Scouts Australia

NATIONAL RISK MANAGEMENT SYSTEM

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RISK MANAGEMENT SYSTEM

This is a special purpose document for Volunteers and Staff of Scouts Australia. This document outlines the National Risk Management System for Scouts Australia and as such is the reference document for Volunteers and Staff

'To be most effective, risk management should become part of an organisation's culture. It should be embedded into the organisation's philosophy, practices and business processes rather than be viewed or practised as a separate activity. When this is achieved, everyone in the organisation becomes involved in the management of risk.

Although the concept of risk is often interpreted in terms of hazards or negative impacts, this Standard is concerned with risk as exposure to the consequences of uncertainty, or potential deviations from what is planned or expected. The process described here applies to the management of both potential gains and potential losses.'

Australian/New Zealand Standard 4360:2004 – Risk Management (Foreword)

I. Langford-Brown
Chair
National Executive Committee

For

Scouts Australia National Executive Committee

November 2006

DISTRIBUTION: Chief Commissioner of Australia
                  National Chief Executive
                  All Branches Scouts Australia

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RISK MANAGEMENT SYSTEM

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RISK MANAGEMENT STATEMENT

INTRODUCTION

Over recent years within the Australian community there has been a greater emphasis on accountability and care in the way that all 'service agencies' (private and public) conduct their business and deliver their services. As a not-for-profit, volunteer based organisation that delivers non-formal education programs to young people, Scouts Australia is committed to ensure that we maintain those highest standards expected by the general community.

For 100 years, Scouting has been an important and successful part of the Australian community providing non-formal educational and recreational programs that help young people to develop emotionally, intellectually, socially spiritually and physically. Awareness of risk has always been a key focus for Scouts Australia in its delivery of programs for young people. Deleted remainder sentence.

This paper formalises the risk management requirements for Scouts Australia and complements processes already in place to ensure that any risk that may be inherent in activities undertaken are recognised and well managed. Additionally, appropriate content from the *Australian/New Zealand Standard 4360:2004 – Risk Management* has been incorporated to present a single, comprehensive risk management 'System' for the organisation.

Risk is inherent in most aspects of everyday life. We all 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.

Risk management is fundamental to the effective management of all organisational functions and activities. This includes managing risks that are both internal and external to Scouts Australia. For example, the same systematic approach can be used to minimise and manage the risks associated with running a major youth event as that to managing the introduction of new legislation. 'Risk' may contain the potential for gain or loss, however, notwithstanding the likely outcome - we must be able to systematically identify, analyse, evaluate and treat risk in a pro-active rather than reactive manner.

Risk Management is an iterative process consisting of steps, that, when undertaken in sequence, enable continuous improvement in decision making and performance.

This policy shall be reviewed at least once every two years.

PART ONE

RISK MANAGEMENT STATEMENT AND DEFINITIONS

1.1 SCOUTS AUSTRALIA'S AIM

The Aim of Scouts Australia is to encourage the physical, intellectual, emotional, social and spiritual development of young people so that they may take a constructive place in society as responsible citizens

1.2 RISK MANAGEMENT STATEMENT

1.1.1 As a contemporary and responsible organisation, Scouts Australia is committed to managing risk in order to achieve its aim and maximise the effectiveness and efficiency of the provision of its services and dealings with its youth membership, the community, volunteers, government, employees and infrastructure. Delete remainder of sentence.

1.1.2 The Scouts Australia Risk Management System is designed to give assurance that, despite any risk that may be inherent in our activities, the levels of residual risk are acceptable in that effective controls are in place to minimise the potential for harm or loss to Scouts Australia or to its stakeholders. Importantly, the system also provides a planning basis from which to manage potential gains for the organisation through the management of risk.

1.1.3 The Scouts Australia Risk Management System requires all volunteers and staff to be 'risk aware' in the context of management systems, planning processes and practices. This system has been distributed to all managers of 'Scouting'. In addition, regular training sessions, that include 'risk management' exercises, should be regularly conducted as part of volunteer and staff training.

1.1.4 The Scouts Australia Risk Management System has been developed in conjunction with Scouts Australia National guidelines and in accordance with AS/NZS 4360-2004.

