

PROJECT RISK ASSESSMENT

NAME OF EVENT _____

RISK MANAGEMENT POLICY

As a responsible public and corporate organisation the Council has an obligation to address the issue of risk management within areas of Council operations. In meeting this obligation the Council also addresses the requirements of its public liability and professional indemnity insurer.

In accordance with this responsibility Council has adopted a Risk Management Policy.

The Policy sets out Council's commitment to:

- a) the application of sound risk management principles and practices.
- b) protecting the Council, its employees and the community against loss and injury.
- c) preventing and minimising exposure to risk and adverse impact on Council operations.

The policy recognises that risk management is essential for sound strategic and financial planning and for the ongoing physical operations of the organisation.

Council recognises that risk management is a universal function of the Council and the policy applies to management, employees, management committees and contractors.

Risk Management serves not only to protect the interests of the Council and residents, as 'shareholders' of the organisation, but also visitors to the municipality as individuals, and customers and clients of the Council.

The Risk Management Policy is implemented by a Risk Management Committee established by Council in 2004.

RISK REGISTER PROCEDURE

What is a Risk Register?

A Risk Register is a register of risks that have been identified and assessed in accordance with the risk management process.

For each risk identified a risk register records:

- the source of the risk, what can happen, how it can happen;
- the likelihood of an event happening;
- the consequences of an event happening;
- an assessment of the adequacy of existing controls;
- a consequence rating;
- a likelihood rating;
- the level of risk;
- the risk priority.

Completion of Risk Register Procedure

The Risk Register shall be completed according to the following process:

Each major area (or sub area) of risk exposure as defined in the Risk Management Strategy will be asked to identify areas of risk that require specific consideration. The Risk Management Committee may also identify risks in each risk area and direct the relevant representatives of that area to complete an assessment of the risks. This is to be done in a way suitable to the personnel in each risk area (or sub area), whether it be by the Manager in conjunction with the relevant officer, a Department having a 'brainstorming session', or an inspection process being undertaken to specifically review possible risks in that area.

The risk Register should be completed in accordance with the following procedure.

1. Each identified risk may be given a reference code by the Risk Management Committee that is relevant to that area of risk.

Simple examples include:

playgrounds = pg1, pg2, swimming pools=swp1,swp2, Roads = rds1, rds2

These are to be identified and documented by the Risk Management Committee and used on a consistent basis for the purposes of searching the register and for review and analysis.

2. Identify the risk.
Document source of the risk, what can happen and how it can happen.
This may be a type of injury or damage occurring as a result of an identified source of a risk.

Examples include:

- Swing — What can happen and how, a child falls off, breaks a bone, source of risk = lack of soft fall.
- Approvals — Advice given out over the counter causing someone to act in contravention of planning or building approval, source of risk = incorrect advice.

- Roads — Child rides bicycle on road, hitting pothole, falls off bike, breaks a bone, source of risk = pot holes.

3. Determine the consequences of the event occurring.
This is to be determined by using the risk classification tables contained in Appendix D.

For the purposes of completion of the Risk Register the possible consequences are:

- insignificant — no injuries, low financial loss;
- minor — first aid treatment, on-site release immediately contained, medium financial loss;
- moderate – medical treatment required, on-site release immediately contained with outside assistance, medium financial loss;
- major – extensive injuries, loss of production capability, off-site release with no detrimental effects, major financial loss;
- catastrophic – death, paraplegia, quadriplegia, toxic release off-site with detrimental effect, huge financial loss.

4. Determine the likelihood of the event occurring.
This is to be determined on the risk classification tables as contained in Appendix D.

The amount of use is a factor to be considered in this instance. For the purposes of completion of the Risk Register the possible measures of likelihood are:

- Almost certain – is expected to occur in most circumstances;
- Likely – will probably occur in most circumstances, once per year;
- Moderate – might occur at some time, once in 10 year period;
- Unlikely – could occur at some time, within 50 year period;
- Rare – may occur only in some exceptional circumstances, unlikely within 50 years.

