



Governance Documents

Volume 2: Policies

2.6.1 Risk Management Policy

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GGA RISK MANAGEMENT POLICY

This is a special purpose document for volunteers and staff of Girl Guides Australia. This document outlines the policy for Girl Guides Australia in Risk Management and as such is the reference document for volunteers and staff.

“Risk management is not a stand-alone activity that is separate from the main activities and processes of the organisation. Risk Management is part of the responsibility of management and an integral part of all organisational processes, including strategic planning and all project and change management processes”

Australian/New Zealand Standard ISO 31000:2009 – Risk Management

INTRODUCTION

Risk Management is the culture, process and structure that is directed towards the effective management of potential opportunities and adverse effects within the Girl Guide environment.

For over 100 years, Guiding has been an important and successful part of the Australian community. Girl Guides Australia (GGA) is committed to ensuring that it maintains the best practice standards expected by the general community.

Risk management has always been a strong focus for GGA in its delivery of programs for young people. This Policy formalises the risk management processes already in place and importantly, incorporates those that have traditionally been classified as general management practices outside the risk management framework. Additionally, new processes designed to align with the *Australian/New Zealand Standard 13000/2009 – Risk Management (Standard)* have been incorporated to present a single, comprehensive policy for GGA. The broad approach outlined in this GGA Risk Management Policy, including definitions and processes, is based on information contained in the Standard.

As an organisation committed to the safety of our members and children, Girl Guiding in Australia wants to empower girls and young women to grow into confident, self-respecting, responsible community members. GGA achieves this by delivering the Girl Guide/Girl Scout method to girls and young women through innovative, fun and relevant programs, and a great team of volunteers supported by an effective and efficient organisation. GGA has always placed a high emphasis on its ability to deliver these programs in practical and safe environments.

Risk is inherent in most aspects of Guiding, whether it involves running a Unit meeting, undertaking Guide hall maintenance, taking Guides on camp, working with parents, determining District Team priorities, purchasing new camping equipment or deciding not to take any action at all. All those involved in Guiding manage risk continuously, sometimes consciously and sometimes without realising it, but not always in a systematic way. At

times the nature of risk is apparent, such as in conducting an abseiling exercise. At other times, risk will not be so apparent and may manifest in the form of new legislation or policy change. Our framework for risk will ensure appropriate measures are in place for managing and mitigating risk to support our risk appetite.

Risk management is fundamental to all volunteer and staff members of GGA and all risk associated with organisational functions and activities must be managed systematically. This includes managing risks that are both internal and external to GGA and managing those risks in the same systematic way.

Risk Assessment can be used as a means of enhancing planning by indicating benefits and consequences that may result if the proposal or plan is not adopted or endorsed. This Policy details how assessments of identified risks must be documented as a risk statement where the level of Risk may be high or may present a threat to the organisation. Once an assessment of this nature is made, further action may be required at another level in the organisation in order to minimise or remove any Risk.

Risk management is an iterative process consisting of steps, which, when undertaken in sequence, enable continual improvement in decision making.

This Policy is reviewed every year by GGA.

PART ONE

1. POLICY STATEMENT AND DEFINITIONS

1.1 POLICY STATEMENT

1.1.1 GGA is committed to embedding Risk Management principles and practices into the:

- organisational culture;
- decision making processes;
- business information systems;
- strategic and operational planning of programs and activities; and
- business and financial processes.

1.1.2 GGA will:

- pro-actively identify and manage its risks and opportunities at all levels;
- strive towards implementation of an effective and integrated risk management system which will support and strengthen the corporate governance process;
- maintain procedures to provide the organisation with a systematic view of the risks faced in the course of all its activities. Where appropriate these procedures will be consistent with the Standards Australia risk management standard, AS/NZS ISO13000:2009 – Risk Management;
- recognise that risk management is an integral function of effective service delivery and not an isolated activity;
- seek to embed risk management into organisational governance and accountability structures, key strategic processes and decision making processes;
- incorporate into all management position descriptions, a statement covering responsibilities on risk management policy; and
- ensure that appropriate education and training is provided on risk management for its volunteers and staff particularly those in management positions.