1.3 DEFINITIONS

Area of Risk	Those events, activities or circumstances that can adversely affect (or contain the potential for enhancement of) the achievement of the Scouts Australia Aim.
Code of Conduct	As per Policy and Rules 2005.
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 gain) or a negative impact (such as harm or loss).
Context	The scope of an activity or function according to organisational importance.

Controls	Policies, practices, standards, procedures and physical changes that are implemented to eliminate (or minimise) the adverse effects of risk or to enhance the opportunity for gain.
Core Activities	The Scouts Australia Program and activities designed to achieve Scouts Australia's Aim.
Gain	A positive consequence – financial or otherwise. The gain need not be exclusive to Scouts Australia; it may affect the public, government or other agency/organisation.
Harm	A negative consequence – financial or otherwise. The harm need not be exclusive to Scouts Australia; it may affect the public, government or other agency/organisation. (Also see Loss)
Impact	The combined effect on an organisation of the likelihood and consequences of the risk occurring.
Leaders of Youth	All persons holding a Certificate of Adult Leadership in a youth section.
Likelihood	The probability or frequency with which an event may occur.
Loss	A negative consequence – financial or otherwise. The loss need not be exclusive to Scouts Australia; it may affect the public, government or other agency/organisation. (Also see Harm)
Managers	All managers of Scouts Australia (Volunteer or otherwise). This includes but is not limited to Commissioners, Committee Chairpersons, Directors and Co-ordinators of Events, Contingent Leaders, and Executive Officers of Scouts Australia.
Residual Risk	The remaining levels of risk after controls and risk treatments have been applied.
Risk	The chance of something happening that will have an impact on the aims of Scouts Australia. It is measured in terms of consequences and likelihood.
Risk Assessment	A systematic process that includes discovering risk, assessing the impact of the risk and determining if the risk 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 and/or maximise gain.
Risk Management	A systematic use of management policies and processes designed to identify, analyse, evaluate and treat risk, and develop a culture within Scouts Australia that is mindful of potential opportunities and adverse effects.
Risk Practitioner	A senior, risk management professional or volunteer operating at the Scout National or Branch level, or a service- provider to Scouts Australia from an external corporate or business risk management environment (per 2.5 below).

Risk Register   A centralised database of identified risks and associated mitigating plans (Part Four). Such database may be contained in either the principal register or one of more sub registers maintained at each appropriate location.

Risk Treatment   The selection and implementation of appropriate options for dealing with risk.

Stakeholders   Those people and organisations who may affect, be affected by, or perceive themselves to be affected by, a decision or activity conducted by Scouts Australia.

The Standard   *Australian/New Zealand Standard 4360:2004—Risk Management.*

PART TWO

RESPONSIBILITIES

2.1 NATIONAL EXECUTIVE COMMITTEE SCOUTS AUSTRALIA

The National Executive Committee of Scouts Australia is responsible for:

- overseeing the operation of the Scouts Australia National Risk Management System;

- evaluating the outcomes of the Risk Management System;

- reviewing and amending the Risk Management System as required;

- providing advice to the National Chief Executive and the Chief Commissioner of Australia on risk management issues;

- ensuring that the Scouts Australia Risk Management System is audited for compliance, quality and relevance against 'the standard' biennially; and

- ensuring that at least one Risk Register is being maintained by and within each Branch.

2.2 NATIONAL CHIEF EXECUTIVE AND CHIEF COMMISSIONER OF AUSTRALIA

The National Chief Executive is responsible for ensuring that the Risk Management Systems described in this document are implemented by Scouts Australia in accordance with the current AS/NZ Standard. Remainder of sentence deleted.

The Chief Commissioner is responsible for ensuring that the requirements of this system of risk management are adopted by all volunteers.

The National Chief Executive (in conjunction with the Chief Commissioner) is responsible for:

- creating an environment of 'risk awareness' in all volunteer and business planning processes and work practices;

- ensuring that appropriate resources are budgeted for and allocated to risk management at the National level;

- the provision of appropriate risk management training for volunteers and staff at the National level;

- ensuring that communication and consultation takes place with volunteers and staff at all levels in relation to risk management issues; and

- the preparation and maintenance of the National 'Risk Register' (Appendix A refers).