5. Determine adequacy of the existing controls.
Are the existing controls adequate to protect against the risk or hazard arising from the item or activity that is being assessed?

For the purposes of completion of the Risk Register the adequacy of controls can be categorised as follows:

- Good;
- None;
- Improvement required.

6. Rate the level of consequence or impact.
This is to be rated on the risk classification tables.

7. Rate the level of likelihood.
This is to be rated on the risk classification tables.

8. Determine the level of risk.
This is to be determined on the risk analysis formula.

9. Determine the priority for treating the risk.

This is to be determined as to whether the risk is acceptable in relation to the level of risk and the adequacy of the existing controls.

If the level of risk is found to be acceptable then it can be continued and monitored and given a lower priority.

If the level of risk is found not to be acceptable it will be given a higher priority and will then require treatment in accordance with the Risk Treatment Process.

The Risk Register, however, is at all times to be used as the basis for identification, analysis and assessment of risk. It is the responsibility of the relevant representatives of the risk areas identified in the Risk Strategy, at the direction/request of the Risk Management Committee, to complete the Risk Treatment.

RISK TREATMENT PROCESS

What is a Risk Treatment?

Risk treatment is the selection and implementation of appropriate options for dealing with an identified and assessed risk. It is the responsibility of the relevant representative of the risk areas (or sub areas) identified in the Risk Strategy, at the direction/request of the Risk Management Committee, to complete the risk treatment.

The Risk Treatment Process

Following completion of the Risk Register and the prioritisation of risks required for treatment the next step is to determine the strategy for the treatment of that risk where the risk is unacceptable.

The strategy for risk treatment is to be done in accordance with the risk treatment process as shown in appendix E.

This process is adopted from the Australian/New Zealand Standard.

The treatment options available for consideration in accordance with Council's Risk Management Strategy are:

1. Where possible eliminate the risk;
2. Transfer the risk in full or in part (including contracting out the activity);
3. Reduce the risk;
4. Ensure adequate insurance to cover that activity;
5. Avoid the activity.

There will be many factors that effect the appropriate treatment option including budgetary, political and community need factors.

To determine the appropriate treatment option:

1. Consider the feasibility, costs and benefits of the activity, how to fix or reduce the risk, the cost involved and likely funding opportunities.

2. Recommend treatment strategies, including all suitable manner of treatment, if more than one.
3. Select the most appropriate strategy to treat the risk. This may be based on feasibility, costs and benefits.
4. Prepare a risk action plan (refer below).
5. Implement the action plan to achieve the desired treatment option result.
6. Assess the results of the treatment. If the risk is then acceptable the control measures put in place as part of this treatment process are to be monitored to ensure that the risk priority is not altered. If the risk continues to be unacceptable then further consideration is required.

At all steps in developing the risk treatment strategy, communication with all parties involved with the operation and dealings with that risk should be undertaken to ensure that the treatment strategy is effectively implemented.

The risk treatment process may not always include physical works being undertaken. Part of the process could be developing specific guidelines, procedures and inspection regimes.

RISK ACTION PLAN

What is a Risk Action Plan?

A Risk Action Plan documents the management controls to be adopted in the treatment of a risk and it will list the following information:

- proposed actions for treatment;
- resource requirements, what is to be utilised including budget allocation;
- responsibilities, which officers are responsible for the implementation of the plan;
- timetable for implementation;
- reporting and monitoring required during and on completion of the risk action plan, who this is to be reported to and what procedures are required for monitoring the process.

Procedure for Completion of Risk Action Plan

The Risk Action Plan is developed as part of the risk treatment process and documents the actions that are required to treat the risk.

The Risk Action Plan is to be in accordance with the document in Appendix F.

The Risk Action Plan is to be completed and signed by the relevant officer and then signed by the relevant Manager who has reviewed the plan.

1. Link the action plan to the risk register.
This is done by identifying the particular item of risk to be treated and include any risk register reference.
2. Give a brief summary of the risk, the recommended treatment response and the impact of that response.

