Developing a Risk Management Plan

Risk Management and assessment are integral components of running safe and sustainable events for the community. In assessing risk, we are looking to *Identify*, *Analyse*, *Evaluate* and *Treat* risk in an effort to minimise loss and injury.

## Principles of Risk Management

A new Australian and New Zealand Risk Management Standard (AS/NZS ISO 31000:2009) was implemented in November 2009, providing principles and general guidelines to be considered when developing risk management frameworks.

Under the Standard, the definition of risk has changed to **“the effect of uncertainty on objectives”**. Therefore, before you can begin to develop your Risk Management Plan, you need to have a clear understanding of what your event involves and what you want it to achieve. This includes:

* the purpose/objective of your event
* the activities and attractions you will be presenting
* the environment you’re presenting the event in, and
* the type and size of audience you believe your event will attract.

This requires a consistent and systematic approach in recognising the activities which will be undertaken. It is important to get input from those individuals who have prior experience working on, or contributing to, your event as they can be an excellent source in identifying risk.

This could include members of your committee, Board, staff, contractors or volunteers. By utilising the knowledge of those directly involved in your event, your plan will be inclusive, responsive and will protect the safety and broader values of your organisation.

Developing a Risk Management Plan and conducting an assessment prior to your event means potential risks can be identified and then rated in accordance to:

* Likelihood (probability of occurrence), and
* Consequence (severity of damage)

Controls and actions can then be taken to help reduce, or mitigate any potential risks, prior to your event taking place.

## Risk Assessment Process & Plan Delivery

The following steps should be undertaken as part of the assessment of any event or activity:

### Identifying Risks

* Using the **Risk Management Plan template** as a guide, list the details of all potential risks and/or hazards you believe could occur at your event

### Analyse Risks

* Assess the Likelihood and Consequence of each risk (use **Table 1: Risk Consequence** and **Table 2: Risk Likelihood** to assist this process)
* Apply a Risk Rating using **Table 3: Risk Rating Matrix**

### Evaluate Risks

* Identify what Action needs to be taken to eliminate or reduce the risk
* Allocate the Action to an individual who will be responsible for enforcing the control measures
* Allocate a timeframe for completion of the Action
* Record the Status of the Action up to its completion

### Treating Risks

* Consider what steps you can take to avoid or reduce the risk and the Actions/Controls you will put in place to achieve that
* Consider whether you can transfer the risk. This could be achieved through:

- Purchasing insurance to cover a particular risk so that the liability passes to the insurer;

- Putting specific clauses in hire contracts mitigating, or reducing your liability;

- Getting suppliers or individuals to sign Disclaimers;

- Installing Warning Signs to alert people to risks in the immediate surrounds

## Risk Consequence, Likelihood & Matrix Tables

## (AS/NZS ISO 31000:2009)

The Standard provides guidance on the implementation of AS/NZS ISO 31000:2009 and defines the concept of risk, explains how it comes about and describes the principles, framework and process that allow risk to be managed effectively.

Using Tables 1 & 2, consider each of the risks you have identified and assess them against their Consequence and Likelihood**.** From there, see where that risk corresponds within the Risk Matrix in Table 3. This will result in your Risk Rating, which identifies whether your risk is Extreme, High, Medium or Low.

**Risks should be prioritised according to their level of risk**. The higher the risk, the more diligent you will need to be in managing that risk, and in applying controls to minimise, or eliminate the risk altogether.

### Table 1: Risk Consequence

|  |  |  |
| --- | --- | --- |
| CONSEQUENCE | | |
| Level | Descriptor | Detail description |
| 1 | Insignificant | No injuries, low loss. |
| 2 | Minor | First aid attention required, medium loss. |
| 3 | Significant. | Increased medical treatment required, high loss. |
| 4 | Major | Extensive injuries, major loss. |
| 5 | Catastrophic | Death, significant loss, severe crisis. |

CONSEQUENCES

* What is the worst Consequence of this incident / hazard?
* Consider what could reasonably happen (for Hazard) or what actually happened (for Incident)?
* Look at the description and choose the most suitable consequence.

|  |  |
| --- | --- |
| Consequence | Description |
| Catastrophic (C) | Fatality |
| High (H) | Notifiable Incident, Dangerous Occurrence, |
| Significant (S) | Incident, Inj. / Disease (Lost Time) |
| Moderate (M) | Inj. / Disease (No Lost Time – FA, MTI), Near Miss |
| Insignificant (I) | At Risk-Behaviour |

Table 2: Risk Likelihood

|  |  |  |
| --- | --- | --- |
| LiKELIHOOD | | |
| Level | Descriptor | Detail description |
| A | Almost certain | Is expected to occur in most circumstances; more than 75% chance of occurring; impacting factors outside the control of the organisation |
| B | Likely | Will probably occur in most circumstances; 50-75% chance of occurring; impacting factors outside the control of the organisation |
| C | Possible | Possible occurrence in most circumstances, 25-50% chance of occurring; previous audits indicate non-compliance; impacting factors outside the control of the organisation |
| D | Unlikely | Could occur at some time; less than 25% chance of occurring; non-complex process and/or existence of checks and balances |
| E | Rare | May occur in exceptional circumstances, simple process, no previous evidence of non-compliance |

LIKELIHOOD

* What is the Likelihood of this occurring?
* Consider this without new or interim controls in place.
* Look at the most suitable likelihood.

|  |  |
| --- | --- |
| Likelihood | Description |
| Almost Certain (A) | Several times a year |
| Likely (L) | Once a year |
| Possible (P) | Once every three years |
| Unlikely (U) | Once every ten years |
| Rare (R) | Once every thirty years |
| Extremely Rare (E) | Once every hundred years |

### Table 3: Risk Rating Matrix

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | CONSEQUENCES | | | | |
| LIKELIHOOD | Catastrophic  5 | Major  4 | Significant  3 | Minor  2 | Insignificant  1 |
| A (Almost Certain) | Extreme | Extreme | High | High | Medium |
| B (Likely) | Extreme | High | High | Medium | Medium |
| C (Possible) | High | High | High | Medium | Low |
| D (Unlikely) | High | Medium | Medium | Low | Low |
| E (Rare) | High | Medium | Medium | Low | Low |

The following *Risk Management Plan* is a template and is provided **as a guide only**. How the guidance is used and implemented is the responsibility of the event organiser.

Determining **RISK LEVEL** with **RISK MATRIX**

1. Take Consequence rating and select the correct column.
2. Take Likelihood and select the correct row.
3. Circle the Risk Level where the 2 ratings cross on the matrix below.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | **CONSEQUENCE (C)** | | | | |
|  |  | | Insignificant (I) | Moderate (M) | Significant (S) | High (H) | Catastrophic (C) |
| **Occupational Health & Safety** | | | At Risk-Behaviour | Injury / Disease (No Lost Time [FA, MTI]), Near Miss | Injury / Disease (Lost Time >1 day / shift) | Notifiable (Incident, Serious Injury / Disease, Dangerous Occurrence) | Fatality |
| **LIKELIHOOD (L)** | | Almost Certain (A)  Several times a year | **L** | **M** | **S** | **H** | **E** |
| Likely (L)  Once a year | **L** | **M** | **S** | **H** | **E** |
| Possible (P)  Once every three years | **L** | **L** | **M** | **S** | **H** |
| Unlikely (U)  Once every ten years | **L** | **L** | **M** | **S** | **H** |
| Rare (R)  Once every thirty years | **L** | **L** | **L** | **M** | **S** |
| Extremely Rare (E)  Once every hundred years | **L** | **L** | **L** | **M** | **S** |

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| **Risk Controls** | | |
| Most effective    Least effective | Elimination  Discontinue the use of a product / chemical / process / plant. | Changing the Risk. Requires modifying the workplace in some way to eliminate or reduce the risk. |
| Substitution  Using water based instead of solvent based paint, using chemicals of lower concentration, painting with brush instead of paint |
| Engineering Controls  Machine Guarding, Ventilation and Extraction Systems, Wetting Down Techniques, Isolating, Enclosing, Separating by Distance |
| Administration  Work Rotation, Safety Signs, Rules and Regulations, Daily Checks, Safe Work Method Statements, Permits to Work, Supervision or On-Job Training, Restricting Entry, Training, Practising Good Housekeeping, Lockout Tagout | Changing personnel’s behaviour or Department’s Culture to reduce risk. Requires Safe Behaviour from personnel. |
| PPE  Head Protection, Face Protection, Eye Protection, Hearing Protection, Respiratory Protection, Hand Protection, Foot Protection |

# <Event Name> Risk Management Plan

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| --- | --- | --- | --- |
| EVENT NAME: |  | | |
| EVENT DESCRIPTION: |  | | |
| DATE(S): |  | VENUE / LOCATION: |  |

|  |  |  |  |
| --- | --- | --- | --- |
| DATE CREATED/REVISED | AUTHOR | DATE APPROVED | VERSION NO. |
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## EXAMPLE: (can delete)

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| --- | --- | --- | --- | --- | --- | --- |
| RISK/HAZARD DETAILS | CONSEQUENCES OF AN EVENT HAPPENING | | | ACTION /CONTROLS | PERSON RESPONSIBLE | COMPLETED BY |
| LIKELIHOOD | CONSEQUENCE | RISK RATING |
| *Vehicular accident on site*  *(example only)* | *B* | *3* | *High* | * *Accredited traffic marshals in place to direct vehicles* * *High vis vests to be worn by marshals* * *Red and White hazard tape used to cordon off areas* * *Signage provided advising to not exceed 10kmph* * *Allocated times for contractors to enter site* * *No vehicle movement allowed on site one hour before event starts and one hour after event concludes* | *Site Coordinator/ Safety Officer* | *Bump in date* |
| *Trip hazards or slips*  *(example only)* | *C* | *2* | *Medium* | * *Cables and ropes taped down or hung overhead* * *Cable traps and floor coverings used along thoroughfares* * *White tape placed along edges of stages, steps* * *Signage provided to alert patrons to slippery surfaces* * *Railing used on staging exceeding 1m* | *Site Coordinator* | *Event date* |

| RISK/HAZARD DETAILS | CONSEQUENCES OF AN EVENT HAPPENING  LIKELIHOOD CONSEQUENCE RISK RATING | | | ACTION /CONTROLS | PERSON RESPONSIBLE | COMPLETED BY |
| --- | --- | --- | --- | --- | --- | --- |
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