2.3 SENIOR BRANCH MANAGEMENT

The Branch Executive Committee (in conjunction with Branch Chief Commissioners and Senior Executive Officers) in each State and Territory is required to:

- develop and maintain a Branch Risk Management System which conforms with the national risk management system as promulgated;

- ensure that each Branch risk management system conforms with applicable Federal, as well as relevant, State and Territory legislation;

- develop a 'Branch Risk Register' which captures all risk management policies, procedures and risk management tools contained within the Branch.

- ensure that all Branch risk management policies, procedures and tools conform with current best practise;

- ensure that appropriate resources are budgeted for and allocated to risk management at the Branch level;

- the provision of appropriate risk management training for volunteers and staff at the Branch level (for example Child Protection Training where required); and

- develop and maintain a culture of 'risk awareness' throughout the Branch.

2.4 MANAGERS (VOLUNTEERS AND STAFF)

Managers of Scouts Australia are responsible for ensuring that:

- all volunteers and staff are aware of the procedures and processes referred to in this risk management system (for National managers) and under each relevant Branch risk management system including each Branch Risk Register (for Branch managers);

- all activities under their supervision are performed in accordance with the relevant risk management system (National or Branch as appropriate) and in accordance with the policies, procedures and tools developed within each National and Branch jurisdiction; and

- where appropriate, referral for risk advice to the next appropriate level within Scouts Australia occurs as well as the reporting of instances where risk management procedures have not been effective.

2.5 VOLUNTEERS AND STAFF

All volunteers and staff are responsible for:

- actively supporting and contributing to risk management initiatives;

- following reasonable instructions given by managers in relation to risk management;

- advising their managers of any risk issues that require attention;

- acting at all times in accordance with the relevant National or Branch risk management systems.

PART THREE

RISK MANAGEMENT PROCESS

3.1   RISK MANAGEMENT MODEL

Risk management is the process of identifying, analysing, evaluating and treating risk, as depicted in figure 3.1, Risk Management Model.
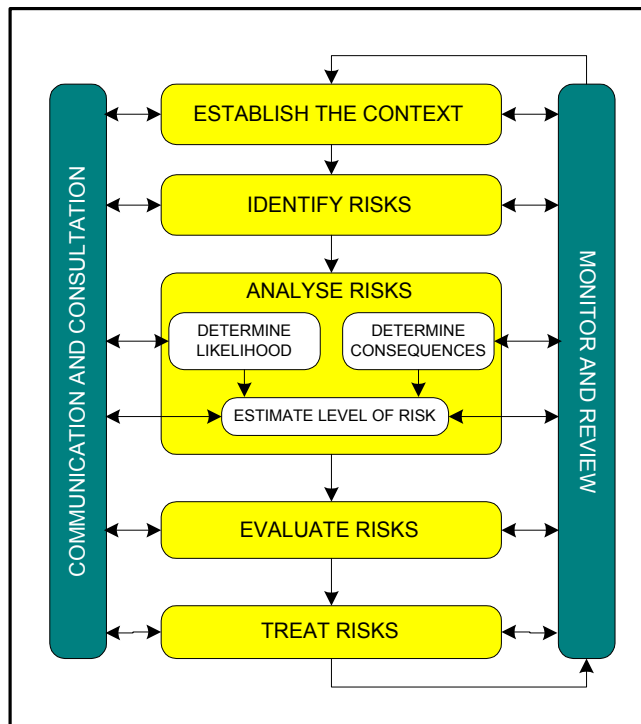
Figure 1 – Risk Management Model

3.2   RISK ASSESSMENT

The elements of risk assessment for any activity or function are:

- **Establish the Context**
- **Identify Risks**
- **Analyse Risks**
- **Evaluate Risks**

3.2.1 Establish the Context

In establishing the context of any risk assessment, the key areas to consider are:

- Establish the strategic context

- Who are the stakeholders?

- What is the environment in which Scouts Australia operates – what will impact its ability to manage risks?

- Executive endorsement should be held

- Establish the organisational context

- What are the aims, strategic goals and strategies of Scouts Australia?

- What would be the impact of failure to achieve the aims, strategic goals and strategies?