3. Document the action plan as follows:
- a) Proposed Actions – the actions proposed to treat the risk, include brief and precise actions to be undertaken.
 - b) Resource Requirements – what resources are required in respect of budget allocation, human resources, items to be purchased including signs etc. Briefly detail the cost of each item.
 - c) Responsibilities – which Officer is responsible to oversee or do each area of work.
 - d) Timing – when the actions under the plan are to be undertaken and the work completed.
 - e) Reporting and monitoring – who the completion of the works is to be reported to, whether it be the relevant Manager or Council (but including the Risk Management Committee) and the time-frame for this reporting. Also included in this section are the procedures for monitoring the results of the risk treatment including inspections etc.

Once the risk has been treated in accordance with the action plan, this is to be signed off and noted with the Risk Register.

Any monitoring process developed under the Risk Action Plan is to be implemented to ensure that the risk treatment process has been successful in that it achieves the aims of the recommended treatment strategy.

EXAMPLES OF COMPLETED RISK REGISTER

Date of Risk Review: 14th March, 2015

Compiled by: Mr Homer Simpson

Reviewed by: Mr Monty Burns

Date:

Date: 10th April, 2015

Function / Activity: ...Swimming Pools

Ref	The Risk: The source of the risk. What can happen and how it can happen	Likelihood of an event happening	Consequences of an event happening	Adequacy of existing controls	Consequence rating	Likelihood rating	Level of risk	Risk priority
SW1	Diving injuries	Moderate	Catastrophic	Improvement required	5	C	High	1
SW2	Poor water quality	Moderate	Moderate	Good	3	D	Moderate	3
SW3	Chlorine gas leaks	Unlikely	Major	Good	4	D	Significant	2

APPENDIX 'D'

RISK CLASSIFICATION TABLES

Measures of Likelihood

Level	Descriptor	Example detail description
A	Almost certain	Almost Certain <i>(Is expected to occur in most circumstances)</i>
B	Likely	Once per year <i>(Will probably occur in most circumstances)</i>
C	Moderate	Possible, once in a 10 year period <i>(Might occur in some time)</i>
D	Unlikely	Not impossible, within 50 years <i>(Could occur at some time)</i>
E	Rare	Unlikely within 50 years <i>(May occur only in exceptional circumstances)</i>

Measure of Consequence or Impact

Level	Descriptor	Example detail description
1	Insignificant	No injuries, low financial loss
2	Minor	First aid treatment, on-site release immediately contained, medium financial loss
3	Moderate	Medical treatment required, on-site release contained with outside assistance, high financial loss
4	Major	Extensive injuries, loss of production capability, off-site release with no detrimental effects, major financial loss
5	Catastrophic	Death, toxic release off-site with detrimental effect, huge financial loss