1.1.3 GGA is committed to Risk Management in order to achieve its goals and maximise the effectiveness and efficiency of its services and dealings with its youth membership, the community, volunteers, government, employees and infrastructure.

1.1.4 GGA has an appetite to take reasonable risks. The GGA Risk Management Policy is designed to ensure that although GGA's activities may contain elements of Risk,

effective Controls are in place and in operation to minimise the potential for Harm or Loss to the organisation or to its Constituents.

1.1.5 The GGA Risk Management Policy requires all volunteers and staff to be Risk aware in the context of management systems, planning processes and practices.

1.1.6 GGA has zero tolerance to a limited number of matters including

- fatalities within our scope of influence
- serious injuries as a consequence of negligence
- poor behaviours including systemic bullying or culture of intimidation that impact on the well-being of our members, volunteers and staff

1.1.7 GGA expects that members, volunteers and staff are accountable for their own behaviours, health and responsibilities within the Girl Guide Organisation and in the community at large.

1.1.8 This Policy has been distributed to all Managers of Guiding. In addition, regular training sessions, which include Risk Management exercises, are regularly conducted as part of volunteer and staff training.

1.2 DEFINITIONS

Area of Risk: An event, activity or circumstances that may adversely affect the achievement of mission and vision of Girl Guides Australia.

Consequence: The result of an occurrence. In the context of **Risk Management**, a **Consequence** can be a positive outcome (such as the identification of the need for improvement in a process) or a negative **Impact** (such as **Harm** or **Loss**).

Constituents: Those people and organisations who may affect, be affected by, or perceive themselves to be affected by, a decision or activity conducted by GGA.

Controls: Policies, practices, standards, procedures and physical changes which are implemented to eliminate or minimise the adverse effects of **Risk**.

Core Activities: The Australian Guide Program and its associated activities designed to achieve the mission and vision of GGA.

Harm: A negative **Consequence**, financial or otherwise. The **Harm** need not be exclusive to Girl Guides Australia. It may affect the public, government or other agency/organisation.

Hazard: Something that has the potential to cause harm.

Impact: The combined effect on an organisation of the **Consequences** and **Likelihood** of a **Risk** occurring.

Likelihood: The probability or frequency with which an event may occur.

Managers of Girl Guides Australia: Chief and State Commissioners, National and State Executive Officers, Committee Chairpersons, Directors and Co-ordinators of Events, Support Group Committee Chairpersons, District Managers, Region Managers, Volunteer Managers of the organisation, and all other managers working within Girl Guides Australia.

Policy: Girl Guides Australia Risk Management Policy.

Residual Risk: The remaining levels of **Risk** after **Controls** and **Treatments** have been applied.

Risk: The chance of something happening that will have an Impact on the **Aim of Girl Guides Australia** or its objectives. It is measured in terms of **Consequences** and **Likelihood**.

Risk Appetite: The amount and type of risk that GGA is prepared to pursue, retain or take.

Risk Assessment: A systematic process which includes understanding **Risk** exposure, assessing the **Impact** of the exposure and determining if the exposure is acceptable based

on management priorities, predetermined standards and other specific criteria such as target **Risk** levels.

Risk Awareness: Being observant and proactive in looking for opportunities to mitigate **Risk**.

Risk Management: A systematic use of management policies and processes designed to measure, monitor and manage **Risk** and develop a culture within Girl Guides Australia which is mindful of potential opportunities and adverse effects.

Risk Register: A centralised database of identified **Risks** and associated mitigating plans.

SGGO: State Girl Guide Organisation. SGGOs are members of GGA. Each SGGO has responsibilities under this policy.

Standard: *Australian/New Zealand Standard ISO 31000:2009 - Risk Management.*

Treatment: The selection and implementation of appropriate options for dealing with and mitigating **Risk**.

PART TWO

2. RESPONSIBILITIES

2.1 The Board

The role of the Board in risk governance is to:

- oversee the risk management framework;
- approve and monitor the risk management system and policy; identify and agree on the risk areas;
- oversee critical risks that have the potential to significantly impact the delivery of the mission of GGA;
- oversee and monitor risk treatment strategies for these critical risks;
- establish Key Performance Indicators (KPIs) for the Board that reflect this risk governance role; and
- oversee the Risk Register for GGA.