- Is there an acceptable level of risk?

- Establish the risk management context

- Assessment of the risk in relation to the aims and objectives of the particular activity

- Establish roles and responsibilities from various parts of Scouts Australia to manage the risks identified

- Where does this fit with other parts of Scouts Australia?

If, during the establishment of the context, it is determined that a level of residual risk for a particular activity is found to be unacceptable, this must be brought to the attention of the next highest volunteer or staff manager for further assessment. This will ensure that risks are not disproportionately rated, prioritised or resourced through individual perceptions or biases.

3.2.2 Identify Risks

It is essential that all risks are identified, as risks missed at this stage will be excluded from further analysis and effective management. The key questions are:-

- What can happen?

- Compile a comprehensive list of events that could impact the achievement of the aims of the activity

- How and why can it happen?

- Consider and detail possible causes and scenarios

- Tools and techniques to use

- Checklists

- Judgements based on experience and past records

- Brainstorming sessions

- Inspections

Most activities and initiatives of Scouts Australia's 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.

3.2.3 Analyse Risk

Analysing risk is necessary to establish the probable impact of the risk on organisational objectives. This is achieved by determining the causes of the risk and then calculating the likelihood and the consequences of the risk occurring.

3.2.3.1 Causes

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 risk treatments to be directly targeted and applied to those causes in an effective/efficient manner.

3.2.3.2 Likelihood

Consider the frequency or probability of the risk occurring. Likelihood can be assessed from various sources, including:

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

Tables A and A(1) provide an Abbreviated **Likelihood** Rating Table (for use by Leaders of Youth when required) and a more detailed **Likelihood** Rating Table (for use by risk practitioners). These should be used (as appropriate) to estimate the likelihood of the event occurring.

Table A - Abbreviated LIKELIHOOD Table For Use By Leaders of Youth

LIKELIHOOD	DESCRIPTION
Likely (A)	The event is expected to occur during the activity.
Possible (B)	The event is not expected to occur during the activity.
Unlikely (C)	The event is conceivable but highly unlikely to occur during the activity.

Table A(1) - Detailed LIKELIHOOD Table For Use By Risk Practitioners

LIKELIHOOD	DESCRIPTION
Almost Certain	The event is expected to occur in most circumstances.
Likely	The event will probably occur in most circumstances.
Possible	The event might (or should) occur at some time.
Unlikely	The event could occur at some time.
Rare	The event may only occur in exceptional circumstances.

3.2.3.3 Consequences

Consider what will happen if the event occurs. Consequences should always be determined from the organisational perspective (context). It is imperative that Scouts Australia as an entity can withstand and recover from any negative impact that may result from its risk exposure.

Tables B and B(1) provide Abbreviated and Detailed **Consequence** Tables that should be used (as appropriate) to estimate the probable consequences of an event by selecting an appropriate consequence level. Appendix A refers.

Table B - Abbreviated CONSEQUENCE Table For Use By Leaders Of Youth

CONSEQUENCE	DESCRIPTION
Minor (1)	Low Level impact that may require first aid treatment which should not affect the activity being conducted.
Moderate (2)	Medium Level impact that may require medical treatment which may require adjustment of the activity.
Major (3)	High Level impact with extensive injuries which may require cancellation of the activity.

Table B(1) - Detailed CONSEQUENCE Table For Use By Risk Practitioners

CONSEQUENCE	DESCRIPTION
Insignificant	Low level impact with negligible consequences on the Branch aim or activity objectives that can be controlled by routine management procedures (no injuries, negligible financial loss or disruption to non-essential infrastructure/data).
Minor	The consequences would threaten the efficiency or effectiveness of achieving some aspects of Scouts Australia's aim or activity objectives, requiring management effort to minimise impact (minimal financial loss, injuries requiring first aid only, minor 'reputational' impact or disruption to non-essential infrastructure/data).
Moderate	A significant/medium potential of affecting the achievement of Scouts Australia's aim or activity objectives (moderate financial loss or 'reputational' impact, injuries requiring medical treatment only, medium term loss of some essential infrastructure/data).
Major	A very high potential to impair the achievement of Scouts Australia's aim or activity objectives (major financial loss or 'reputational' impact, significant occupational, health, safety and welfare incident/s, long term loss of some critical infrastructure/data).
Catastrophic	An extreme potential to threaten the sustainability of the organisation or its aims and activities (huge financial loss or 'reputational' impact, very serious occupational health, safety and welfare incident/s, permanent loss of critical infrastructure/data).