ADEQUACY OF EXISTING CONTROLS

- Good;
- None;
- Improvement Required

RISK ANALYSIS FORMULA – Level of Risk

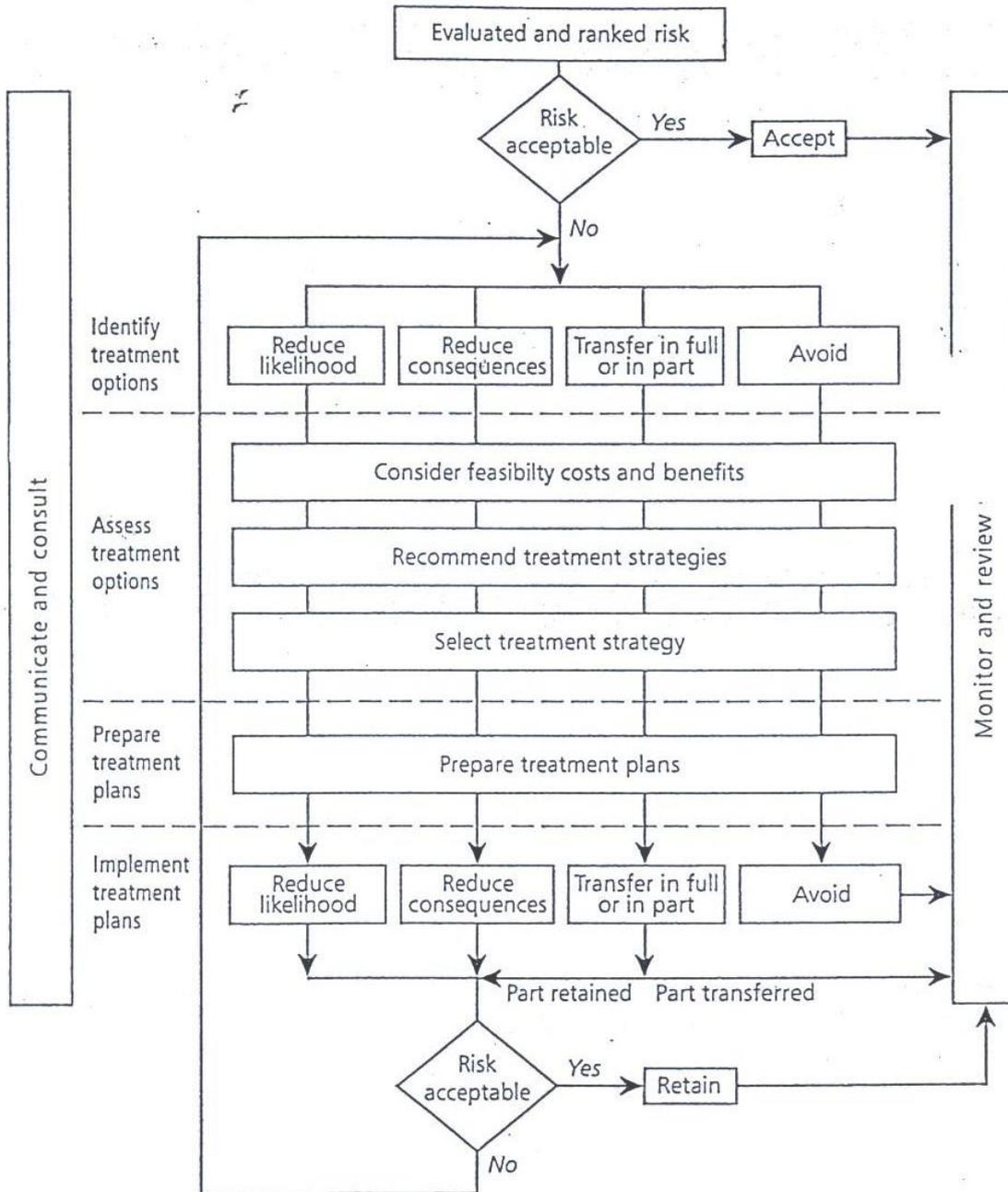
Likelihood	Consequences				
	Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
A (Almost Certain)	H	H	E	E	E
B (Likely)	M	H	H	E	E
C (Moderate)	L	M	H	E	E
D (Unlikely)	L	L	M	H	E
E (Rare)	L	L	M	H	H

Legend

- E: Extreme risk, immediate action required.
 H: High risk, senior management attention needed.
 M: Moderate risk, management responsibility must be specified.
 L: Low risk, manage by routine procedures.

APPENDIX 'E'

RISK TREATMENT PROCESS



Risk treatment process

APPENDIX 'F'
RISK ACTION PLAN

Risk Item: Ref:

SUMMARY – RECOMMENDED RESPONSE AND IMPACT

ACTION PLAN

1. Proposed Actions:

2. Resource Requirements:

3. Responsibilities:

4. Timing:

5. Reporting and Monitoring Required:

COMPILER: DATE:

REVIEWER: DATE:

RISK ACTION PLAN – EXPLANATORY NOTES

Risk Item: <Particular item of risk>

Ref: <from risk register>

SUMMARY – RECOMMENDED RESPONSE AND IMPACT

<Give a brief summary of the risk then recommend a treatment response and the desired impact of that response>

