



RISK MANAGEMENT POLICY

West Ryde Rovers Sports and Social Club (Incorporated)

Incorporated at AGM 30th September 2014



RISK MANAGEMENT POLICY

1. PURPOSE AND SCOPE

This policy establishes the process for the management of risks faced by the West Ryde Rovers Sports and Social Club (Incorporated) and its subordinate clubs and committees. The aim of risk management is to maximise opportunities in all West Ryde Rovers Sports and Social Club (WRRSSC) activities and to minimise diversity

The policy applies to all activities and processes associated with the normal operation of the Club

It is the responsibility of all Committee members, volunteers, team officials, players, parents and spectators to identify, analyse, evaluate, respond, monitor and communicate risks associated with any activity, function or process within their relevant scope of responsibility and authority.

2. DEFINITIONS

Risk is the likelihood that a harmful consequence (death, injury or illness) might result when exposed to a hazard.

Risk is characterized and rated by considering two characteristics:

- 1) Probability or likelihood (L) of occurrence; and
- 2) Consequence (C) of occurrence.

This is expressed as $R(\text{risk}) = L(\text{likelihood}) \times C(\text{consequence})$.

Likelihood is a qualitative description of probability or frequency.

Consequence is the outcome of an event, being a loss, injury, disadvantage or gain. There may be a range of possible outcomes associated with an event.

Risk Control means taking action to first eliminate health and safety risks so far as is practicable, and if that is not possible, minimising the risks so far as reasonably practicable. Eliminating a hazard will also eliminate any risks associated with that hazard.

Risk Assessment is the process of evaluating and comparing the level of risk against predetermined acceptable levels of risk.

Risk Management is the application of a management system to risk and includes identification, analysis, treatment and monitoring.

Risk Owner is the person(s) responsible for managing risks and is usually the person directly responsible for the strategy, activity or function that relates to the risk.

3. PRINCIPLES

Risk management is a key governance and management function.

The Club is proactive in its approach to risk management, balances the cost of managing risk with anticipated benefits, and undertakes contingency planning in the event that critical risks are realised.

The Club has the primary duty to ensure the health and safety of workers and other persons at the workplace. A duty to ensure health and safety requires WRRSSC to manage risks:

- by eliminating health and safety risks so far as is reasonably practicable; and
- if it is not reasonably practicable to eliminate the risks, by minimizing those risks so far as is reasonably practicable.

Deciding what is 'reasonably practicable' to protect people from harm requires weighing up certain matters, including the likelihood of a hazard or risk occurring and the degree of harm that would result, and then making a judgement about what is reasonable in the circumstances.

Effective risk management involves:

- a commitment to health and safety from the WRRSSC Executive Committee
- the involvement and cooperation of WRRSSC and subordinate club committee members, volunteers, team officials, players, parents and spectators.



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4. OUTCOMES

As far as is reasonably practicable, committee members, volunteers, team officials, players, parents and other persons are not put at risk from activities carried out by WRRSSC and its subordinate clubs.

WRRSSC is protected from adverse incidents, reduces its exposures to loss, and mitigates and controls loss should it occur.

WRRSSC has ongoing, unimpeded capacity to fulfil its goals, perform its functions, meet its objectives and support its players, parents and spectators.

The costs of risk to WRRSSC, and its funders, is reduced.

5. FUNCTIONS AND DELEGATIONS

A person can have more than one duty and more than one person can have the same duty at the same time.

Position	Delegation/Task
Executive Committee	Exercise due diligence to ensure that WRRSSC complies with the WHS Act and Regulations. This includes taking reasonable steps to: <ul style="list-style-type: none"> • gain on understanding of the hazards and risks associated with the operations of WRRSSC, and • ensure that WRRSSC has, and uses, appropriate resources and processes to eliminate or minimize risks to health and safety.
Risk Management Officers	Ensure so far as is reasonably practicable, that volunteers, team officials, players, parents and other persons are not put at risk from events conducted by WRRSSC and its subordinate clubs. Ensure so far as is reasonably practicable, that: <ul style="list-style-type: none"> • all areas associated with WRRSSC events, including entry and exit, and anything arising from said events are without risks to health and safety. • the fixtures, fittings, equipment or plant are without risks to health and safety • the plant, substance or structure is without risks to health and safety. Establish and implement risk management systems for all functions and activities of WRRSSC.
Committee Members	Compliance with Risk Management Policy. Contribute to the establishment and implementation of risk management systems for all functions and activities of WRRSSC.

6. RISK MANAGEMENT

All Executive Committee members and committee members contribute to the establishment and implementation of risk management systems for all functions and activities of WRRSSC.

Risk management practice aligns with all Federal and State legislation.

7. POLICY IMPLEMENTATION

Risk management is embedded in all policies and procedures, with all members contributing to risk management systems.



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8. POLICY DETAIL

Risk management is a five step process:

- Step 1 – Establish the context
- Step 2 – Identify the risks
- Step 3 – Analyse and Evaluate the risks
- Step 4 – Treat the risks, and
- Step 5 – Monitor and Review the risks

Throughout each step it is essential that there is consultation and communication with all stakeholders within WRRSSC (refer to Figure 1 – Risk Management Process).

RISK MANAGEMENT PROCESS

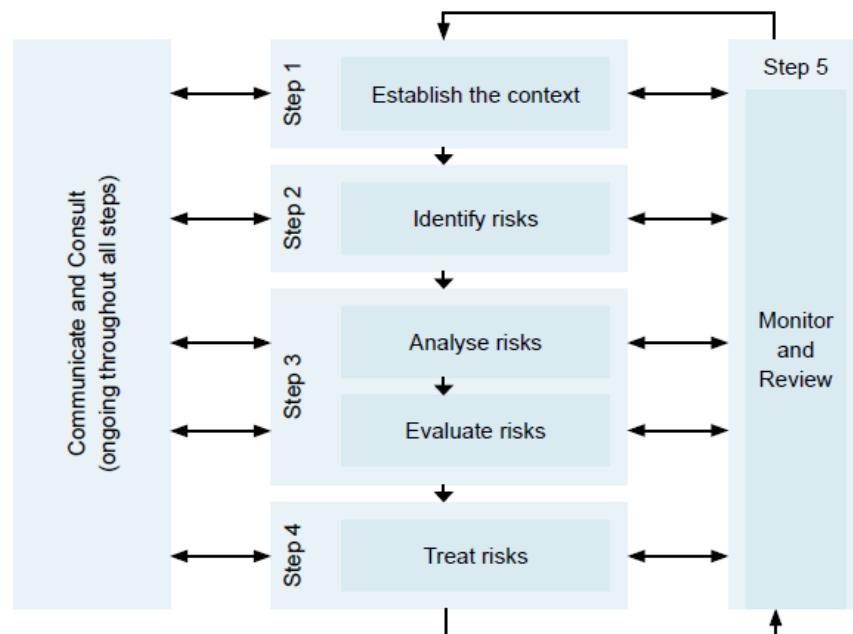


Figure 1 – Risk Management Process

Step 1 – Establish the context

Before risk can be clearly understood and dealt with, it is important to understand the context in which it exists. The relationship between WRRSSC and the environment that it operates in is to be defined so that the boundaries for dealing with risk are clear.

Establish the content by considering:

- The strategic context – the environment within which the organization operates
- The organizational context – the objectives, core activities and operation's of the Club.

Step 2 – Identify the risks

The purpose of this step is to identify what could go wrong (likelihood) and what is the consequence (loss or damage) of it occurring.

Key questions to ask include:

- What can happen? List risks, incidents or accidents that might happen by systematically working through each competition, activity or stage of your event to identify what might happen at each stage.
- How and why it can happen? List the possible causes and scenarios or description of the risk, incident or accident.



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- What is the likelihood of them happening?
- What will be the consequences if they do happen?

Risks can be physical, financial, ethical or legal.

Physical risks are those involving personal injuries, environmental and weather conditions and the physical assets of the organisation such as property, buildings, equipment, vehicles, stock and grounds.

Financial risks are those that involve the assets of the organisation and include theft, fraud, loans, license fees, attendances, membership fees, insurance costs, lease payments, pay-out of damages claims or penalties and fines by the government.

Ethical risks involve actual or potential harm to the reputation or beliefs of the Club, while legal risks consist of responsibilities imposed on providers, participants and consumers arising from laws made by federal, state and local government authorities.

Step 3 – Analyse and Evaluate the risks

This involves analysing the likelihood and consequences of each identified risk and deciding which risk factors will potentially have the greatest effect and should, therefore, receive priority with regard to how they will be managed. The level of risk is analysed by combining estimates of likelihood (Table 1) and consequences (Table 2), to determine the priority level of the risk (Table 3).

It is important to consider the consequences and the likelihood of risk in the context of the activity, the nature of your club and any other factors that may alter the consequences of likelihood of risk.

Risk evaluation involves comparing the level of risk found during the analysis process with previously established risk criteria, and deciding whether risks can be accepted. If the risk falls into the low or acceptable categories, they may be accepted with minimal further treatment. These risks should be monitored and periodically reviewed to ensure they remain acceptable. If risks do not fall into the low or acceptable category, they should be treated using one or more of the treatment options considered in step 4.

The criteria for evaluating the risks at the Club are shown below:

Table 1 – Likelihood scale

Question – what is the **likelihood** of the risk event occurring?