The Board has the responsibility of ensuring that risk management is embedded into the organisation and is responsible for monitoring the critical risks and their treatment.

2.2 Finance and Risk Committee

The Finance and Risk Committee is a committee of the Board of GGA and has a role to assist the Board in fulfilling their corporate governance and oversight responsibilities in regard to risk management including:

- advise and consult GGA board on the Risk Management Policy
- monitor the Risk Register; and
- monitor the Risk Management Policy, its implementation of the policy and associated processes.

2.3 Risk Management Committee

The Risk Management Committee is responsible for the oversight of the Risk Management process. Working closely with the National Executive Officer, the Committee monitors and evaluates risk using an accountability framework. The Risk Management Committee reports to the GGA Board through the Finance and Risk Committee.

Table 2.1 Responsibilities

1. POLICY	Develop, implement and monitor Risk related policy. Make recommendations as to any amendments to the GGA Board through the Finance and Risk Committee.
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2. REPORTING	Ensure the identification and evaluation of the key risks that may threaten GGA's achievement of its mission and goals, and ensure that a register of these risks is maintained Report regularly to the FRC.
3. COMMUNICATION	Act as a communication channel on Risk Management to SGGOs.
4. OPERATIONAL	Identify the strategy in place to manage the risks as appropriate including risk ownership and operational effectiveness. Satisfy itself that other risks that may affect the business plans are being actively managed.
5. RESOURCES	Develop and/or review, in consultation with Managers, appropriate resources to ensure a continuing importance and awareness of Risk Management (orientations, training etc.).

2.4 State Girl Guide Organisations

State Girl Guide Organisations (SGGOs) through their Boards are responsible for:

- adopting the GGA Risk Management Policy and associated guidelines and forms;
- developing a Risk Register of key risks for Guiding within their sphere of influence;
- contributing to the national GGA Risk Register;
- regularly reviewing key risks within their sphere of influence; and
- reviewing the implementation of the risk within their sphere of influence and ensuring critical risks are appropriately managed, and if necessary escalated to GGA Board.

2.5 Managers of Girl Guides Australia

All Managers of GGA are responsible for ensuring:

- implementation of the culture of risk awareness amongst volunteers and staff;
- that GGA Risk Management Policy is understood and effectively communicated to volunteers and staff;
- volunteers and staff are trained on GGA Risk Management Policy;
- volunteers and staff are consulted in respect to risk management issues;

- all activities under their supervision are performed in accordance with the GGA Risk Management Policy ; and
- risk controls and treatments are effectively applied.

2.6 Volunteers And Staff

All volunteers and staff are empowered to manage risks within their sphere of influence and are responsible for:

- actively undertaking risk assessments and managing risks, in consultation with colleagues;
- communicating risks identified to managers, colleagues and other stakeholders;
- supporting and contributing to Risk Management initiatives;
- obeying reasonable directions given by Managers in relation to Risk Management;
- advising their Managers of any Risk issues that require attention; and
- acting at all times in accordance with the mission and vision of Girl Guides Australia.

PART THREE

3. RISK MANAGEMENT

3.1 Risk Areas

Five key areas have been identified as being the main key risks to Guiding in Australia.

Table 3.1 Risk Areas

Key Risk	Explanation
1. Governance	Risk to reputation and risk to governing rules (legal liability).
2. Guiding (Activities of Guiding)	Risk that activities are not appropriate to the philosophy, principles and method of Girl Guides Australia. Activities are planned that are not suitable and do not meet the developmental needs of the participant.
3. People	The physical, emotional, and psychological well-being of all members and participants is paramount. Includes all members (youth and adult), volunteers, parents, activity providers, general public, business associates and government. This element includes all aspects of risk including safety & child protection related to our activities.
4. Financial	Financial consequence linked to cost of loss associated with risk, and financial viability of all entities within Girl Guides in Australia.
5. Guiding Operations (Business of Guiding)	Day to day running eg unit leader-consent forms not completed, activity notification forms not completed. Includes data integration, marketing, communications, compliance with business legislation, capacity and capability of units/districts/support centres to manage the business side of guiding.