ACTION PLAN

1. Proposed Actions:

<Insert actions proposed to treat the risk, include brief and precise actions to be undertaken>

2. Resource Requirements:

<What resources are required in respect of budget allocation, human resources, items to be purchased. Briefly detail the cost of each major item.>

3. Responsibilities:

<Which Officer is responsible to oversee or do each area of work>

4. Timing:

<When the actions under the plan are to be undertaken and the work completed>

5. Reporting and Monitoring Required:

<Who the completion of the works is to be reported to, whether it be the relevant Manager or Council (but including the Risk Management Committee) and the time-frame for this reporting. Also included in this section are the procedures for monitoring the results of the risk treatment including inspections etc.>

COMPILER: <Insert Relevant Officer>

DATE:

REVIEWER: <Insert Relevant Manager>

DATE:

EXAMPLES OF COMPLETED RISK ACTION PLANS

Risk Item: Swimming Pool – Diving Injuries

Ref: SW1

SUMMARY – RECOMMENDED RESPONSE AND IMPACT

Risk of persons becoming injured by diving into shallow water. Need to define suitable standard depths for activity and assess pools. Need to implement control measures to limit activity where necessary.

ACTION PLAN

1. Proposed Actions:

Assess pools, remove starting blocks and diving boards where depth is below recommended standard. Implement ‘No Diving’ pictograms in all water less than 1.8 metres in depth. Train staff and lifeguards to be vigilant in enforcing the standard minimum diving depth. Educate patrons and schools on “safe” diving depths. Ensure sufficient depth marking indicators on pool wall in metric measurements, and that depth indicated is, in fact, correct. Propose that Royal Life Saving Society multi-point safety inspection used for assessment.

2. Resource Requirements:

Budget allowance for Royal Life Saving assessment, \$650 per pool. Budget allocation for removal/make safe of diving boards & starting blocks where necessary, \$2000. Signage and lettering for pictograms & depth markings \$500 per pool.

3. Responsibilities:

Recreation Officer contact Royal Life Saving Society to conduct multi-point inspection. Recreation Officer and Risk Manager to review recommendations and devise strategy. Asset Manager to organise signage and lettering for pool wall and concourse. Engineers to organise any modifications to diving boards and starting blocks. Pool manager to train staff on vigilance in enforcing diving standards on pool deck & observance of signage by patrons.

4. Timing:

RLSSA multi-point safety inspection by 26 November. Signage and depth markings in place by 10 December. Staff to be trained by 10 December. Strategy to be formed on recommendations by 31 December.

5. Reporting and Monitoring Required:

Report to Corporate Management by next meeting, 22/11/99, to outline proposed action. Confirmation to Risk Manager on safety inspection upon completion, and confirmation on signage implementation. Pool manager to provide to Risk Manager copy of instructions given to staff members. These are to be kept on a central file. Report to Corporate Management on any further strategies required by January meeting. As a courtesy, Council to be advised at its December meeting of all actions to date.

COMPILER:
REVIEWER:

DATE:
DATE:

Risk Item: Steam Engine

Ref: PL5

SUMMARY – RECOMMENDED RESPONSE AND IMPACT

Risk of asbestos exposure to public. Excessive fall heights for persons climbing structure may cause injury. Control measures required. Community sensitive issue.

ACTION PLAN

1. Proposed Actions:

Delag asbestos and seal boiler to prevent risk of exposure to hazardous materials. Fencing of perimeter of steam engine to prevent access to the public, and use as historic display item only.

2. Resource Requirements:

Contractor to remove and seal asbestos \$30,000. Childproof fencing \$4,000.

3. Responsibilities:

Engineer to engage contractor under appropriately worded agreement and erect fencing.

4. Timing:

Fencing to be erected as soon as possible. Asbestos to be removed by 1 July, 2000.

5. Reporting and Monitoring Required:

Confirmation of fencing required by December Corporate Management meeting. Review of action on asbestos removal by Risk Manager in July 2000, and report to CMG for confirmation required.

COMPILER:
REVIEWER:

DATE:
DATE: