

Girl Guides Australia

# RISK MANAGEMENT POLICY, PROCEDURE AND GUIDELINES

August 2014



**GIRL GUIDES**  
**AUSTRALIA**

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## GGA RISK MANAGEMENT POLICY, PROCEDURE AND GUIDELINES

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.

Over recent years within the Australian community there has been a greater emphasis on accountability and the way in which all organisations (private and public) conduct their business and deliver their services. As a not-for-profit, volunteer based organisation which delivers non-formal education programs to girls and young women, Girl Guides Australia (GGA) is committed to ensuring that it maintains the highest standards expected by the general community.

For over 100 years, Guiding has been an important and successful part of the Australian community. GGA provides a non-formal educational and recreational program which helps girls and young women grow into confident, self-respecting, responsible, community members. GGA has always placed a high emphasis on its ability to deliver these programs in practical and safe environments.

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.

Risk is inherent in most aspects of Guiding, whether it involves running a Unit meeting, undertaking Guide hall maintenance, taking Guides on camp, dealing 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.

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 annually by GGA.

# PART ONE

## 1.1 POLICY STATEMENT AND DEFINITIONS

### 1.2 POLICY STATEMENT

1.2.1 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.

Good governance within the organisation recognises the need for appropriate strategic and operational risk management especially where the safety of youth members, adult members, staff, volunteers, and the public are concerned and good stewardship and management of resources. 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 ISO31000:2009 – 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.
- ensure that appropriate education and training is provided on risk management for its staff and volunteers particularly those in management positions.

1.2.2 As a contemporary and responsible organisation, 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.

1.2.3 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.

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

1.2.5 The GGA Risk Management Policy has been developed in conjunction with the GGA Risk Management Framework.

## 1.3 DEFINITIONS

**Aim of Girl Guides Australia:** To provide a non-formal educational and recreational program to enable girls and young women grow to into confident, self-respecting, responsible, community members.

GGA provides these services and conducts its business in practical and safe environments designed to minimise **Harm** or **Loss** to its **Constituents** or to the organisation.

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

**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 Likelihood and Consequences of a Risk occurring.

**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 Girl Guides Australia, it may affect the public, government or other agency/organisation.

**Managers of Girl Guides Australia:** Commissioners, Committee Chairpersons, Directors and Co-ordinators of Events, Support Group Committee Chairpersons, District Management Teams, Region Leaders, 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 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.

**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

## 2.0 RESPONSIBILITIES

### 2.1 THE BOARD

Standards Australia, in their Guidelines for Managing Risk state, 'Provided risks have been managed in accordance with AS/NZS Standards, protection occurs on two levels. Firstly, the adverse outcome may not be as severe as it might otherwise have been. Secondly, those accountable can, in their defence, demonstrate that they have exercised a proper level of diligence'.

GGA must take leadership in identifying, agreeing and monitoring the critical risks. Risk Management, however, is not an isolated activity – it is one part of an organisational approach to ensuring the delivery of its mission through its strategic plan.

The role of the Board in risk governance is to:

- Approve and monitor the risk management system and policy;
- Identify and agree on the critical risks that have the potential to significantly impact the delivery of the mission of GGA;
- Approve and monitor risk treatment strategies for these critical risks;
- Establish Key Performance Indicators (KPIs) for the Chief Commissioner, Senior Managers and Board that reflect this risk governance role; and
- Ensure the strategic value is extracted from the risk governance process and from the critical risks.