Risk Assessment and Risk Management is to be applied across each of the risk areas. The detail required in the risk assessment will depend on the undertaking being assessed. For GGA and SGGO, a more detailed assessment may be required than for a Region or District Manager, and/or the unit leader. The detail will also depend on the activity,

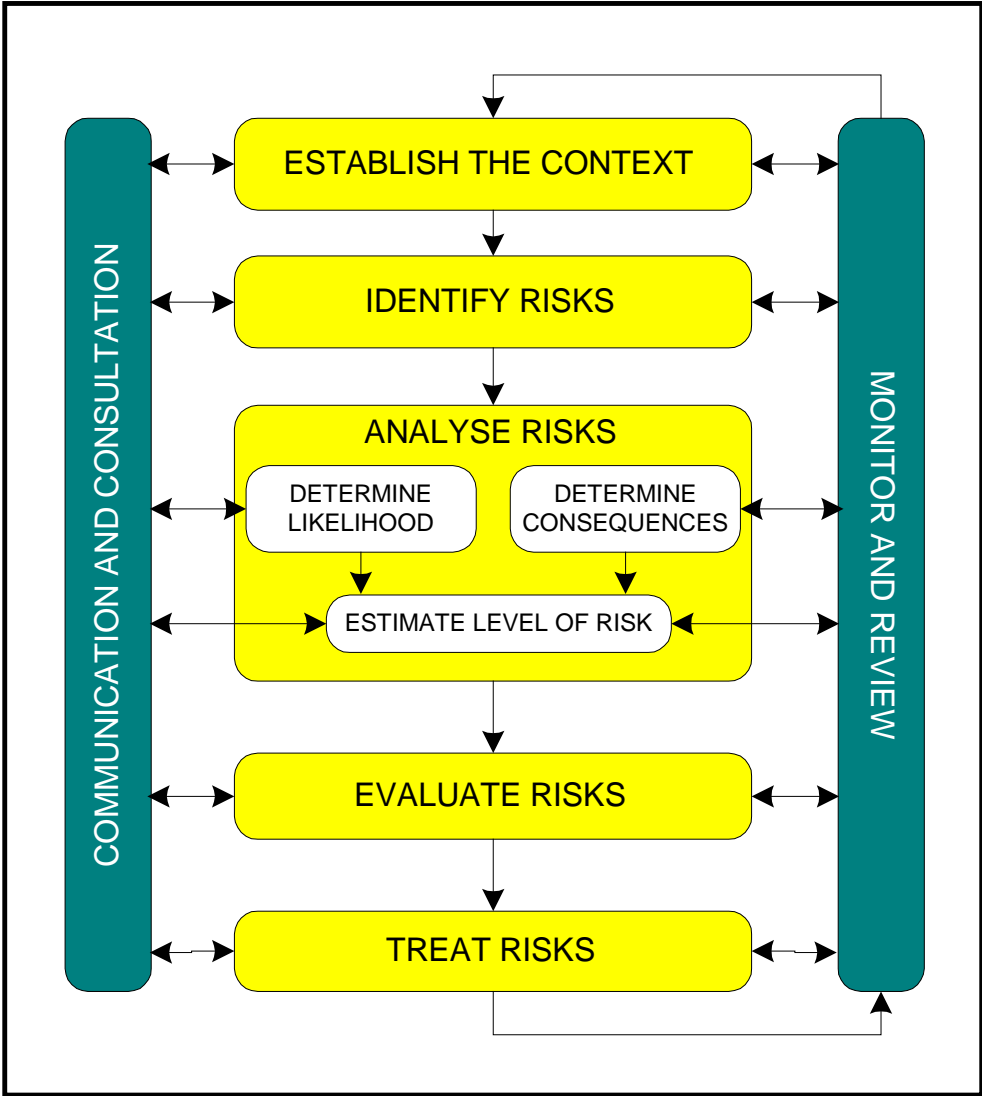
strategy, operational area being assessed. For each assessment, consideration should be given to each of the above 5 areas.

The following model is to be followed for the assessment and management of risks.

3.2 Risk Management Model

Risk Management involves identifying, analysing, evaluating and treating Risk, as depicted in figure 3.1, Risk Management Model.

Figure 3.1 – Risk Management Model



3.3 Risk Assessment

GGA's policy is to identify and reduce or eliminate risks to its youth members, property, interests and employees, as well as to minimise and contain the costs and consequences in the event of harmful or damaging incidents arising from those risks. GGA does not have unlimited tolerance to funding costs of risks, hence treatments should look to containment of costs in the management of risk.

The elements of Risk Assessment for any activity or function are:

- Establish the Context
- Identify Risks
- Analyse Risks
- Evaluate Risks
- Treat Risks
- Monitor and review
- Communication and consultation.

3.3.1 Establish the Context

This is the strategic, organisational and risk management context against which the rest of the risk management process in GGA will take place. Criteria against which risk will be evaluated should be established and the structure of the risk analysis defined.

In establishing the context of any Risk Assessment, the key questions to consider are:

- Who are the stakeholders?
- What are the strategic goals and strategies of the organisation?
- Where does this Risk Assessment fit?
- Is there an acceptable level of Risk?
- What structure (break-down) should be applied to this assessment?

The answers to these questions will determine the importance of the assessment to GGA. Additionally, the results of the above analysis will assist in determining the level at which further consultation during the remaining steps of the assessment is required (ie. State level, Region, District, Unit, Event, Corporate, etc.). For example, if the context of a particular assessment proves to be wholly at the State level, it still remains important for the Organisation that individuals at all levels be aware of the **Risks** associated with the activity or function and their potential implications.

If, during the establishment of the context, it is determined by the assessor that a level of Risk is unacceptable, this must be brought to the attention of the next highest volunteer or staff manager for further assessment. This is to ensure that during the process, Risks are

not disproportionately rated, prioritised and provisioned through individual perceptions or biases.

3.3.2 Identify Risks

This is the identification of what, why and how events arise as the basis for further analysis.

Most of GGA's activities and initiatives will be comparatively straightforward, comprising no more than routine Core Activities or business processes. In these circumstances, the process of identifying and analysing Risk is directly comparable with that already well-practised by all levels of volunteer and staff management.

Risk during simple activities, such as unit meetings, can be identified by asking:

1. What is the activity we are about to do?
2. How can it harm those involved?
3. What action can I take which reduces or removes the risk?

For more complex activities we can identify Risks by asking:

1. When, where, why, how are the risks likely to occur, and who might be involved?
2. What is the source of each risk?
3. What are the consequences of the risk?
4. What existing controls exist and are the controls adequate to mitigate the risk given the likelihood and impact?
5. Who are the major stakeholders involved in the risk process, i.e. governance or operational risk?

In many cases a single Risk may be apparent. Where the activity is more unusual and/or complex, the nature and level of any associated Risks may not be so obvious. In these cases, a more structured approach to identifying and assessing the potential for Risk may be required.

Once a risk has been identified it needs to be recorded and communicated via the National Risk Management Committee to SGG0's and GGA Board as appropriate.

3.3.3 Risk Analysis

Risk analysis involves consideration of the causes and sources of risk, their positive and negative consequences, and the likelihood that these consequences can occur. Factors

that affect consequences and likelihood should be identified. Risk is analysed by determining consequences and their likelihood, and other attributes of the risk. An event can have multiple consequences and can affect multiple objectives. Existing controls and their effectiveness and efficiency should also be taken into account.

3.3.3.1 Causes

Consider what factors such as activities, practices, processes, compliance requirements, liabilities, influences or obligations contribute to the Risk. A vital step in controlling Risk is realistically and objectively identifying the actual causes of the Risk, to enable a more accurate forecast of negative Impacts that are to be assessed. It also enables required Actions and Treatments to be directly targeted and applied to those causes in an effective/efficient manner.

3.3.3.2 Consequences

Consider what will happen if the event occurs.

Table 3.2, Risk Consequence Table, should be used to estimate the probable Consequences of an event by selecting an appropriate Consequence level. When using the Risk Consequence Table consider the Impact any Risk would have on the Aim of GGA – as well as the Impact upon the objectives of the particular activity or function.

Table 3.2 – Risk Consequence Table

CONSEQUENCE	DESCRIPTION
Insignificant	<p>Low level Impact with negligible consequences on the aim or activity objectives that can be controlled by routine management procedures.</p> <ul style="list-style-type: none"> • Governance: eg. adverse community sentiment/media article or insignificant breach of governing rule with small breach of consequence. • Guiding (Activities of Guiding): eg program / activity interrupted for 1 week. • People: eg minor injury requiring first aid only. • Financial i.e. no long term impact: eg loss with a negative overall financial impact below the “minor” level. • Guiding Operations (Business of Guiding): eg key staff unavailable to be contacted in a timely manner.
Minor	<p>The consequences would threaten the efficiency or effectiveness of achieving some aspects of GGA’s aim or activity objectives, requiring management effort to minimise impact. These are defined as:</p> <ul style="list-style-type: none"> • Governance: eg informal complaint from parent/member which may result in adverse media over several days, minor breach of governing rules with minor breach consequence. • Guiding (Activities of Guiding): eg program / activity interrupted for 2-4 weeks. • People eg fractured bone, sprain etc. requiring medical intervention. • Financial i.e. small loss, short term impact: eg loss of a negative overall financial impact below the “moderate” level. • Guiding Operations (Business of Guiding): eg. Temporary impact or interruption which may cause slight delay.
Moderate	<p>A significant/medium potential of affecting the achievement of GGA’s aim or activity objectives. These are defined as:</p> <ul style="list-style-type: none"> • Governance: eg formal complaint (e.g. written) or material breach of legislation leading to more significant undertaking, failure to follow guideline ratios. • Guiding (Activities of Guiding): eg program / activity involving 2 or more units are actually or potentially interrupted for more than 4 weeks. • People: eg suspected abuse or notification of abuse of a youth or adult member. Disabling injury. • Financial: eg cancellation of a national event, loss with a negative overall financial impact below the “major” level. • Guiding Operations (Business of Guiding): eg short term impact to business operations, loss of data or personnel, short term impact.
Major	<p>A very high potential to impair the achievement of GGA’s aim or activity objectives. These are defined as:</p> <ul style="list-style-type: none"> • Governance: eg a breach of legislations; failure to follow ASIC rules. • Guiding (Activities of Guiding): eg program / activity involving 2 or more regions are actually or potentially interrupted for more than 4 weeks • People: eg undisclosed health issues, serious injury to personnel, no child protection and unsafe child protection, death of 1-5 participants. Substantiated abuse of a youth member. • Financial :eg significant fraud, loss of 1/3rd of GGA’s or state membership, loss with a negative overall financial impact below the “Catastrophic” level. • Guiding Operations (Business of Guiding): eg significant impact to the business operations, loss of capacity and capability over medium timeline.

Catastrophic	<p>An extreme potential to threaten the sustainability of GGA's or its aims and activities. These are defined as:</p> <ul style="list-style-type: none"> • Governance: eg a sustained reputational or legal damage with potential to lead to the collapse/closure of Girl Guides (at a national level or state level), loss of Girl Guides capacity to operate and WAGGGS cancellation of membership of WAGGGS, very serious damage to the reputation. • Guiding (Activity of Guiding): eg program / activity that if interrupted has the potential to threaten GGA viability. • People: eg no members, death of more than 5 participants in single but similar activities such as all are abseiling incidents. • Financial: eg land and assets, insolvency and bankruptcy. • Guiding Operations (Business of Guiding): eg. non-compliance against corporations act resulting in delisting as a recognised entity.
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3.3.3.3 Likelihood

Consider the frequency or probability of the event manifesting.

Likelihood can be assessed from various sources, including:

- past records and statistical analysis;
- relevant experiences, specialist and expert judgements;
- testing of equipment;
- research literature.

Table 3.3, **Likelihood Rating Table** should be used to estimate the **Likelihood** of the harm occurring.

Table 3.3 – Likelihood Rating Table

LIKELIHOOD	DESCRIPTION
Almost Certain	The event is expected to occur in most circumstances. (At least 5 times a year)
Likely	The event will probably occur in most circumstances. (At least twice a year)
Possible	The event might (or could) occur at some time. (At least once a year)
Unlikely	The event will probably not occur. (At least once in five years)
Rare	The event may only occur in exceptional circumstances

3.3.3.4 Risk impact rating

Combining the estimates of the Consequences and Likelihood of the event occurring, it is possible to calculate the level of the Risk that will result from the event, by assigning a Risk Impact Rating using the Risk Analysis Matrix in table 3.4.

Table 3.4 – Risk Analysis Matrix

		CONSEQUENCES – WHAT IS THE MAXIMUM REASONABLE CONSEQUENCE				
		Insignificant	Minor	Moderate	Major	Catastrophic
LIKELIHOOD RATING	Almost certain	Medium	Medium	High	Extreme	Extreme
	Likely	Low	Medium	Medium	High	Extreme
	Possible	Low	Low	Medium	High	High
	Unlikely	Low	Low	Low	Medium	High
	Rare	Low	Low	Low	Low	Medium

3.3.3.5 Record the Risk

Risk Assessments should be recorded unless the activity being assessed is based within a unit and the risk rating is low, and existing controls are appropriate.

Unit level risk assessments that are recorded should be kept and maintained within the Guide hall/hut for a minimum of 7 years as per record keeping policy.

For higher level activities such as activities outside the guide hall/hut, camps, district, region or state events, and for assessment of risks associated with governance, people, finance and operations, a record of the risk assessment should be kept. All major projects and events must have risk registers established. Medium level risks which are reported to the SGGO should be kept on a central register.

Use the appropriate form for the activity or undertaking being risk assessed to record the risk (see references for forms).

SGGOs and GGA will establish risk registers of strategic and operational risks.

3.3.4 Evaluate the Risk

This is a comparison of estimated risk levels against pre-established criteria. This enables risks to be ranked and prioritised.

Having analysed the Risk, the assessor must decide whether to accept the level of Residual Risk.

Table 3.5, Risk Priority Table, should be used to assign a priority and action required for the level of the Risk.

Table 3.5 – Risk Priority Table

PRIORITY	ACTION
Extreme	An Extreme Risk is one that must be dealt with immediately. SGGO and GGA Board's normally monitor Extreme Risks.
High	A High Risk is one that should be dealt with after attending to Extreme Risks. High level risks may be managed at State Commissioner or Executive Officer level or at the level of the Risk Management Representatives at SGGO level.
Medium	A Medium Risk is one that can be dealt with by applying routine procedures and is normally dealt with by Region and/or District Managers. Where appropriate, medium level risks may be escalated to the Executive Officer or State Commissioner level.
Low	A Low Risk is accepted and controlled by the leader but should be monitored periodically by Region and/or District Managers to ensure the rating does not change.

The decision to accept a Risk without further assessment or treatment will need to be made on the basis of the Consequences and Likelihood of the Risk occurring, and the ability of GGA to absorb or recover from the Risk exposure should the Risk manifest.

Where the level of the Risk is not accepted, further Actions and Treatments will be needed to reduce any Residual Risk levels to as low as possible before the Risk is finally accepted and signed off.

3.4 RISK TREATMENT

3.4.1 Assessing and Implementing Treatment Options

Risk Treatment involves selecting a Treatment option, assessing the appropriateness and effectiveness of the Treatment option, preparing Treatment plans and implementing them. Accountability for taking or for not taking action remains with the manager approving the preferred options.

3.4.2 Select a Treatment option

The Treatment options are:

- avoid the Risk
- reduce the Likelihood of occurrence
- reduce the Consequences
- transfer the Risk
- retain the Risk.

3.4.2.1 Avoid the Risk

Occasionally, a Risk will be able to be avoided by not proceeding with the activity likely to generate the Risk. This should not be the automatic preferred option (unless the Risk is evaluated as High/Certain/Catastrophic with no mitigating options).

Risk avoidance can occur inappropriately because of an attitude of Risk aversion (failure to accept any Risk, or worse, not recognising Risks at all). Inappropriate Risk avoidance can increase the significance of other Risks. Risk aversion results in:

- decisions to avoid or ignore Risks regardless of the information available and potential costs incurred in not treating those Risks;
- failure to treat Risk;
- leaving critical choices and/or decisions up to other parties;
- deferring decisions that the organisation cannot avoid; or
- selecting an option because it represents a potential lower Risk regardless of the benefits of the original activity.

3.4.2.2 Reduce the Consequences

Preparations to reduce, control or mitigate the Consequences of a Risk can aid in making a particular Risk more acceptable.

The following may reduce or control the Consequences of a Risk:

- contingency planning
- contractual arrangements/conditions
- design features
- engineering and structural barriers
- fraud control planning
- minimisation of exposure to sources of Risk
- separation or relocation of an activity and resources
- reserving resources

3.4.2.3 Reduce the Likelihood of Occurrence

Exposure to Risk may be limited by reducing or controlling the Likelihood of an event occurring.

The following may reduce or control the Likelihood of a Risk occurring:

- policies and procedures
- audit, compliance, inspections and process Controls and programs
- contractual conditions
- formal reviews of requirements, specifications, design, engineering and operations
- project management
- preventive maintenance
- quality assurance, management and standards
- research and development, and technological development
- structured training programs
- supervision
- testing
- technical controls.

This list is neither exhaustive nor exclusive – there may be other options.

- public relations.

This list is neither exhaustive nor exclusive – there may be other options.

3.4.2.4 Transfer the Risk

Transferring the Risk involves another party bearing or sharing some part of the Risk. Risk transfer mechanisms include the use of contracts, insurance arrangements and organisational structures such as partnerships and joint ventures.

Transferring Risk to other parties or physically transferring the source of Risk to another location may reduce the Risk to GGA but may not reduce the overall level of Risk to its Constituents.

3.4.2.5 Retained Residual Risks

After Risks have been reduced or transferred, Residual Risks may remain. Plans should be put in place to manage the Consequences of these Residual Risks.

Risks may also be retained by default, for example a low-level Risk that is considered acceptable for GGA to carry or where there is a failure to identify and/or appropriately transfer or otherwise treat a Risk.

3.4.3 Implementing Treatment Options

Once options have been selected, to implement the risk controls and actions the following process is followed:

- Schedule each action for implementation;
- Implement each action scheduled;
- Review the success of each action implemented;
- Communicate the success of each action implemented;
- Communication with Stakeholders.

For higher priority risks GGA is required to develop and implement specific risk management plans including funding considerations. Lower priority risks may be accepted and monitored

Generally, the objective is to reduce the levels of Residual Risk as much as is reasonably possible. Selection of the most appropriate Treatment option must consider balancing the benefits against the cost of implementation. Options should be assessed on the basis of the extent that Risk is reduced and any additional benefits or opportunities created.

Ideally, the responsibility for Treatment of Risk should be borne by those best able to control the Risk. Responsibilities should be agreed between the parties at the earliest

possible time. If after Treatment there is Residual Risk, a decision shall be taken as to whether to retain this Risk or repeat the Risk Treatment process.

3.5 MONITOR AND REVIEW

Monitoring and review occurs regularly throughout the risk management process. Risk assessments and the controls associated with them must be reviewed regularly. How often will depend on the level of risk, the frequency of the activity and any changes of circumstances.

District and Region Managers should regularly review the conduct of risk assessments and the implementation of controls, especially where risks have been escalated to their level.

SGGO Boards and GGA Board should monitor the Risk Register on a regular basis and review on an annual basis.

The Risk Management system and any changes that might affect it are reviewed on an annual basis. The Risk Management Committee will monitor the conduct of the Risk Management system across GGA and SGGOs and will make recommendations for any improvements to the Board of GGA through the FRC.

3.6 COMMUNICATION AND CONSULTATION

Appropriate communication and consultation with internal and external stakeholders should occur at each stage of the risk management process as well as on the process as a whole. Risks identified should be sent for approval as per the GGA Activities Approvals Policy and Procedure.

The national Risk Management Committee will report quarterly to the FRC on the status of key risks and success of control measures and the outcomes of the review process.

The SGGO's will report Risk Management issues to the FRC through the national Risk Management Representative for that State for inclusion on the risk register.