Rating	LIKELIHOOD
	The potential for problems to occur in a year
5	ALMOST CERTAIN: will probably occur, could occur several times per year
4	LIKELY: high probability, likely to arise once per year
3	POSSIBLE: reasonable likelihood that it may arise over a five-year period
2	UNLIKELY: plausible, could occur over a five to ten year period
1	RARE: very unlikely but not impossible, unlikely over a ten year period

Table 2 - Loss or damage impact scale

Question: what is the **loss or damage impact** if the risk event occurred (**severity?**)

Rating	POTENTIAL IMPACT
	In terms of the objectives of the club
5	CATASTROPHIC: most objectives may not be achieved, or several severely affected
4	MAJOR: most objectives threatened, or one severely affected



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Rating	POTENTIAL IMPACT In terms of the objectives of the club
3	MODERATE: some objectives affected, considerable effort to rectify i.e. sport injury – requires medical attention and has some impact on participation in sport and/or other activity
2	MINOR: easily remedied, with some effort the objectives can be achieved i.e. sport injury requires first aid treatment and prevents immediate participation in sport and/or other activity
1	NEGLIGIBLE: very small impact, rectified by normal processes i.e. sport injury but does not prevent participation

Risk priority

The **risk priority scale** determines the nature of the risk and the action required. They are indicators to assist in the decision making of what action is warranted for the risks.

Question: what is the risk priority?

Table 3 – Risk priority scale

IMPACT

		5 Catastrophic	4 Major	3 Moderate	2 Minor	1 Negligible
L I K E L I H O O D	5 Almost certain	Extreme (1)	Extreme (1)	Major (2)	Major (2)	Medium (3)
	4 Likely	Extreme (1)	Extreme (1)	Major (2)	Medium (3)	Minor (4)
	3 Possible	Extreme (1)	Major (2)	Major (2)	Medium (3)	Minor (4)
	2 Unlikely	Major (2)	Major (2)	Medium (3)	Minor (4)	Minor (4)
	1 Rare	Medium (3)	Medium (3)	Minor (4)	Minor (4)	Minor (4)

Key:

Extreme	Extreme risks that are likely to arise and have potentially serious consequences requiring urgent attention
Major	Major risks that are likely to arise and have potentially serious consequences requiring urgent attention or investigation
Medium	Medium risks that are likely to arise or have serious consequences requiring attention
Minor	Minor risks and low consequences that may be managed by routine procedures



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An example of how to use the risk rating tables is included in Attachment A.

Step 4 – Treat the risks

Risk treatment involves identifying the range of options for treating the risk, evaluating those options, preparing the risk treatment plans and implementing those plans. It is about considering the options for treatment and selecting the most appropriate method to achieve the desired outcome.

Options for treatment need to be proportionate to the significance of the risk, and the cost of treatment commensurate with the potential benefits of treatment.

According to the standard, treatment options include:

- **Accepting the risk** – for example most people would consider minor injuries in participating in the sporting activity as being an inherent risk.
- **Avoiding the risk** is about your club deciding either not to proceed with an activity, or choosing an alternate activity with acceptable risk which meets the objects of your club. For example, a cricket club wishing to raise funds may decide that a rock climbing competition without a properly trained and accredited instructor, equipment etc may decide a safer way of raising funds.
- **Reducing the risk** likelihood or consequences or both is commonly practiced treatment of a risk within sport, for example use of mouth guards for players in some sports i.e. contact sports.
- **Transferring the risk** in full or in part, will generally occur through contracts or notices for example your insurance contract is perhaps the most commonly used risk transfer form used. Other examples include lease agreements, waivers, disclaimers, tickets, and warning signs.
- **Retaining the risk** is knowing that the risk treatment is not about risk elimination, rather it is about acknowledging the risk is an important part of the sport activity and some must be retained because of the inherent nature of the sport activity. It is important to consider the level of risk which is inherent and acceptable.
- **Financing the risk** means the club funding the consequences of risk i.e. providing funds to cover the costs of implementing the risk treatment. Most community non-profit sport clubs would not consider this option.

Whichever option you choose to treat a risk, if the risk has rated highly you will need to carefully consider necessary policies, procedures and strategies to treat the risk. These will include:

- what is needed to treat the risk
- who has responsibility
- what is the timeframe
- how you will know when the risk has been successfully managed.

Step 5 – Monitor and review

As with communication and consultation, monitoring and review is an ongoing part of risk management that is integral to every step of the process. It is also the part of risk management that is most often given inadequate focus, and as a result the risk management programs of many organisations become irrelevant and ineffective over time. Monitoring and review ensure that the important information generated by the risk management process is captured, used and maintained.

Few risks remain static. Factors that may affect the likelihood and consequences of an outcome may change, as may the factors that affect the suitability or cost of the various treatment options. Review is an integral part of the risk management treatment plan.

As discussed earlier, risk management is an integral part of all core business functions, and it should be seen and treated as such. Risk management should be fully incorporated into the operational and management processes at every level of the organisation and should be driven from the top down.