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 CHIEF COMMISSIONER

The role of the Chief Commissioner in GGA's Risk Management is:

<b>Policy</b>	Ensure the development and implementation of a risk management policy for approval by the Board
<b>Risk Library</b>	Ensure the development of a risk library and rank all the risks on a risk register

<b>Ranking</b>	Provide direction on the development of the criteria to use in analysing and ranking the impact of identified risk areas
<b>Reporting</b>	Ensure the development a reporting mechanism for all 'critical' and emerging risks and ensure all staff understand and are able to respond to any of these critical areas
<b>Operational Policies</b>	Develop operational policies for dealing with and reporting identified risk situations and status changes
<b>Culture and Education</b>	Develop a culture of risk awareness – risks as innovation and strategic opportunity
<b>KPIs</b>	Ensure the development of KPI's to monitor effectiveness of proactive risk awareness and treatment
<b>Job Descriptions</b>	Redesign position descriptions to ensure inclusion of risk management as a cultural component and accountability
<b>Resources</b>	Review of appropriate resources to ensure a continuing importance and awareness of risk management (orientations, training etc)
<b>Review</b>	Review all of the above in the culture of changing and evolving organisational processes and exposures

### 2.3 RISK MANAGEMENT COMMITTEE

The role of the Risk Management Committee is to support and advise the Board on all matters pertaining to Risk Management.

The Committee is responsible for the process oversight, monitoring and evaluation within a communication accountability framework to the Board.

<b>Policy</b>	Develop, implement and monitor policy for GGA board Advise and consult GGA board on the Risk Management Framework and Policy and Procedure
<b>Reporting</b>	Ensure that the identification and evaluation of the key risks that may threaten GGA's achievement of its mission and goals, and that a register of these risks is maintained Report regularly to the GGA Board
<b>Communication</b>	Provide communication to the Board on all relevant information
<b>Operational</b>	Identify the strategy in place to manage the risks as appropriate including risk ownership and operational effectiveness Satisfy itself that other risks are being actively managed that may affect the business plans
<b>Resources</b>	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 MANAGERS OF GIRL GUIDES AUSTRALIA

All Managers of GGA are responsible for ensuring:

- the creation of a culture of risk awareness amongst staff and volunteers;
- that GGA's Risk Management Framework intent and processes are embedded into the culture of their operations;
- that GGA's Risk Management Framework and GGA Risk Management Policy, Procedure and Guidelines are understood

and effectively communicated to volunteers and staff;

- staff are trained on GGA's Risk Management Framework, GGA Risk Management Policy, Procedure and Guidelines
- volunteers and staff are consulted in respect of risk management issues
- all activities under their supervision are performed in accordance with the GGA Risk Management Policy, Procedure and Guidelines;
- Risk Controls and Treatments are effectively applied.

## 2.5 VOLUNTEERS AND STAFF

All volunteers and staff are responsible for:

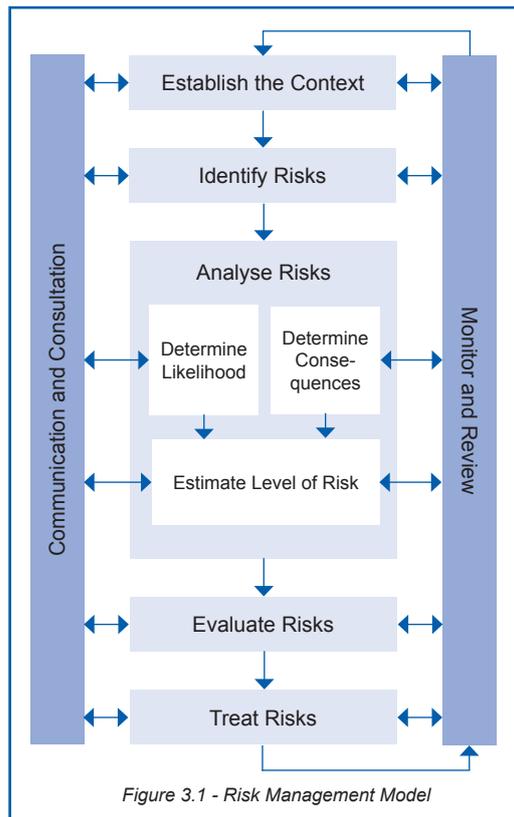
- actively supporting and contributing to Risk Management initiatives;
- obeying reasonable directions given by Patrol Leaders and Managers in relation to Risk Management,
- advising their Patrol Leader and Managers of any Risk issues that require attention; and
- acting at all times in accordance with the aim of Girl Guides Australia.

# PART THREE

## 3.0 RISK MANAGEMENT PROCEDURE

### 3.1 RISK MANAGEMENT MODEL

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



### 3.2 RISK ASSESSMENT

GGA adopts an integrated Risk Management approach such that Managers can identify risks at each level of management and report risks that cannot be managed to a management level that can. There is a need to integrate strategic and operational risk in the development of its overall action plan.

It is our policy to identify, and reduce or eliminate risks to its youth members, property, interests and employees, to minimise and contain the costs and consequences in the event of harmful or damaging incidents arising from those risks.

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.

#### 3.2.1 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?

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). The resultant context of the assessment does not in any way diminish the importance of individuals going about their daily tasks with an attitude of Risk Awareness. 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.

### 3.2.2 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:

When, where, why, how are the risks likely to occur, and who might be involved?

What is the source of each risk?

What are the consequences of the risk?

What existing controls exist and are the controls adequate to mitigate the risk given the likelihood and impact?

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 SGGO's and GGA Board as appropriate.

### 3.2.3 ANALYSE RISK

Analysing Risk is necessary to establish the probable Impact of the Risk on organisational objectives. This is the determination of existing controls and the analysis of risks in terms of the consequence and likelihood in the context of those controls. The analysis should consider the range of potential consequences and

how likely those consequences are to occur. Consequence and likelihood are combined to produce an estimated level of risk.

#### 3.2.3.1 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.

#### 3.2.3.2 Likelihood

Consider the frequency or probability of the Risk 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 3.2, Likelihood Rating Table, should be used to estimate the Likelihood of the event occurring.

**Table 3.2 – Likelihood Rating Table**

Likelihood	Description
<b>Almost Certain</b>	The event is expected to occur in most circumstances. (At least 5 times a year)
<b>Likely</b>	The event will probably occur in most circumstances. The event will probably occur in most circumstances. (Twice a year)
<b>Possible</b>	The event might (or could) occur at some time. (Once a year)
<b>Unlikely</b>	The event will probably not occur. (Once in five years)
<b>Rare</b>	The event may only occur in exceptional circumstances. (Hasn't happened yet)

### 3.2.3.3 Consequences

Consider what will happen if the event occurs.

Consequences should be determined from an organisational perspective. It is imperative that GGA is able to withstand and recover from any negative Impact that may result from its Risk exposure.

Table 3.3, Risk Consequence Table, should be used to estimate the probable Consequences of an event by selecting an appropriate Consequence level. (Refer to Appendix A, Consequence Practical Examples).

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 3.3 – Risk Consequence Table**

Consequence	Description
<b>Insignificant</b>	Low level <b>Impact</b> with negligible consequences on the aim or activity objectives that can be controlled by routine management procedures (no injuries, negligible financial <b>Loss</b> or disruption to non-essential infrastructure/data).
<b>Minor</b>	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 (minimal financial <b>Loss</b> , injuries requiring first aid only, minor political Impact or disruption to non-essential infrastructure/data).
<b>Moderate</b>	A significant/medium potential of affecting the achievement of GGA's aim or activity objectives (moderate financial <b>Loss</b> or political Impact, injuries requiring medical treatment only, medium term <b>Loss</b> of some essential infrastructure/data).

<b>Major</b>	A very high potential to impair the achievement of GGA's aim or activity objectives (major financial <b>Loss</b> or political <b>Impact</b> , significant occupational, health, safety and welfare incident/s, long term <b>Loss</b> of some critical infrastructure/ data).
<b>Catastrophic</b>	An extreme potential to threaten the sustainability of GGA's or its aims and activities (huge financial <b>Loss</b> or political <b>Impact</b> , very serious occupational health, safety and welfare incident/s, permanent <b>Loss</b> of critical infrastructure/ data).

### 3.2.3.4 Risk impact rating

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 using the Risk Analysis Matrix in table 3.4. (Refer to page 12)

### 3.2.3.5 Record the Risk on the Risk Register

The SGGO records all valid risks onto the Risk Register. The 'Risk Register' is the log and/ or database where all risks are registered and tracked through to closure. Risks are sorted by category, are assessed and rated and mitigation plans are recorded.

### 3.2.4 Evaluating 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 3.4 - Risk Analysis Matrix**

<b>LIKELIHOOD RATING</b> 	<b>CONSEQUENCES – what is the maximum reasonable consequence?</b>				
	<b>Insignificant</b> Minor temporary. Irritation, first aid. Reversible health effects	<b>Minor</b> Major temporary. Medical treatment required	<b>Moderate</b> Minor permanent. Loss of body part or function	<b>Major</b> Major permanent. Single fatality, life threatening.	<b>Catastrophic</b> Multiple fatalities. Long term chronic illness for many people.
<b>Almost Certain</b>	Moderate	High	Catastrophic	Catastrophic	Catastrophic
<b>Likely</b>	Moderate	High	High	Catastrophic	Catastrophic
<b>Possible</b>	Low	Moderate	High	Catastrophic	Catastrophic
<b>Unlikely</b>	Low	Low	Moderate	High	Catastrophic
<b>Rare</b>	Low	Low	Moderate	High	High

**Table 3.5 – Risk Priority Table**

Risk Priority	Action
<b>Catastrophic</b>	A Catastrophic Risk is one that must be dealt with immediately. SGGO and GGA Board’s normally monitor Catastrophic Risks.
<b>High</b>	A High Risk is one that should be dealt with after attending to Catastrophic Risks. Risk Management Representatives at SGGO level normally monitor High Risks.
<b>Moderate</b>	A Moderate Risk is one that can be dealt with by applying routine procedures and is normally dealt with by Region and/or District Leaders.
<b>Low</b>	A Low Risk <i>may</i> be accepted but should be monitored periodically by Region and/or District Leaders 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 Likelihood and Consequences 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.

### 3.3 RISK TREATMENT

3.3.1 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 option.

To implement 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.

#### 3.3.2 Treatment Options

The Treatment options are:

- avoid the Risk

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

- structured training programs
- supervision
- testing
- technical Controls.

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

### 3.3.2.1 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.

### 3.3.2.2 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

### 3.3.2.3 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
- public relations.

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

### 3.3.2.4 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.

### 3.3.2.5 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.

### 3.3.3 Assessing and Implementing Treatment Options

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.

## 3.4 MONITOR AND REVIEW

This is the oversight and review of the risk management system and any changes that might affect it. Monitoring and reviewing occurs concurrently throughout the risk management process.

The National Risk Management Committee will meet at least quarterly and will:

- Review existing identified risks and ratings
- Risk register inclusions to GGA Board
- Identify gaps in the risk identification process
- Review newly identified risks, the rating and the effectiveness
- Identify the key risk areas for GGA
- Allocate risk mitigating actions
- Monitor the progress of all risk mitigating actions assigned.
- Review risk identification form submissions and provide appropriate feedback
- Report quarterly to GGA Board
- Make recommendations to the GGA Board
- Review training provisions.

## 3.5 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.

The National Risk Management Committee State Representative will ensure that all Risk Forms are responded to in an appropriate timeframe with a completed assessment returned to the person who highlighted the risk and relevant Manager.

The National Risk Management Committee will report quarterly to the GGA Board 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 GGA Board through the National Risk Management Representative for that State for inclusion on the risk register.

# PART FOUR

## 4.0 GUIDELINES

### 4.1 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.

Part Four, 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.

#### 4.1.1 The Three Levels

GGA, like other large organisations, comprises three essential levels from which Risk Management can be approached. These are:

- Individual Members,
- Managers (of people and resources), 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 District Leader might consider the direct effect of a Risk manifesting to her District and also to the individuals in that District (Two Levels-Down). At the same time, the District Leader might also consider what effect, if any, it may have on the Region (One-Up). Similarly, a major State 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 organisation 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 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'.

#### 4.1.2 Referring Risk

If during the process of Risk Assessment (at any level) a Risk presents as catastrophic this Risk should be notified to the relevant SGGO immediately, either directly or through a Region Leader. If the Impact assessment of a Risk is classed as high and could have major ramifications for the organisation, the relevant SGGO should be notified during the planning phase. Notification should be made to GGA by SGGO.

Volunteers and staff 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.

Notifications to SGGO 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.

#### 4.1.3 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 adult GGA members have a responsibility for managing Risk. Accordingly, Risk Assessments and Action Plans may be developed at any level of the organisation.

Risk Assessments and Action Plans are required in the following circumstances,

irrespective of the perspective from which the Risk is being addressed:

- before commencing any event, youth activity or new business function,
- when a new Risk is identified in a current activity or function; or
- at the discretion of Managers for any event, activity or function which is perceived to present exposure to Risk.

#### 4.1.4 Assistance

Assistance in any Risk Management process is available through the volunteer structure of the organisation as well as through SGGO's.

#### 4.1.5 Risk Register

The data contained in the Risk Register incorporates the following categories:

- Core youth activities
- Strategic Planning
- Policy and Rules
- Financial Management
- Human Resources Management
- Child Protection
- Property/Asset Management
- Information Technology Management
- Risk Assessments.

This database is comprised of:

- GGA Policy and Procedures
- SGGO Policies and Procedures
- Individual Risk Assessments

this Register is maintained by the Risk Management Committee.

## 4.2 RESIDUAL RISK

### 4.2.1 Applying Standard Treatment Options

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

### 4.2.2 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 (Para 4.1.2).

### 4.2.3 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, the relevant SGGO must be advised. The SGGO must advise the GGA so that the Risk Register can be updated accordingly.

Attached as Appendix A is a chart entitled 'Consequence Practical Examples' which may assist in placing this policy into perspective. The Risk categories listed at Appendix A are presented as a guide only.

# APPENDIX

# APPENDIX A

## CONSEQUENCE PRACTICAL EXAMPLES

		MAJOR RISK CATEGORIES						
		Operations (Core Activities)	Property/ Asset Management	Financial	Human Resources	Occupational Health, Safety and Welfare	Corporate/ Strategic	Information Technology
CONSEQUENCE	Catastrophic	Major breakdown of GGA's ability to provide youth program.  Significant adverse occurrence permanently damaging the reputation of GGA.	Permanent loss of a major building or loss of a critical function within a critical building (for example uninsured huts and/or halls, camping and/or commercial properties).  Permanent loss of essential capital equipment.	Insufficient funding causing a significant failure in one or more core organisation services.  Decisions made without full consideration of financial implications e.g. slow moving retail stock  Permanent loss of income from major state/ national 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 Girl Guide Program.	Permanent loss of core business data, computing and/ or communication facilities.
	Major	Major incident with significant safety, financial or political ramifications.  Occurrence which significantly damages the reputation of GGA.	Temporary loss of a major building or permanent loss of a secondary building (Guide Hall or secondary camping premises).  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 AGP.	Partial loss of core business data, long duration disruption to computing and communication facilities.
	Moderate	An incident which results in considerable safety, financial or political damage to the Organisation.  Occurrence which damages the reputation of GGA.	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 which may have impact on the reputation of the Organisation 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 the Organisation.	May cause minor injury or illness.	Difficulty achieving the GGA 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 the Organisation.	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.





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