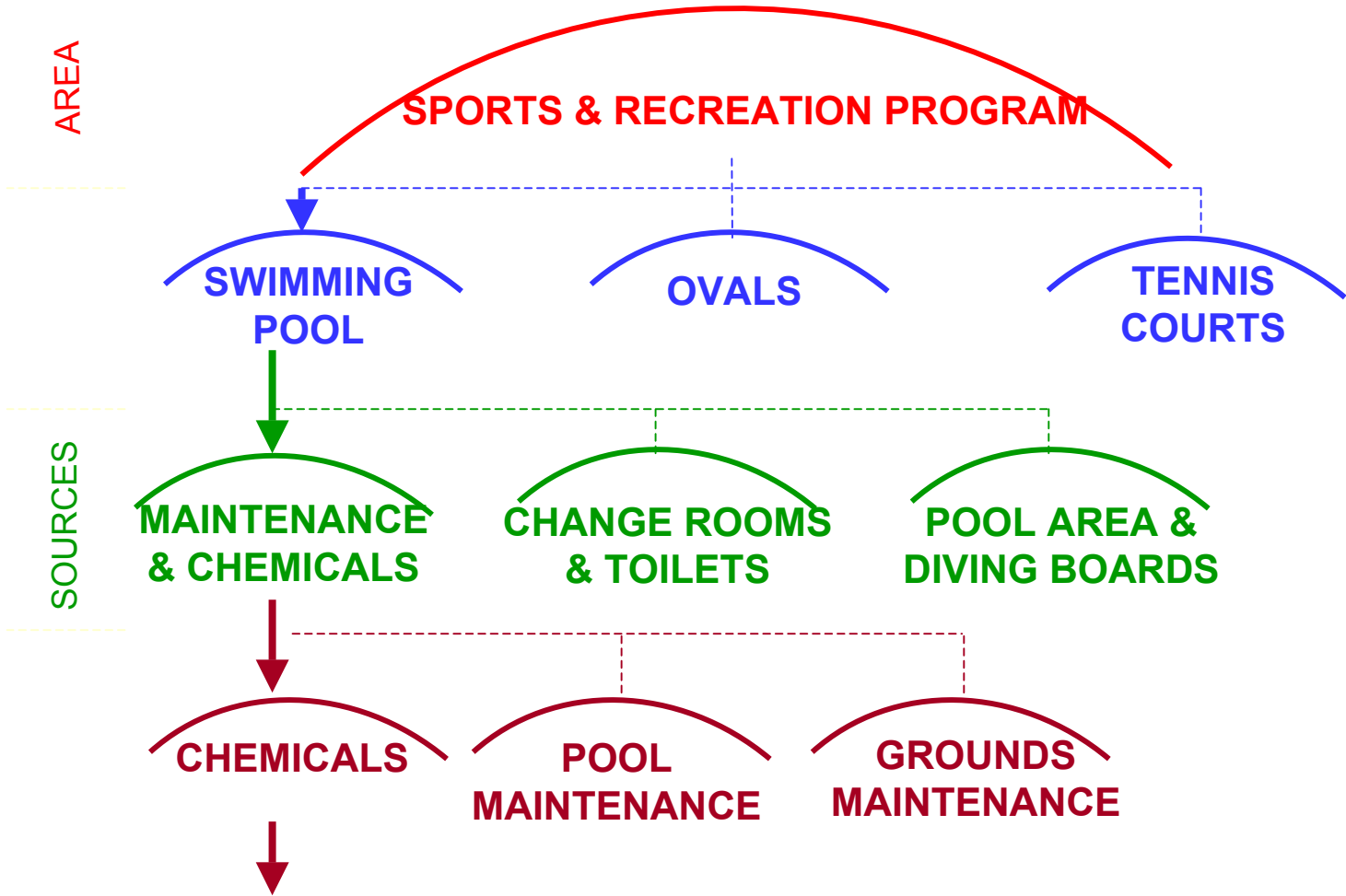
**CHANGE ROOMS  
& TOILETS**

**POOL AREA &  
DIVING BOARDS**

**CHEMICALS**

**POOL  
MAINTENANCE**

**GROUNDS  
MAINTENANCE**



AREA

**SPORTS & RECREATION PROGRAM**

**SWIMMING  
POOL**

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**TENNIS  
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SOURCES

**MAINTENANCE  
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**POOL AREA &  
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**CHEMICALS**

**POOL  
MAINTENANCE**

**GROUNDS  
MAINTENANCE**

**RISKS**

- 1 Too much chemical in pool
- 2 Too little chemical in pool
- 3 Failure to use special gloves when handling chemicals

AREA

**SPORTS & RECREATION PROGRAM**

**SWIMMING  
POOL**

**OVALS**

**TENNIS  
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SOURCES

**MAINTENANCE  
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**POOL AREA &  
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**POOL  
MAINTENANCE**

**GROUNDS  
MAINTENANCE**

**RISKS**

- 1 Too much chemical in pool
- 2 Too little chemical in pool
- 3 Failure to use special gloves when handling chemicals

**OUTCOMES**

- skin allergies
  - allergic reactions
  - red eyes
  - adverse media
  - tarnished reputation
- Secondary Outcomes
- Financial • Social
  - Legal • Political

AREA

**SPORTS & RECREATION PROGRAM**

**SWIMMING  
POOL**

**OVALS**

**TENNIS  
COURTS**

SOURCES

**MAINTENANCE  
& CHEMICALS**

**CHANGE ROOMS  
& TOILETS**

**POOL AREA &  
DIVING BOARDS**

**CHEMICALS**

**POOL  
MAINTENANCE**

**GROUNDS  
MAINTENANCE**

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  - tarnished reputation
- Secondary Outcomes
- Financial • Social
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**CONTROLS IN PLACE**

- Training program (ME)
- Special clothing (IE)
- Competent workers (ME)
- Monitoring system (ME)

AREA

# SPORTS & RECREATION PROGRAM

SWIMMING POOL

OVALS

TENNIS COURTS

SOURCES

MAINTENANCE & CHEMICALS

CHANGE ROOMS & TOILETS

POOL AREA & DIVING BOARDS

CHEMICALS

POOL MAINTENANCE

GROUNDS MAINTENANCE

## RISKS

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## CONTROLS IN PLACE

- Training program (ME)
- Special clothing (IE)
- Competent workers (ME)
- Monitoring system (ME)

## RATING

1 B 4 H U  
 2 C 3 S U  
 3 B 4 H U

AREA

# FINANCIAL MANAGEMENT

FUNDING

MEMBERSHIP FEES

FUND-RAISING

SOURCES

FUNDING IS LATE

FUNDING IS TERMINATED

CASH FLOW ISSUES

MAJOR PROJECTS

PAYROLL

## RISKS

- 1 Not enough money to meet our needs
- 2 Not enough money to buy supplies
- 3 Program delays

## OUTCOMES

- Unable to supply some of our services
- Damage to our reputation if we can't supply some services

## Secondary Outcomes

- Financial
- Legal
- Social
- Political

## CONTROLS IN PLACE

- Budget done (ME)
- Bank Overdraft (IE)
- Competent Leaders (ME)
- Financial Reports (ME)

## RATING

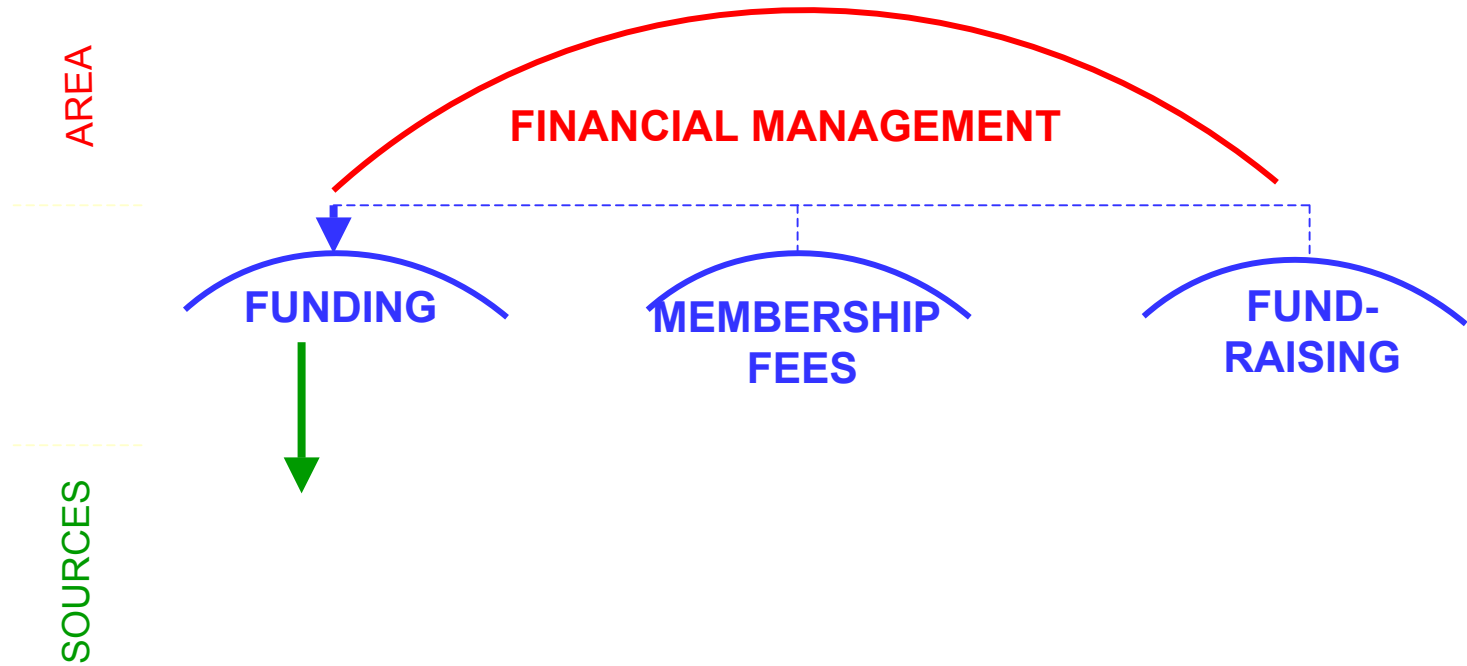
1 B 4 H U  
 2 C 3 S U  
 3 B 4 H U

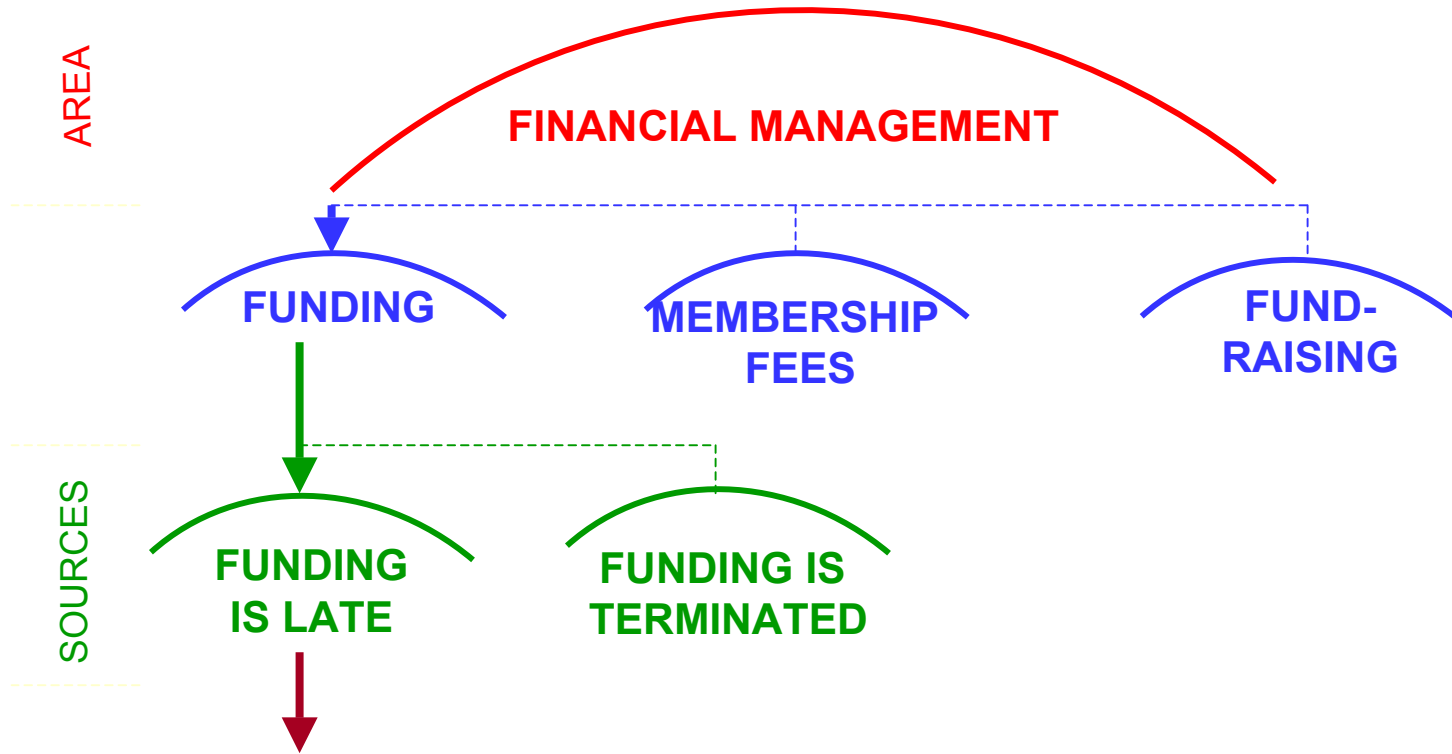


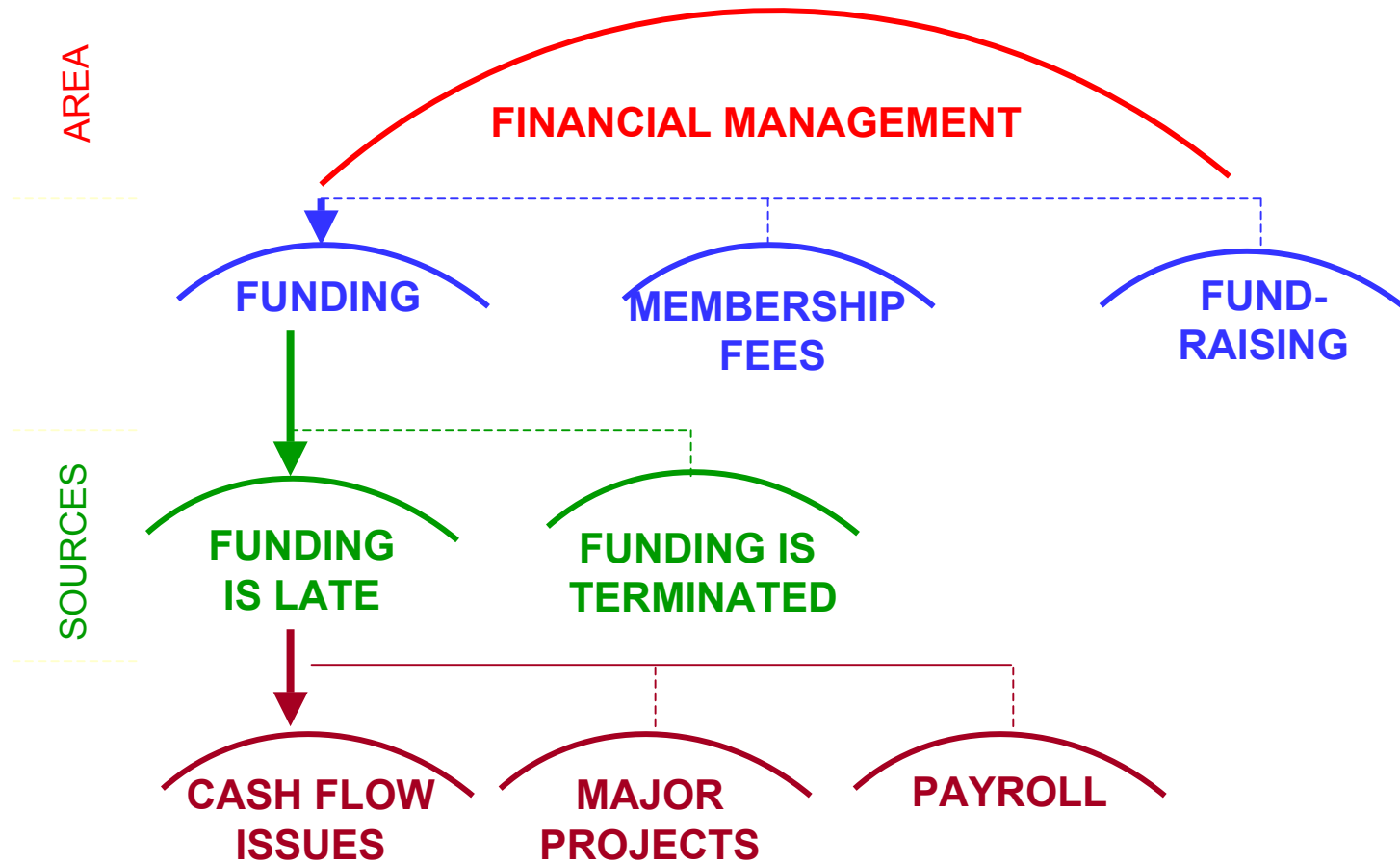
AREA

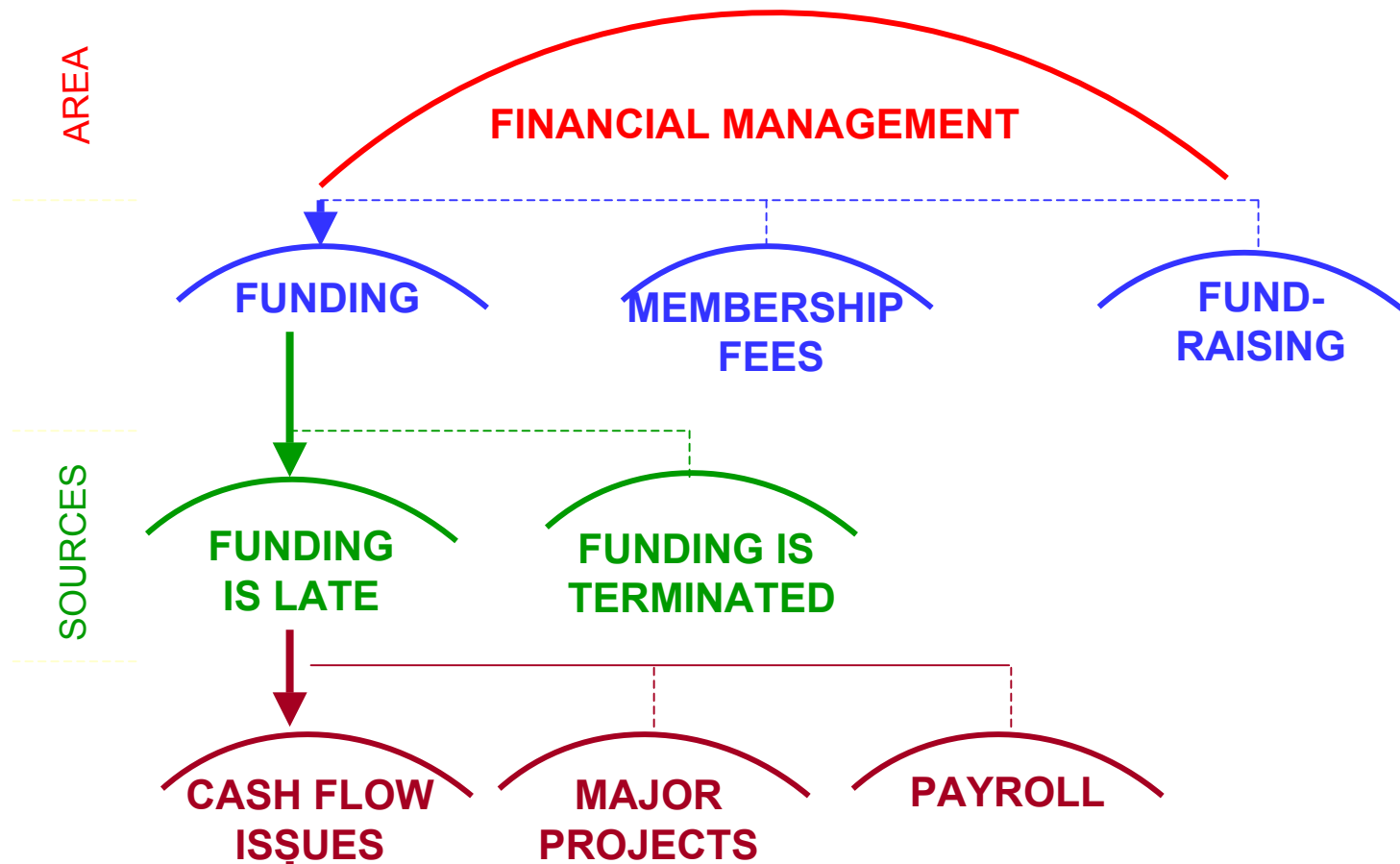
# FINANCIAL MANAGEMENT





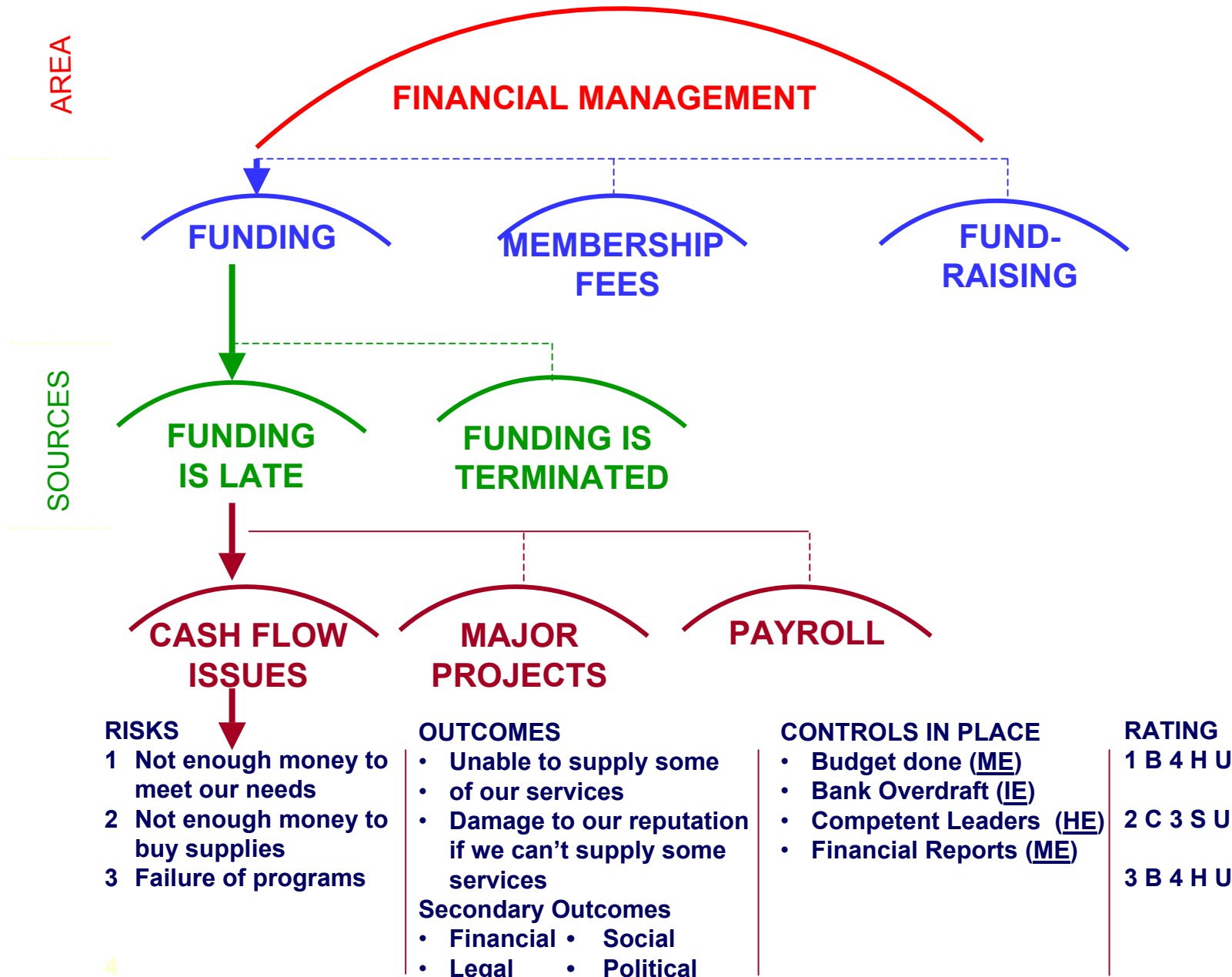






- RISKS**
- 1 Not enough money to meet our needs
  - 2 Not enough money to buy supplies
  - 3 Failure of programs

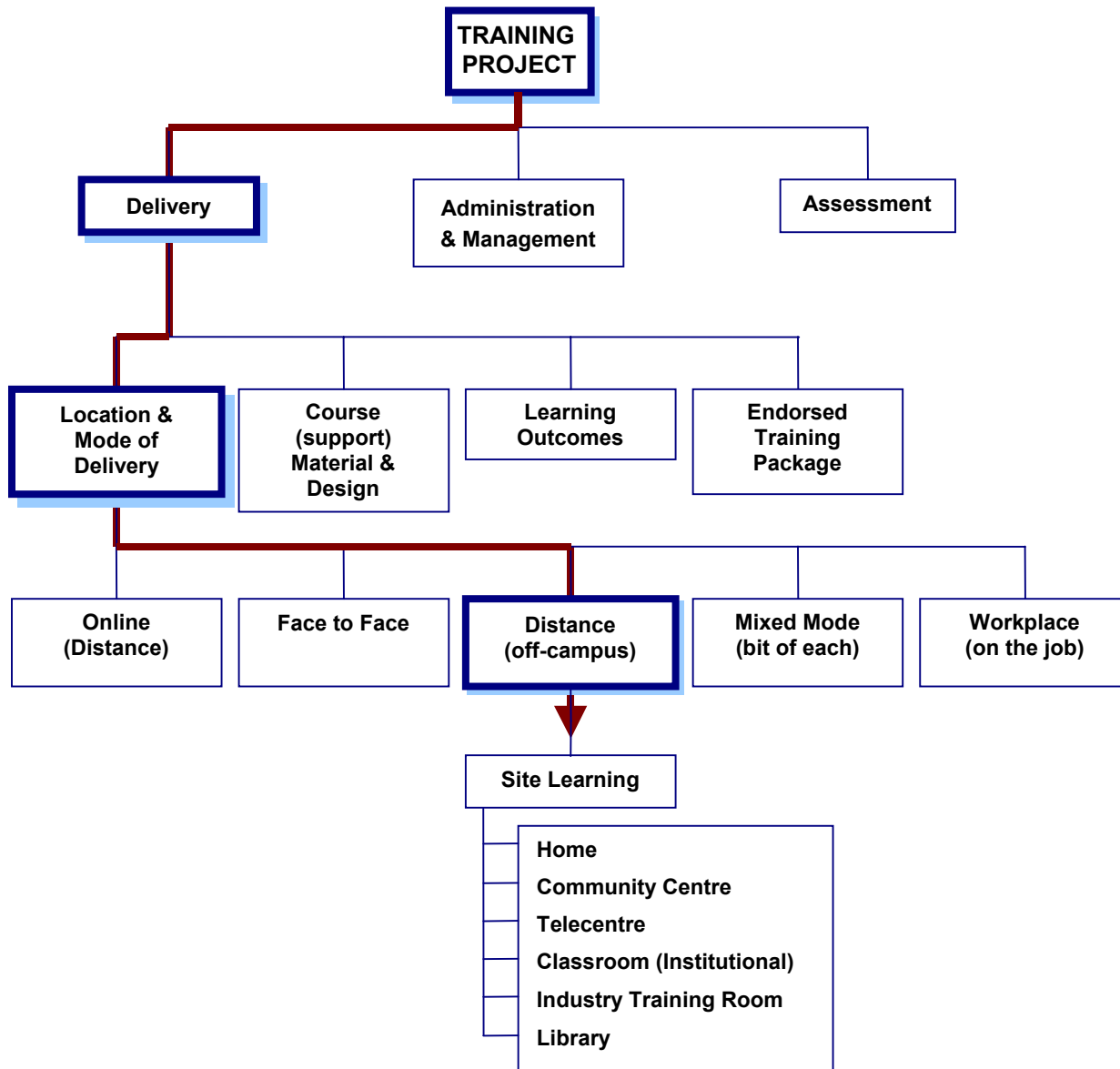


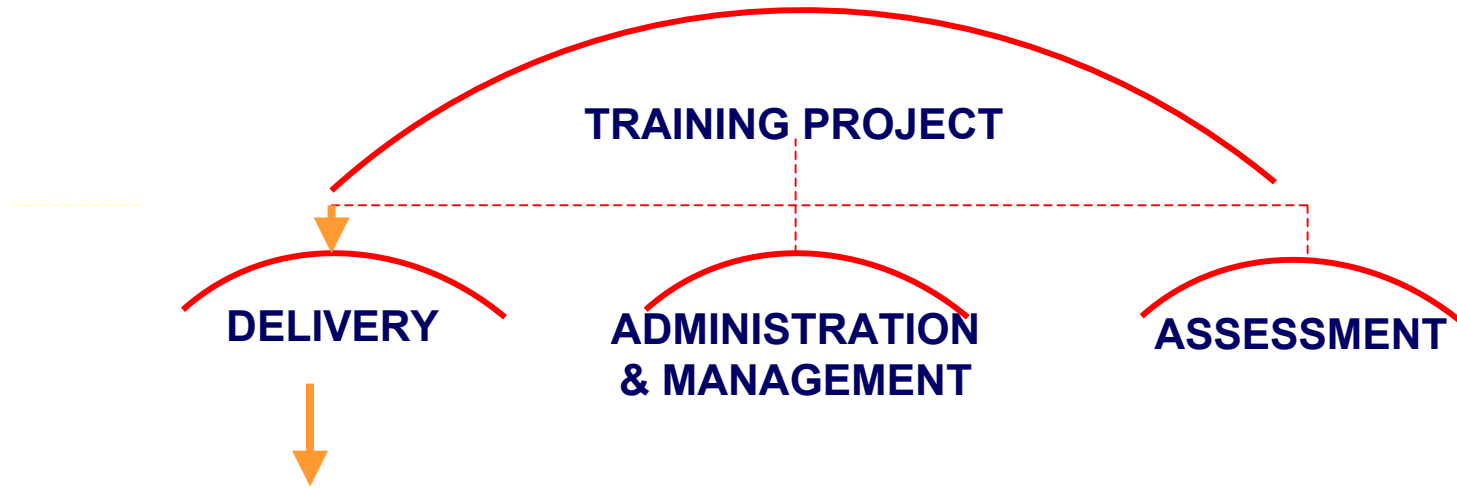


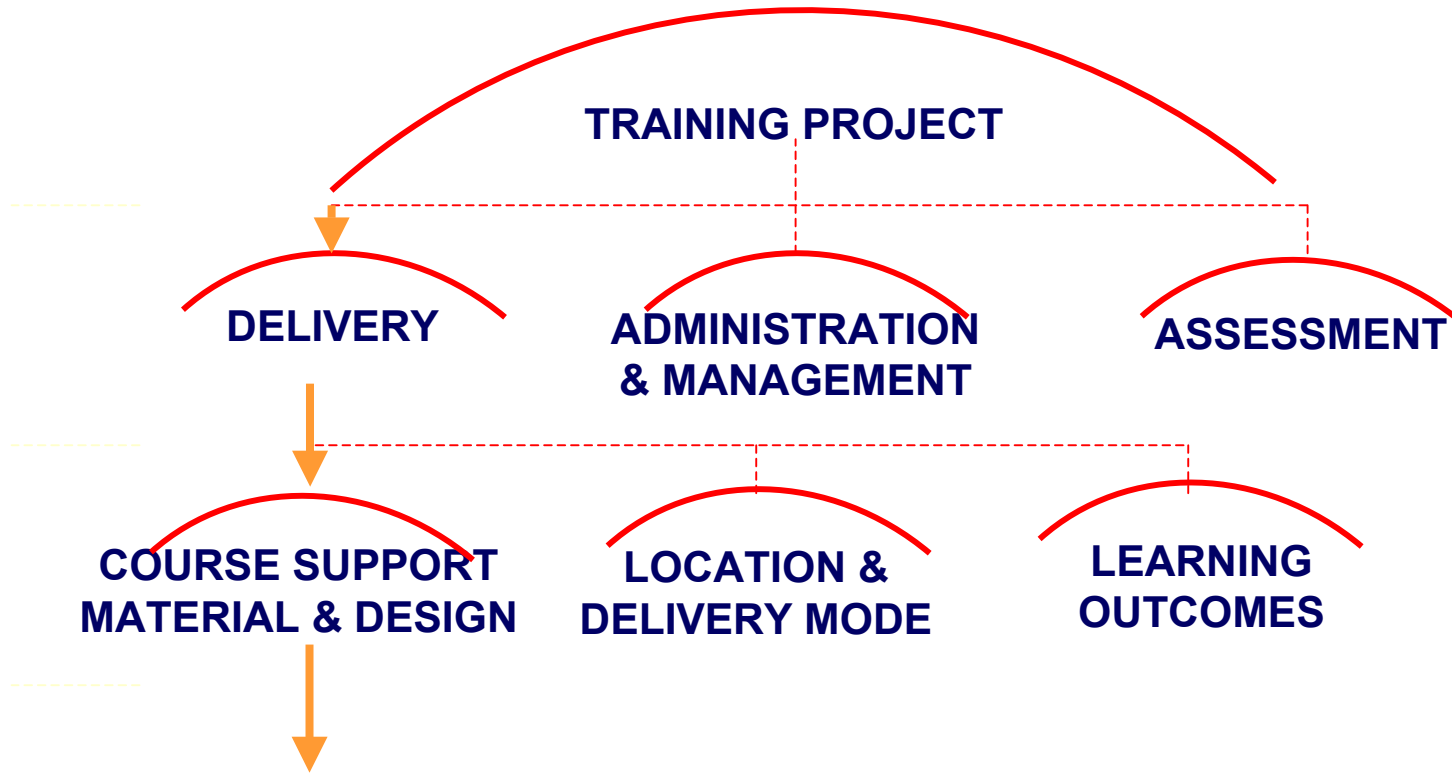
## AREA = 'THE PROJECT'

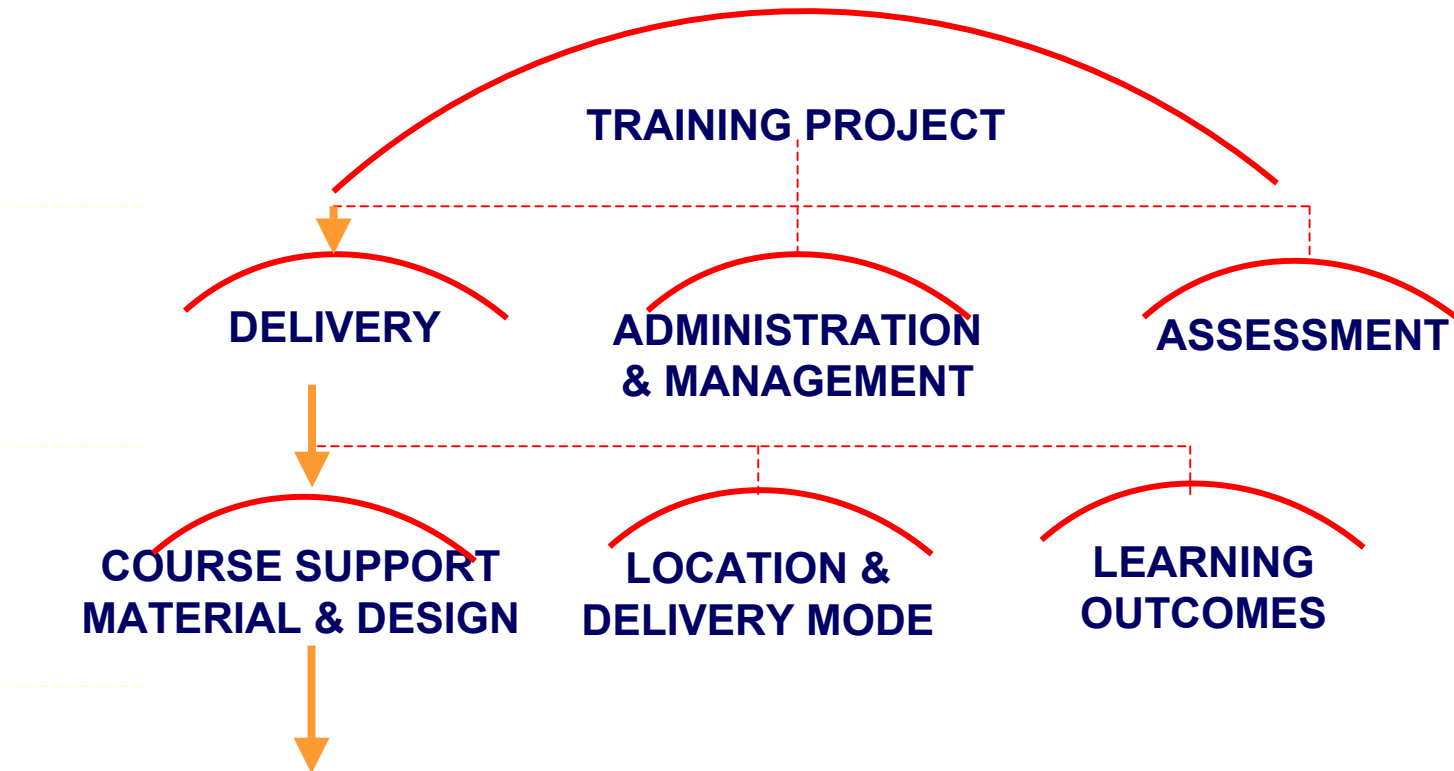
- SCOPE (Objectives)
- TIME
- COST
- QUALITY
- RISK
- HUMAN RESOURCES
- COMMUNICATIONS
- RELATIONSHIP MANAGEMENT
- PROCUREMENT

## SOURCES =









***RISKS***

**1 Failure to use materials relevant to and supportive of the training package or accredited course.**

**2 Failure to employ competent, qualified staff to design, produce and evaluate support materials.**



# TRAINING PROJECT

## DELIVERY

## ADMINISTRATION & MANAGEMENT

## ASSESSMENT

## COURSE SUPPORT MATERIAL & DESIGN

## LOCATION & DELIVERY MODE

## LEARNING OUTCOMES

### RISKS

1 Failure to use materials relevant to and supportive of the training package or accredited course.

2 Failure to employ competent, qualified staff to design, produce and evaluate support materials.

### OUTCOMES

- Clients do not achieve package competencies
  - RTO reputation damaged
  - Qualifications not recognised
  - Trainees not employable
- Secondary Outcomes*
- Financial
  - Legal
  - Social
  - Political

### CONTROLS IN PLACE

- Quality system to ensure relevance-ME
- Library of related materials for adaptation-ME
- Policy for version controls-IE
- Qualified, competent staff-HE

### RATING

1 C4HU  
2 D4SU  
3





# **KEY STRUCTURAL ELEMENTS**

- ★ **Policy and Communications**
- ★ **Operating Practices and Procedures**
- ★ **Tools and Templates**
- ★ **Training**
- ★ **Monitoring and Reporting**
- ★ **Improving**



# INPUTS & OUTPUTS



# AN EXAMPLE

## Risk

Lack of fire exit for back half of office (Non compliance with Fire Safety Act)

## Outcome

Injury to fatality

## Rating

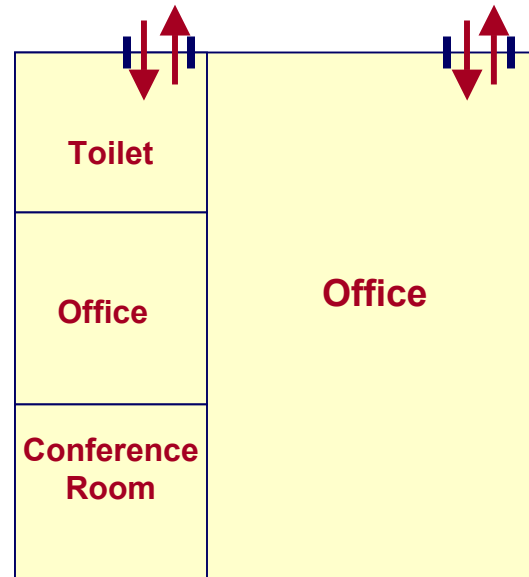
L	C	L-H	A/U
D	4	S	U

## Controls

No controls in place now

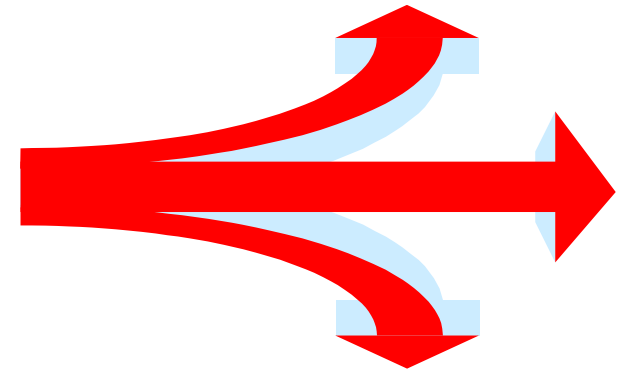
## Strategy

- Notify State Mgr (copy to OH&S officer) that office does not comply with Fire regulations (No 2nd exit) 'XYZ' (and note that a solution is being investigated)
- Meet with building owner to discuss location and cost of 2nd exit
- Document proposal and forward to State Mgr for approval (citing non compliance with 'XYZ' and Risk Assessment D-4-S-U)
- Cite Corporate Risk Plan re: safe working conditions



# THE PROCESS

- ★ **Establish the Context**
- ★ **Identify Risks**
- ★ **Analyse and Evaluate Risks**
- ★ **Develop Risk Treatment Strategies**
- ★ **Monitor & Review**



# ESTABLISH THE CONTEXT

- ★ **The Strategic Context**
- ★ **The Organisational Context**
- ★ **The Risk Management Context**
- ★ **Develop Criteria**
- ★ **Decide the Structure**



# **STRATEGIC/ORGANISATION CONTEXT**

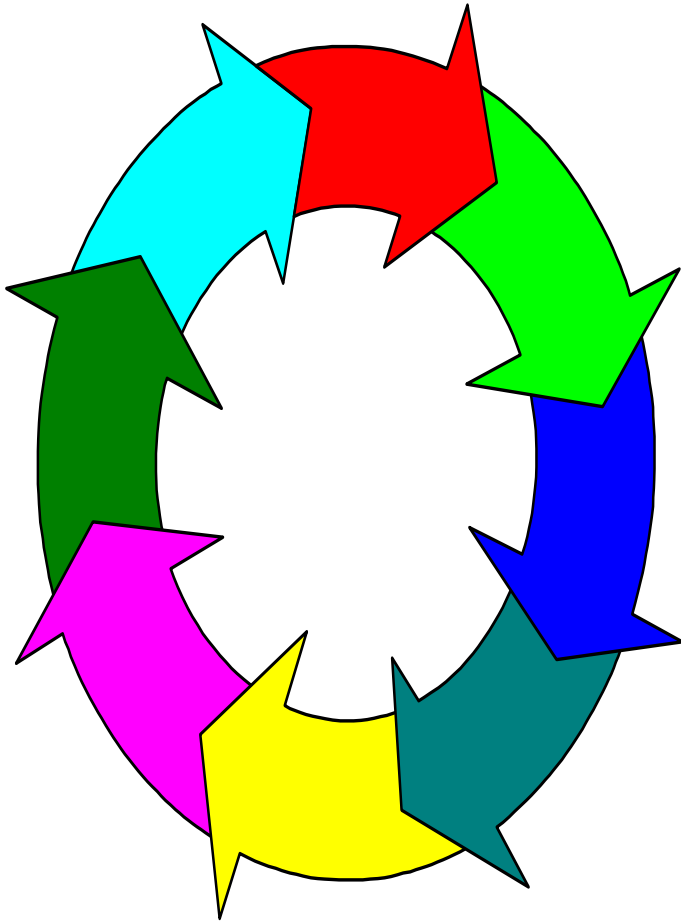
- ★ **Understand the organisation's capabilities, goals, objectives and the strategies in place to achieve them.**
- ★ **Understand the external environment, including stakeholders, in which the organisation operates.**



# RISK MANAGEMENT CONTEXT

## *PLANNING ELEMENTS*

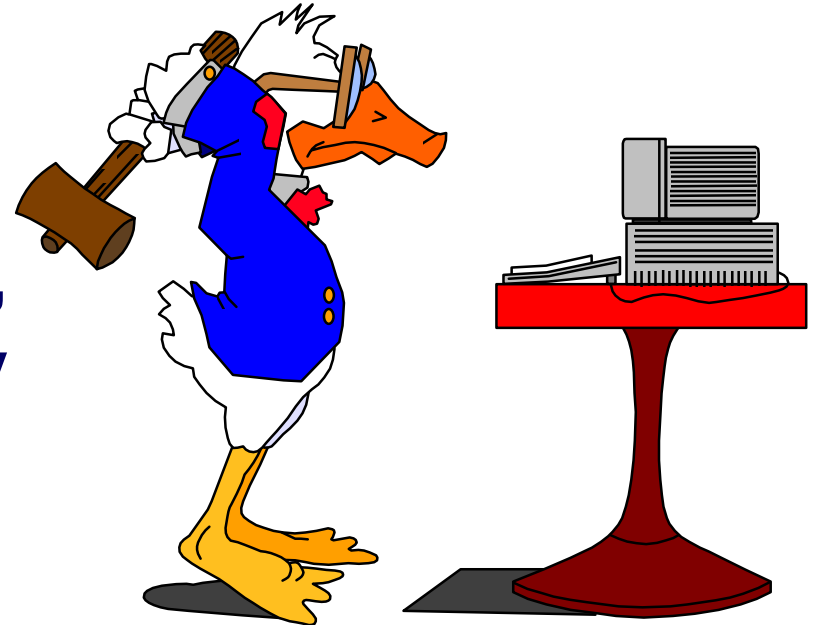
- ★ Natural Events
- ★ Accidents
- ★ Economic & Political Circumstances
- ★ Contractual Liabilities
- ★ Technological issues
- ★ Individual activities



# RISK MANAGEMENT CONTEXT

## AREAS OF IMPACT

- ★ People
- ★ Organisation's assets
- ★ Private/public assets
- ★ Environment
- ★ Organisation's goals, objectives, credibility and reputation



AREA:

SOURCE:

DATE:

**1 Identified Risk(s)**

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**2 Outcomes**

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**3 Controls in Place**

Rating (tick one)

<hr/>	<input type="checkbox"/> HE <input type="checkbox"/> ME <input type="checkbox"/> IE
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**4 Rating**

	<u>L</u>	<u>C</u>	<u>R</u>	<u>A/U</u>
1	—	—	—	—
2	—	—	—	—
3	—	—	—	—
4	—	—	—	—
5	—	—	—	—
6	—	—	—	—
7	—	—	—	—

**5 Strategies**

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# FOUR ESSENTIALS

- 📄 **Clear understanding of OBJECTIVES**
- 📄 **Clear understanding of LIKELIHOOD**
- 📄 **Clear understanding of CONSEQUENCE**
- 📄 **A Matrix to determine ACCEPTABLE  
or UNACCEPTABLE**



## IDENTIFY THE RISKS

- ★ What can happen?
- ★ How it can happen?

## IDENTIFY THE OUTCOMES

- ★ Risk occurs ... So what?
- ★ What is the real effect?



# **RISKS V OUTCOMES**

- ★ Risks produce Outcomes, which become Risks which produce larger Outcomes.
- ★ When an Outcome becomes too large, it will destroy your organisation.
- ★ Always ask: *Could I have lessened this Outcome by dealing with the set of Risks which created this Outcome?*



# **ANALYSE THE RISKS**

- ★ **Identify existing controls**
- ★ **Determine likelihood**
- ★ **Determine consequences**
- ★ **Establish level of risk**
- ★ **Compare against priorities**



★ “We have knowledgeable, skilled, dedicated people who want to bring their skills to the table to **identify, assess and mitigate** risk -- and if we give them the training and the tools, they will do the **job.**”



# **CONTROLS IN PLACE**

- ★ **Controls are those things in place which have a mitigating effect on the risks.**
- ★ **We must determine the quality and effectiveness of the controls.**
- ★ **It is the level of control (or lack of control) that will show us the vulnerability of our organisation.**



# CONTROLS IN PLACE

Code	Description
<b>HE</b>	The control is highly effective because it reduces the likelihood of the risk occurring and/or it reduces the consequences if the risk does occur.
<b>ME</b>	The control is moderately effective because it only partially reduces the likelihood of the risk occurring and/or partially reduces the consequences if the risk does occur. The control needs to be reviewed, abolished, amended, or replaced to make it a highly effective control.
<b>IE</b>	The control is ineffective because it does not reduce the likelihood of the risk occurring and/or it does not reduce the consequences if the risk does occur. The control needs to be reviewed, abolished, amended, or replaced to make it a highly effective control.



**LIKELIHOOD + CONSEQUENCE**

**- CONTROLS IN PLACE**

**= VULNERABILITY**



# THE RISK RATING

- ★ **Likelihood and Consequence**
- ★ **Watch the Relativities**
- ★ **Review the categories of Likelihood and Consequence and insert your organisation's criteria**



# Likelihood and Consequence Matrix

Likelihood	Consequences				
	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic
<b>A</b> Almost Certain	<b>S</b>	<b>S</b>	<b>H</b>	<b>H</b>	<b>H</b>
<b>B</b> Likely	<b>M</b>	<b>S</b>	<b>S</b>	<b>H</b>	<b>H</b>
<b>C</b> Possible	<b>L</b>	<b>M</b>	<b>S</b>	<b>H</b>	<b>H</b>
<b>D</b> Unlikely	<b>L</b>	<b>L</b>	<b>M</b>	<b>S</b>	<b>H</b>
<b>E</b> Rare	<b>L</b>	<b>L</b>	<b>M</b>	<b>S</b>	<b>S</b>

## Unacceptable Risks

**H** = a High Risk, Attention, Time and Resources required

**S** = a Significant Risk, Attention required

## Acceptable Risks

**M** = a Moderate Risk, Monitor

**L** = a Low Risk, Standard Operating Procedures to handle



# Likelihood and Consequence Matrix

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<b>A</b> Almost Certain	<b>S</b>	<b>S</b>	<b>H</b>	<b>H</b>	<b>H</b>
<b>B</b> Likely		<b>S</b>	<b>S</b>	<b>H</b>	<b>H</b>
<b>C</b> Possible			<b>S</b>	<b>H</b>	<b>H</b>
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<i>Likelihood</i> <b>B</b> Likely	<i>Consequence</i> <b>4</b> Major	<i>Rating</i> <b>H</b> High	<i>Acceptable / Unacceptable</i> <b>U</b> Unacceptable
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## CONTROL VALUES

Code	Description
<b>HE</b>	<b>Highly Effective (HE)</b> – The control is highly effective because it reduces the likelihood of the risk occurring and/or it reduces the consequences if the risk does occur.
<b>ME</b>	<b>Moderately Effective (ME)</b> – The control is moderately effective because it only partially reduces the likelihood of the risk occurring and/or partially reduces the consequences if the risk does occur. The control needs to be reviewed, abolished, amended, replaced to make it into a highly effective control.
<b>IE</b>	<b>Ineffective (IE)</b> – The control is ineffective because it does not reduce the likelihood or the risk occurring and /or it does not reduce the consequences if the risk does occur. The control needs to be reviewed, abolished, amended, replaced to make it into a highly effective control.

## LIKELIHOOD/CONSEQUENCE MATRIX

Likelihood	Consequences				
	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic
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## TABLE OF LIKELIHOOD/CONSEQUENCE

<u>LIKELIHOOD</u>		
Level	Descriptor	Description
<b>A</b>	<b>Almost Certain</b>	The event is expected to occur in most circumstances.
<b>B</b>	<b>Likely</b>	The event will probably occur in most circumstances.
<b>C</b>	<b>Possible</b>	The event should occur at some time.
<b>D</b>	<b>Unlikely</b>	The event could occur at some time.
<b>E</b>	<b>Rare</b>	The event may occur only in exceptional circumstances.

<u>CONSEQUENCE</u>		
Level	Descriptor	Description
<b>1</b>	<b>Insignificant</b>	Minimal financial loss, no impact on overall program or functional outcomes (eg Confined to very small number of products, services or members), no adverse external criticism or publicity, no impact on staff.
<b>2</b>	<b>Minor</b>	Small financial loss, small impact on overall program or functional outcomes (eg Confined to a substantial minority of products, services to members), criticism by directly affected managers or customers, minimal impact on staff, members or overall morale.
<b>3</b>	<b>Moderate</b>	Medium financial loss, substantial impact on overall program or functional outcomes (eg Many products and services affected), some external criticism directed at executive, Board (eg by members and key stakeholders, low key media). Impact on staff noticeable, degree of change in morale.
<b>4</b>	<b>Major</b>	High financial loss, products and services curtailed due to failure to deliver, serious external criticism (eg key stakeholders, high profile media). Substantial impact on overall staff, members and morale with performance affected. Measurable increase in stress related issues.
<b>5</b>	<b>Catastrophic</b>	Abolition of the organisation, dismissal of executive, significant irreparable impact on members' prospects through mismanagement. Impact on staff, members and morale severe.

★ **“Unacceptable risk is truly unacceptable and must be mitigated, even if that mitigation is to merely monitor and be ready to react as necessary. To ignore unacceptable risk is to court severe danger...”**



★ “We have knowledgeable, skilled, dedicated staff who want to bring their judgements to the table to **identify**, **assess** and **mitigate** risk -- and if we give them the training and the tools, they will do the job.”



# LIKELIHOOD

## Qualitative Measures of Likelihood

<u>LIKELIHOOD</u>		
Level	Descriptor	Description
<b>A</b>	<b>Almost Certain</b>	The event is expected to occur in most circumstances.
<b>B</b>	<b>Likely</b>	The event will probably occur in most circumstances.
<b>C</b>	<b>Possible</b>	The event should occur at some time.
<b>D</b>	<b>Unlikely</b>	The event could occur at some time.
<b>E</b>	<b>Rare</b>	The event may occur only in exceptional circumstances.



# Measures of CONSEQUENCE or IMPACT

<b>CONSEQUENCE</b>		
<b>Level</b>	<b>Descriptor</b>	<b>Description</b>
<b>1</b>	<b>Insignificant</b>	Minimal financial loss, no impact on overall program or functional outcomes (eg Confined to very small number of products, services or members), no adverse external criticism or publicity, no impact on staff.
<b>2</b>	<b>Minor</b>	Small financial loss, small impact on overall program or functional outcomes (eg Confined to a substantial minority of products, services to members), criticism by directly affected managers or customers, minimal impact on staff, members or overall morale.
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# FORM

<b>AREA:</b>	<b>SOURCE:</b>	<b>DATE:</b>																																
<b>1 Identified Risk(s)</b>																																		
<b>2 Outcomes</b>	<b>3 Controls in Place</b>	<b>Rating (tick one)</b>																																
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<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 2px;">L</th> <th style="text-align: left; padding: 2px;">C</th> <th style="text-align: left; padding: 2px;">R</th> <th style="text-align: left; padding: 2px;">A/U</th> </tr> </thead> <tbody> <tr><td style="padding: 2px;">1</td><td style="padding: 2px;">—</td><td style="padding: 2px;">—</td><td style="padding: 2px;">—</td></tr> <tr><td style="padding: 2px;">2</td><td style="padding: 2px;">—</td><td style="padding: 2px;">—</td><td style="padding: 2px;">—</td></tr> <tr><td style="padding: 2px;">3</td><td style="padding: 2px;">—</td><td style="padding: 2px;">—</td><td style="padding: 2px;">—</td></tr> <tr><td style="padding: 2px;">4</td><td style="padding: 2px;">—</td><td style="padding: 2px;">—</td><td style="padding: 2px;">—</td></tr> <tr><td style="padding: 2px;">5</td><td style="padding: 2px;">—</td><td style="padding: 2px;">—</td><td style="padding: 2px;">—</td></tr> <tr><td style="padding: 2px;">6</td><td style="padding: 2px;">—</td><td style="padding: 2px;">—</td><td style="padding: 2px;">—</td></tr> <tr><td style="padding: 2px;">7</td><td style="padding: 2px;">—</td><td style="padding: 2px;">—</td><td style="padding: 2px;">—</td></tr> </tbody> </table>	L	C	R	A/U	1	—	—	—	2	—	—	—	3	—	—	—	4	—	—	—	5	—	—	—	6	—	—	—	7	—	—	—		
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AREA: Property and Facilities, Community Hall

SOURCE: Fire, Bushfire, Smoke

DATE: 8 April 2002

WORK AREA: Property and Assets

MANAGER: Robert Smith

### 1 Identified Risk(s)

- #1 Lack of fire sprinklers in Hall and presence of highly combustible materials stored in equipment room.
- #2 Bush fire danger north end of Hall from heavy concentration of dry undergrowth.
- #3 Significant smoke from annual bush fires near Hall.

### 2 Outcomes

- #1 Significant property damage potential and loss of equipment; loss of life
- #2 Potential loss of property; Temporary loss of venue from lesser damage
- #3 Health concerns; Lost activity time

### 3 Controls in Place

Rating

- Bush Fire Brigade well trained, available **ME**
- Security systems for early warning in place **ME**
- Overhead fans in place in Hall **IE**

### 4 Rating

	<u>L</u>	<u>C</u>	<u>R</u>	<u>A/U</u>
#1	B	4	H	U (before)
#2	C	3	S	U
#3	A	4	S	U
#1	C	2	M	A (after)

### 5 Strategies

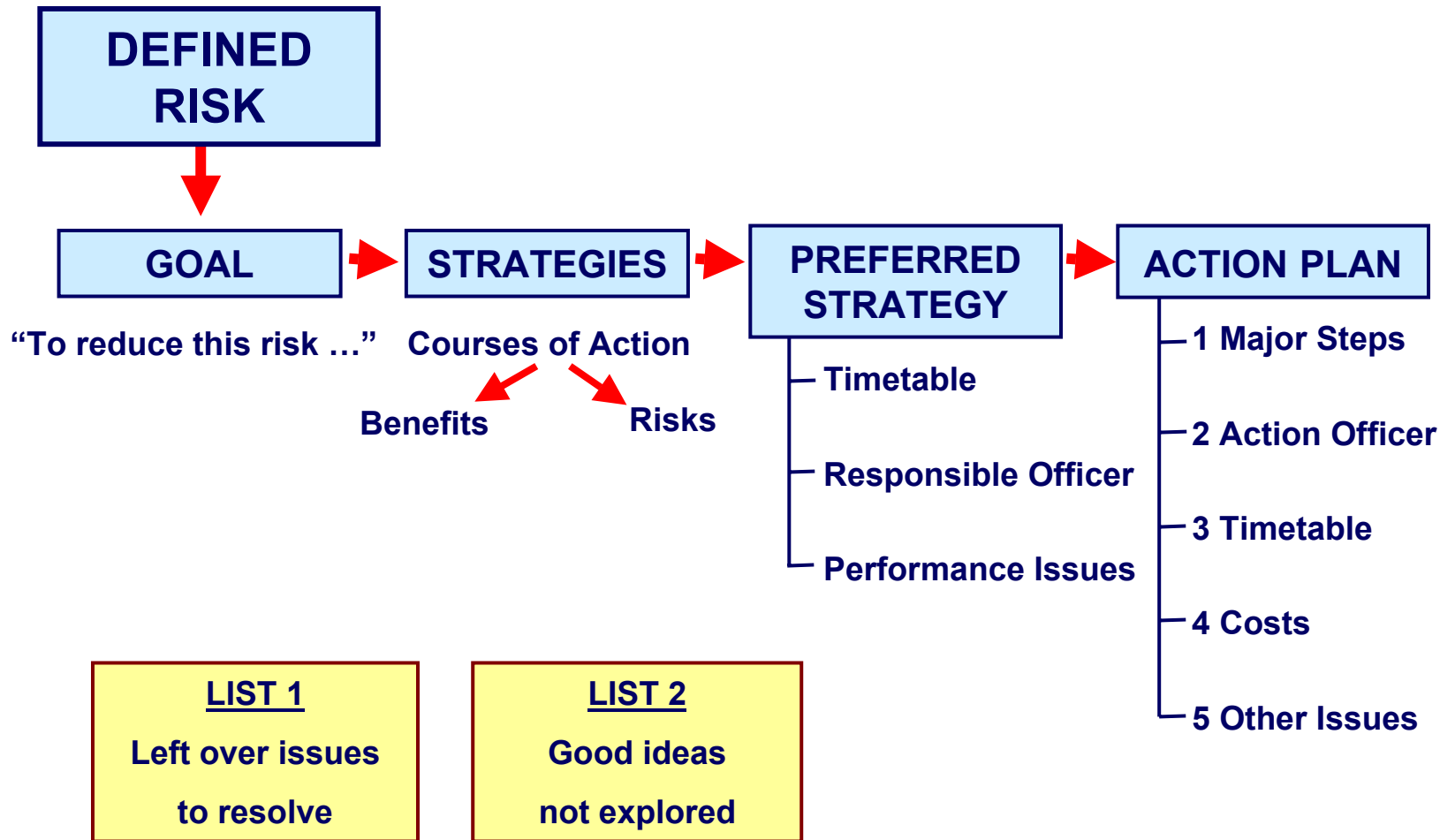
- Risk #1** - Conduct an urgent review of the Hall and develop business case, including cost, for installation of required sprinkler system. Temporary mitigation of some aspects of this risk by relocating some of the combustible materials to a private contractor's business which has sprinkler system in place. Monitor this risk and adjust its rating after installation of sprinkler system is complete and tested.
- Risk #2** - Organise a working party for the long weekend to clear bush at north end of Hall, making sure bush cleared by summer fire season later this year.
- Risk #3** - Retain the risk and close the Hall if smoke cannot be cleared by the fan system.

# **PRIORITY CRITERIA**

- ★ **Injury to Fatality**
- ★ **Damage to Organisation's Assets**
- ★ **Damage to Private Property**
- ★ **Damage to the Environment**
- ★ **Damage to Reputation/Credibility**

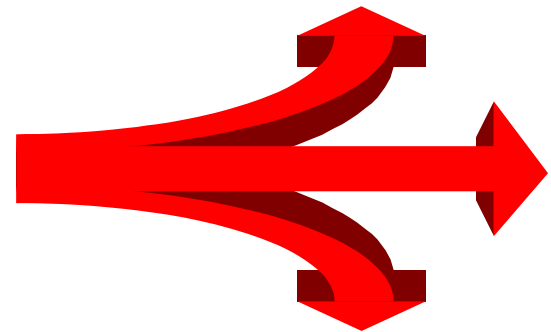


# RISK MITIGATION STRATEGY DEVELOPMENT

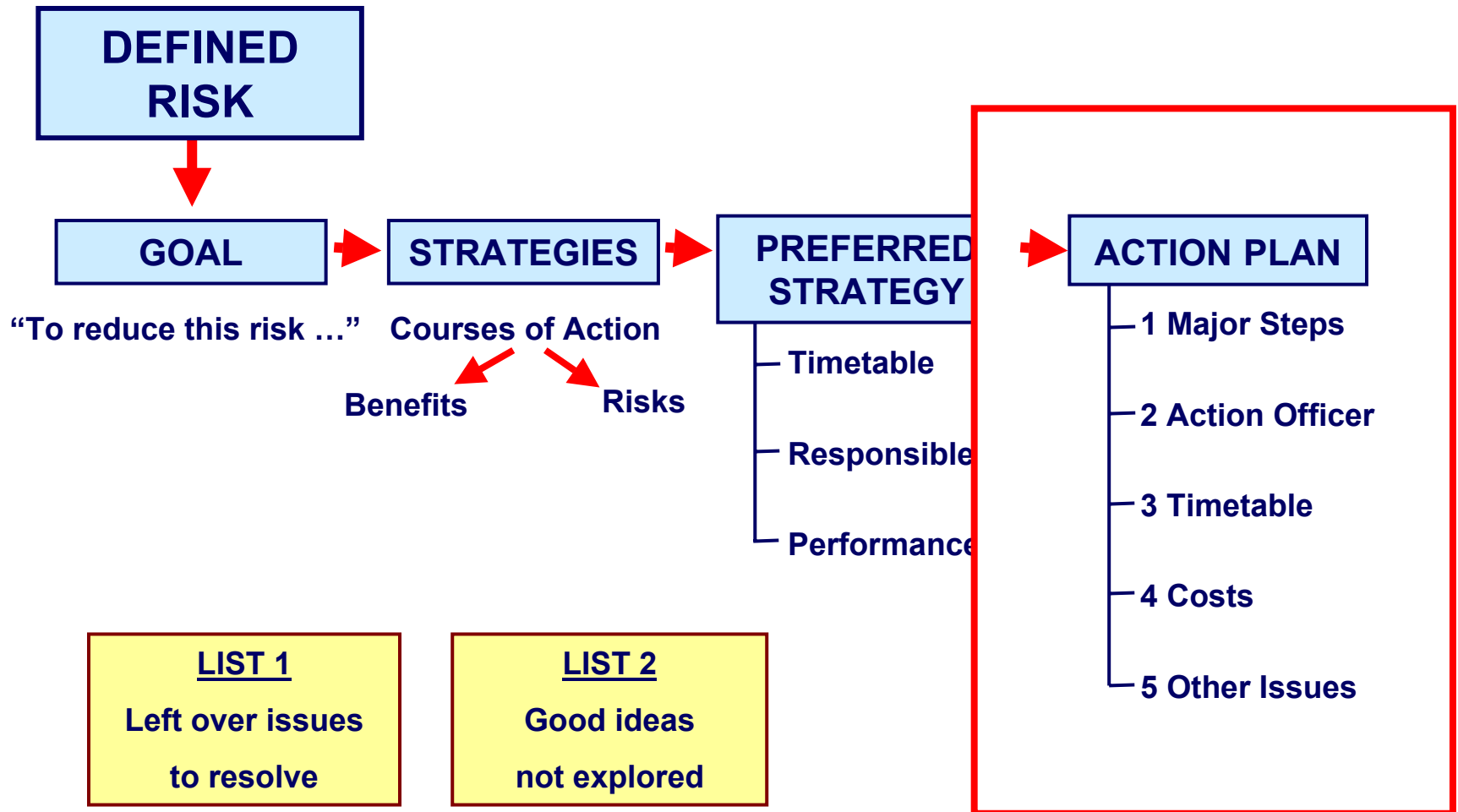


# STRATEGY SOURCES

- ★ **Communication** (Internal/External)
- ★ **Training**
- ★ **Documentation**
- ★ **Resourcing**
- ★ **Systems**
- ★ **Planning** (Additional)



# RISK MITIGATION STRATEGY DEVELOPMENT



# RISK ACTION PLAN

Risk #	IDENTIFIED RISK	When ID'd (date)	Rating (H/S)		
<b>MITIGATION STRATEGY</b>					
#	Action	Action Officer	Completed by	Done (date)	Comments
1					
2					
3					
4					
5					



AREA: Property and Facilities, Community Hall

SOURCE: Fire, Bushfire, Smoke

DATE: 8 April 2002

WORK AREA: Property and Assets

MANAGER: Robert Smith

### 1 Identified Risk(s)

- #1 Lack of fire sprinklers in Hall and presence of highly combustible materials stored in equipment room.
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### 3 Controls in Place

Rating

- Bush Fire Brigade well trained, available **ME**
- Security systems for early warning in place **ME**
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### 4 Rating

	<u>L</u>	<u>C</u>	<u>R</u>	<u>A/U</u>
#1	B	4	H	U (before)
#2	C	3	S	U
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### 5 Strategies

- Risk #1** - Conduct an urgent review of the Hall and develop business case, including cost, for installation of required sprinkler system. Temporary mitigation of some aspects of this risk by relocating some of the combustible materials to a private contractor's business which has sprinkler system in place. Monitor this risk and adjust its rating after installation of sprinkler system is complete and tested.
- Risk #2** - Organise a working party for the long weekend to clear bush at north end of Hall, making sure bush cleared by summer fire season later this year.
- Risk #3** - Retain the risk and close the Hall if smoke cannot be cleared by the fan system.

<b>WORK AREA: Property and Facilities Services, Community Hall</b>	<b>Manager: Robert Smith</b>	<b>Date: 8 April 2002</b>
<b>AREA/SOURCE: Property and Assets — Fire/Bushfire/Smoke</b>		

<b>Risk #</b>	<b>IDENTIFIED RISK</b>	<b>When ID'd (date)</b>	<b>Rating (H/S)</b>
<b>#1</b>	<b>Potential for a fire in the Hall and lack of sprinklers, as well as presence of highly combustible materials stored there may result in significant fire damage and loss of venue.</b>	<b>8 April 2002</b>	<b>B - 4 - H - U</b>

**MITIGATION STRATEGY**

**Risk #1 - Conduct an urgent review of the Hall and develop business case, including cost, for installation of required sprinkler system. Meanwhile, temporary mitigation of some aspects of this risk by relocating some of the combustible materials to a contractor's business which has sprinkler system in place.**

**IMPLEMENTATION**

<b>#</b>	<b>Action</b>	<b>Action Officer</b>	<b>Completed by</b>	<b>Done (date)</b>	<b>Comments</b>
<b>1</b>	<b>Develop plan for review of the Hall and movement of combustible materials from location.</b>	<b>RS</b>	<b>15 April 2002</b>		<b>Consult with DC (Cleaning Contractor), FR (Hall Manager) and TR (Community Liaison Officer).</b>
<b>2</b>	<b>Develop specs and gain quotes for required sprinkler system.</b>	<b>JF</b>	<b>20 April 2002</b>		<b>See local providers for assistance with quotes.</b>
<b>3</b>	<b>Remove (temporarily) as much combustible material as possible.</b>	<b>KL</b>	<b>15 April 2002</b>		<b>Work with FR (Hall Mgr) and team to carry out this task.</b>
<b>4</b>	<b>Develop business case to sell Local Council on sprinkler installation, based on risks.</b>	<b>JF</b>	<b>25 April 2002</b>		<b>Aim for presentation at Council Management Meeting on 25 April. Include cost-benefit analysis as well as HR issues and safety.</b>
<b>5</b>	<b>On approval of case, issue a contract for installation.</b>	<b>RS</b>	<b>10 May 2002</b>		<b>Use similar contract forms to other contracted services.</b>
<b>6</b>	<b>Supervise installation and when complete, revise risk register.</b>	<b>JF</b>	<b>30 Jun 2002</b>		<b>JF to supervise contractors. KL will do JF's duties during this time.</b>
<b>7</b>	<b>Arrange return of combustibles to the Hall.</b>	<b>KL</b>	<b>10 Jul 2002</b>		<b>Work with FR (Hall Mgr) on team to carry out this task.</b>

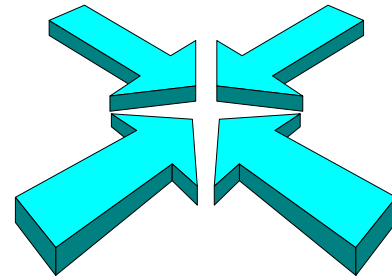
# DOCUMENT, IMPLEMENT AND MONITOR

- ★ Document the Plan
- ★ Implement the Plan
- ★ Monitor the Plan



# BENEFITS

- ★ **Effective daily operations**
- ★ **Reduction in the need for crisis management**
- ★ **Universal application - basement to boardroom**
- ★ **Proactive**
- ★ **Cost effective**
- ★ **Compliance**



# **RISK MANAGEMENT -- WHY BOTHER?**

- ★ **Maintaining the Focus on What's Important**
- ★ **Integrating With Other Management Tools**
- ★ **Building and Enhancing Proactivity**
- ★ **Commonality in Risk Identification & Treatment**
- ★ **Further Minimising Crisis Management**
- ★ **Using Risk Management to Exploit Opportunity**
- ★ **Securing Corporate Governance**



# RISK MANAGEMENT

# FOR COMMUNITY GROUPS

**Tools and Techniques**  
**Roles and Responsibilities**

---

**James Crown**



**STRATEGIC PLANNING  
GROUP**



Supported by the State Government  
through the Office for Volunteers