3.2.3.4   Estimate Level of Risk

Combining the estimates of the **likelihood** and **consequences** 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 in tables C or C(1) as appropriate.

Table C - Abbreviated IMPACT RATING Table For Use By Leaders Of Youth

CONSEQUENCE LIKELIHOOD	MINOR (1)	MODERATE (2)	MAJOR (3)
Likely (A)	Medium	High	High
Possible (B)	Low	Medium	High
Unlikely (C)	Low	Low	Medium

Table C(1) – Detailed IMPACT RATING Table For Use By Risk Practitioners

CONSEQUENCE LIKELIHOOD	INSIGNIFICANT	MINOR	MODERATE	MAJOR	CATASTROPHIC
Almost Certain	Significant	Significant	High	High	High
Likely	Moderate	Significant	Significant	High	High
Possible	Low	Moderate	Significant	High	High
Unlikely	Low	Low	Moderate	Significant	High
Rare	Low	Low	Moderate	Significant	Significant

3.2.4 Evaluate Risk

Having analysed the risk you must decide whether to accept the level of residual risk.

Tables D and D(1), Risk **Priority** Tables, should be used (as appropriate) to assign a priority and action required for the Risk Impact Rating derived in Tables C and C(1).

Table D - Abbreviated RISK PRIORITY Table For Use By Leaders Of Youth

RISK PRIORITY	ACTION
High (Red)	A high risk is one that must be dealt with immediately and will require a detailed action plan. The Regional Commissioner (or equivalent) normally monitors high risks.
Medium (Black)	A medium risk is one that should be dealt with after attending to high level risks and will require an action plan. The Group Leader normally monitors medium risks.
Low (Green)	A low risk is one that can be treated by applying routine procedures at the lowest (Section) level.

Table D(1) - Detailed RISK PRIORITY Table For Use By Risk Practitioners

RISK PRIORITY	ACTION
High	A high risk is one that must be dealt with immediately. Executive management normally monitors high risks.
Significant	A significant risk is one that should be dealt with after attending to high level risks. Senior managers normally monitor significant risks.
Moderate	A moderate risk is one that can be dealt with by applying routine procedures and is normally dealt with by local managers at the Branch/Group level.
Low	Risks in this category *may* be accepted but should be monitored periodically to ensure the rating does not change.

The decision to accept a risk without further assessment or risk treatment will need to be made on the basis of the likelihood and consequences of the risk occurring, and the ability of Scouts Australia to absorb or recover from the risk exposure should the risk manifest.

Where the level of the risk is not accepted, further actions and risk treatments will be needed to reduce any residual risk levels to as low as possible before the risk is finally accepted and signed off.

3.3   RISK TREATMENT

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

3.3.1 Risk treatment Options

The risk treatment options are:

- avoid the risk

- reduce the likelihood of occurrence

- changing the consequences

- sharing the risk (includes 'risk transfer')

- retain the risk

3.3.1.1   Avoid the Risk

Occasionally, a risk can 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 Impact/Almost Certain Likelihood/Catastrophic Consequence 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 treating those risks;

- failure to treat risk;

- leaving critical choices and/or decisions up to other parties;

- deferring decisions that Scouts Australia cannot avoid; or

- selecting an option because it represents a potential lower risk regardless of the benefits.

3.3.1.2   Reduce the Likelihood of Occurrence

Exposure to risk may be limited by reducing or controlling the likelihood of an event occurring.

There are many actions that can reduce or control the likelihood of a risk occurring such as:

- policies and procedures
- audit, compliance, inspections and process controls and programs
- project management
- quality assurance, management and standards
- structured training programs
- supervision

This list is neither exhaustive nor exclusive—other options may be apparent.

3.3.1.3 Change the Consequences

Preparations to reduce, control or mitigate the consequences of a risk event 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
- fraud control planning
- good and timely public relations

This list is neither exhaustive nor exclusive—other options may be apparent.

3.3.1.4 Sharing the Risk

Sharing the risk involves another party bearing or sharing some part of the risk. Risk transfer mechanisms may include the use of contracts, insurance arrangements and consent forms.

3.3.1.5 Retain the Risk

After risks have been reduced or transferred, residual risks may remain. Plans should be put in place to manage the consequences of these risks.

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

3.3.2 Assessing and Implementing Risk Treatment Options

Generally, the objective, while balancing the benefits against the cost of implementation, is to reduce the levels of residual risk as much as is reasonably possible. 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 risk treatment there is residual risk, a decision shall be taken as to whether to retain this risk or repeat the risk treatment process.

3.4   MONITOR, REVIEW AND COMMUNICATION

Procedures and networks for monitoring, reviewing, and communication about risk management must be established as part of the overall risk management system. Responsibilities relative to the monitoring, review and communication of the system are outlined in **Part Two, Responsibilities**.

PART FOUR

GUIDELINES FOR BRANCHES

4.1   DOCUMENTATION REQUIREMENTS

It will be a requirement of each Branch to maintain a Risk Register supported by documented Risk Assessments and Action Plans.

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Risk Register

The Branch Risk Register is an integral part of its Risk Management System. The data contained in this Register may incorporate the following categories:

- Youth Activities (incl minimum standards required)

- Policy and Rules

- Child Protection

- Property/Asset Management

- Human Resources

- Training

- Financial/Insurances

- IT

- Corporate/Strategic (Planning including any relevant Legislation that should form part of the Register)

- Any Particular Branch Risk Assessments

- Any other documentation deemed appropriate by Branches

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4.2   PROCESSES AND PROCEDURES

Detailed processes and procedures will be communicated by Branches and will be supported by appropriate training, both specific and as part of leader training courses.

To assist Branches in producing and communicating these processes and procedures the information contained in **Appendix A** "**GENERAL GUIDELINES FOR BRANCHES**" may be useful.

4.3   LEADERS OF YOUTH

Leaders of Youth may be required to prepare a risk management plan (referred to in some Branches as a 'Scout Safe plan') when they are undertaking a new or unfamiliar activity which is being held in a new or different location. **See Appendix A "Requirement to Complete a Risk Assessment and Action Plan".**

To assist Leaders of Youth to prepare a simple risk management plan which incorporates a risk register, risk treatment action plan, and a risk treatment schedule, example templates are attached as Appendices C, D and E.

APPENDICES TO SCOUTS AUSTRALIA

RISK MANAGEMENT SYSTEM

APPENDIX A

General Guidelines For Operation

APPENDIX B

Attached as Appendix B is a chart entitled "Consequence Practical Examples" that may assist in placing this policy into perspective. The risk categories listed at Appendix B are presented as a guide only.

APPENDIX C

Is a simple Risk Register primarily for use by Leaders of Youth and is an analysis of risks prior to treatment. It may be used by other Leaders when a more complex Risk Management Plan is not warranted.

APPENDIX D

Is a simple Risk Treatment Action Plan primarily for use by Leaders of Youth. It may be used by other Leaders when a more complex Risk Management Plan is not warranted.

APPENDIX E

Is a simple Risk Treatment Schedule primarily for use by Leaders of Youth and is an analysis of risks after treatment. It may be used by other Leaders when a more complex Risk Management Plan is not warranted.

GENERAL GUIDELINES FOR OPERATION

OVERVIEW

The Risk Management Model outlined in **Part Three** essentially divides 'Risk Management' into two categories, namely, **RISK ASSESSMENT** (involving the Context, Identification, Analysis and Evaluation of risks) and a **MANAGEMENT** process (involving risk Treatment, Monitoring, Reviewing and Communication). The total process is also referred to as **RISK MANAGEMENT**.

Appendix A, provides some useful guidelines for volunteers and staff to better understand how the total process can be used at all levels of planning within the organisation.

The Four Levels

Scouts Australia, like other large national organisations, comprises four essential levels from which Risk Management can be approached. These are:

- Individual Members,
- Managers (of people and resources),
- Branch, and
- Whole-of-Organisation.

A useful guide when assessing and managing risk at all levels is to consider any issue from the perspective of "One-Up" and "Two-Down". This means that a Group Leader might consider the direct effect of a risk manifesting to his/her Scouting Sections and also to the individuals in them (Two Levels-Down). At the same time, the Group Leader might also consider what effect, if any, it may have on the District organisation (One-Up). Similarly, a major Branch Event Co-ordinator may consider the direct risks to the event itself, and to the participants (and plan to minimise these risks), but should also consider the effect of these risks on the Association as a whole.

In other words, if all individual members are risk aware in their own planning processes, and refer risks to the next higher level (where appropriate) through a 'One Up - Two-Down', approach the likelihood of omitting to treat a risk or to miss the opportunity to apply the treatment more widely across the organisation is greatly reduced.

Individual members can all have a role to play in this process through:

- being observant,
- taking ownership and responsibility,
- bringing their own experiences to planning, and
- being pro-active in reducing risk by considering "One-Up – Two Down".

Referring Risk

If during the process of Risk Assessment (at any level) a risk presents as **High** this risk may be notified to Branch HQ immediately, either directly, or through a Branch Commissioner. If the impact assessment of a risk is classed as **Significant** and could have **major** or **catastrophic** ramifications for the Association, Branch HQ must be reported immediately.

Importantly, volunteers and staff may, and are encouraged to, refer any risk to the next higher level for assessment regardless of whether a Risk Assessment has been commenced. This means that any member may make a notification based on their own knowledge and experience without reliance on any formal process.

It is suggested that notifications to Branch HQ will require:

- the name and contact of the originator,
- details of the manager responsible for the risk,
- the event or activity containing the risk,
- the nature of the risk,
- the rating of the risk (if known),
- intended actions by the responsible manager, and
- expected completion date of required actions or treatments.

Requirement to Complete a Risk Assessment and Action Plan

Risk Assessments and Action Plans may take the form of existing procedural documents and checklists (for routine, core activity) to more complex studies specific to a particular event, activity or function.

As indicated in Part Two, all persons within Scouts Australia have responsibility for managing risk. Accordingly, Risk Assessments and Action Plans may be developed at any level of the organisation.

Risk Assessments and Action Plans should only be required where no existing guidance exists at the National and/or Branch levels. Of course, Assessments and action plans may be developed at the discretion of a Leader or staff member in charge of any specific activity. Where this occurs, the resultant treatment of identified risk is to be undertaken in accordance with (and not to a lesser standard than) any existing National and/or Branch requirement.

Assistance

Assistance in any Risk Management process (for core-activities) is available through the management structure of the Association.

Risk Register

A Risk Register (as defined, may be a combination of principal and sub registers) is a key Risk Management tool and should be maintained by all Branches. In addition, an appropriate audit/monitoring process of all aspects of the Risk Register must be implemented at all levels.

As Risk Assessments and resultant Action Plans are developed for various activities and functions at the Branch level (and those developed at lower levels, but referred upward through the structure), they shall be collated to form part of the Risk Register.

At the National level, the National Risk Register would contain individual Branch Risk Management Policies in addition to National supporting documents such as *Policy and Rules*, additionally, the Register should contain any applicable National Legislation together with matching Scouts Australia conformance policies. At Branch level, the Risk Register should contain all relevant Risk Management documents held by the Branch (this may include sub registers as appropriate).

Such a Register represents a centralised database incorporating all Risk Management documents under the generic headings set out under **4.1** '**Documentation Requirements'**.

RESIDUAL RISK

Applying Standard Treatment Options

Refer to **3.3 'Risk Treatment' of PART THREE 'Risk Management Process'** for treatment options and how to assess for the most appropriate option.

Re-rating after Taking Action

After taking action to treat or control the risk the same rating process must be applied to determine the level of residual risk. It is this residual risk which requires further decision. Essentially, the decision involves acceptance of the residual risk (after applying treatment options) and/or, referring the risk to the next higher level.

Unacceptable Residual Risk

When the level of residual risk (after applying actions and treatments) remains unacceptably high and managers are not prepared to accept that level of residual risk, the activity or function is to be aborted. Whenever this occurs, it is important that the prevailing circumstances and the decision are recorded in the relevant Risk Register.

CONSEQUENCE PRACTICAL EXAMPLES – APPENDIX B

CONSEQUENCE	MAJOR RISK CATEGORIES						
	Youth Activities	Property/ Asset Management	Financial/ Insurance	Human Resources	Occupational Health, Safety and Welfare	Corporate/ Strategic	Information Technology
Catastrophic	The inability to provide the youth program. Significant adverse occurrence permanently damaging the reputation of Scouts Australia.	Permanent loss of a major building or loss of a critical function within a critical building (For example Branch HQ, campsites and/or commercial properties). Permanent loss of essential capital equipment.	Insufficient funding causing a significant failure in one or more core Association services. Permanent Loss of income from major Branch business enterprises.	Large scale loss of human resources (volunteer and/or staff) resulting in an inability to deliver or maintain core services.	May cause death or total loss of one or more bodily functions (eg loss of sight or loss of a limb).	Inability to meet current and future statutory obligations. Insolvency. Inability to provide the Scout Program.	Permanent loss of core business data, computing and/or communication facilities.
Major	Major incident with significant safety, financial or political ramifications. Occurrence that significantly damages the reputation of Scouts Australia.	Temporary loss of a major building or permanent loss of a secondary building. Temporary loss of essential capital equipment.	Insufficient funding causing delivery of core services to be impaired. Loss of capital reserves.	Partial loss of human resources resulting in degradation to service delivery. Inability to recruit sufficient volunteers and staff to maintain established strengths.	May cause severe injury, permanent partial loss or severe illness.	Inability to comply with essential government legislation or Industry standards. Inability to expand the Scout Program.	Partial loss of core business data, long duration disruption to computing and communication facilities.
Moderate	An incident that results in considerable safety, financial or reputational damage to Scouts Australia. Occurrence that damages the reputation of Scouts Australia.	Temporary loss of a secondary building. Breakdowns of essential capital equipment.	Inability to maintain recurrent funds causing some downturn in delivery of core services.	Short term loss of human resources.	May cause a "reportable" accident with longer term ramifications.	Difficulty in complying with government legislation and industry standards. Difficulty in achieving growth.	Corruption of core business data, moderate duration disruption to computing and communication facilities.
Minor	An incident that is easily responded to through existing resources. Occurrence that may have impact on the reputation of Scouts Australia at the local level.	Temporary loss of a minor building. Unavailability of minor equipment.	Funding reductions for one or more core activities or business programs.	Short term or minor personnel unavailability causing some inconvenience to individuals and Scouts Australia.	May cause minor injury or illness.	Difficulty achieving the Scouts Australia strategic plan and objectives.	Loss of non-core business data or short duration disruption to computing and communication facilities.
Insignificant	An incident having little effect on operations or are handled by normal processes.	Loss of function within a minor building. Breakdown of minor equipment.	Minor disruption to one or more programs.	Personnel shortages with negligible impact on Scouts Australia.	Very little effect on personnel health and safety may require first aid.	Difficulty achieving short term goals.	Minor corruption of non-core business data, battery failures and equipment reset.

RISK MANAGEMENT PLAN

(KNOWN AS A 'SCOUT SAFE PLAN' IN SOME BRANCHES)

Risk Register

Activity:

Hazards:

ID	Risk	Analysis of risk BEFORE treatment					
		Existing Controls	Likelihood A-B-C	Consequences 1-2-3	Risk Level H-M-L	Accept Y/N	Priority
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							

RISK TREATMENT ACTION PLAN

ID number: Risk:

Treatment Options considered:

1.

2.

3.

Action Plan:

1. Proposed treatment:

2. Resource requirements:

3. Responsibility for implementation:

4. Timings:

5. Reporting and monitoring required:

RISK TREATMENT SCHEDULE

ID	Risk (In priority order from the Risk Register)	Analysis of risk AFTER treatment					
		Treatment action taken	Likelihood A-B-C	Consequences 1-2-3	Risk Level H-M-L	Accept Y/N	Priority

Risk Management Plan (Risk Register, Action Plan and Treatment Schedule)

Prepared by:
Date:

Approved by:
Date: