



Risk Management Plan

Sample Audit Template

Risk Management Plan

This template is a suggestion only. Your Club is responsible for ensuring its plan contains current information and is up to date at all times with any relevant Act, Regulation, Local Law or By-Law that may apply.

Undertaking a Risk Assessment and developing a Risk Management Plan are essential to good club management and must be completed as part of the Club Audit process.

Use the form on page 9 to:

- list all activities and processes that might present hazards
- list any hazards and risks caused by each activity
- rate the risk using the matrix below
- list the measure you'll put in place to minimise or eliminate the risk
- rate the risk again to show how the control improves the situation
- identify the person(s) responsible for putting the control in place
- nominate the dates when the control will be put in place.

Category	Budget / Cost	Individual Safety	Reputation / Social / Intangible	Environment - Direct	Cultural Heritage Compliance	
Severe (A):	Revenue loss or increased expense >100%	Incident as a result of negligence which results in a fatality or permanent serious injury OR Incident which results in multiple casualties, not caused by negligence.	Extended adverse coverage in the national media OR Long-term community harm.	Environmental damage or a release to the environment resulting in extensive, irreversible harm to species, habitat or ecosystem of high conservation value or special significance OR Environmental damage or a release to the environment resulting in long-term impairment to ecosystem function OR Greater than 5 years.	Complete or partial disturbance to one or more indigenous archaeological sites of high significance OR Complete loss of heritage value intrinsic to state or Commonwealth significant site.	Prolonged breaches of multiple Legal and Regulatory Obligations/Instructions OR Prosecution of greater than \$500k inevitable.

Category	Budget / Cost	Individual Safety	Reputation / Social / Intangible	Environment - Direct	Cultural Heritage Compliance	
Major (B):	Revenue loss or increased expense >80%	Incident which results in multiple permanent injuries or a single fatality, not caused by negligence OR Long term hospitalisation and recovery required.	Isolated adverse coverage in the national media OR Significant long-term community harm, industrial action during many months.	Environmental damage or a release to the environment resulting in extensive, long term but reversible harm to a segment of the environment OR Environmental damage or a release to the environment resulting in moderate harm to species, habitat or ecosystems of high conservation value or special significance OR Less than 5 years to recover.	Complete or partial disturbance to six or more indigenous archaeological sites of low-moderate significance OR Substantial reduction in heritage value intrinsic to state or Commonwealth significant site.	Multiple breaches of Legal and Regulatory Obligations/ Instructions. OR Prosecution of \$200k to \$500k inevitable OR Breach of Funding Agreements (State & Commonwealth).

<p>Moderate (C):</p>	<p>Revenue loss or increased expense >60%</p>	<p>Incident resulting in recoverable injuries</p> <p>OR</p> <p>Short term hospitalisation required.</p>	<p>Significant short-term community harm, short-term industrial action.</p>	<p>Environmental damage or a release to the environment resulting in localised, long term harm to a segment of the environment</p> <p>OR</p> <p>Environmental damage or a release to the environment resulting in short term, extensive harm that is immediately recoverable</p> <p>OR</p> <p>Less than 1 year recovery.</p>	<p>Complete or partial disturbance to between one and five indigenous archaeological sites of low to moderate significance</p> <p>OR</p> <p>Partial reduction in heritage value intrinsic to state or Commonwealth significant site.</p>	<p>Single breach of Legal or Regulatory Obligations/ Instructions</p> <p>OR</p> <p>Potential Prosecution.</p>
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<p>Minor (D):</p>	<p>Revenue loss or increased expense >40%</p>	<p>Incident resulting medical treatment OR Hospitalisation not required.</p>	<p>Minor transient OR Community harm, threats of industrial action.</p>	<p>Environmental damage or a release to the environment resulting in localised, reversible, short-term harm to a segment of the environment OR Environmental damage or a release to the environment resulting in minor effects contained onsite and recoverable OR Less than 1 month recovery.</p>	<p>Partial removal of one or more indigenous archaeological sites of low significance OR Detectable impact to state or Commonwealth significant site with heritage values remaining largely intact.</p>	<p>Partial breach of Legal or Regulatory Obligations/ Instructions OR No prosecution expected.</p>
<p>Insignificant (E): Negligible or non-substantive impact</p>	<p>Financial Revenue loss or increased expense <20%</p>	<p>Incident resulting in minor first aid injuries.</p>	<p>Incident without community harm, dialogue with industrial groups.</p>	<p>Negligible effect.</p>	<p>No measurable impact on indigenous or historical heritage sites.</p>	<p>No breach of Legal or Regulatory Obligations/ Instructions detected, however improvements to the manner in which compliance is attained can be made.</p>

Determine the Risk Likelihood Rating

The likelihood of a risk event taking place is assessed (ranging from 'Almost certain' (5) to 'Rare' (1) to assist in risk prioritisation. Where a risk is assessed as having the same rating and consequence, the likelihood will be the determining factor in prioritising risk treatment.

Individual risk events are assessed against the five likelihood categories in the below table and a likelihood score is assigned. This may be straightforward, but in many cases will require consideration of the likelihood of contributing events to the event under consideration.

Likelihood Table

Rating	General Description	Scale of Probability
Almost Certain (1)	Expected to occur in most circumstances The event has occurred, or is expected to occur once a year or more frequently	90%-99%
Likely (2)	The event would probably occur in most instances The event is expected to occur once per year	70%-89%
Possible (3)	The event could occur at some time The event may occur once every 5 years	30%-69%
Unlikely (4)	The event is not expected to occur The event could occur once every 5-10 years	10%-29%
Rare (5)	The event will occur in exceptional circumstances only Likely to occur with less frequency than once every 10 years or greater	1%-9%

Determine Initial Risk Rating or Update the Current Risk Rating

The risk rating (low, medium, significant and extreme) is derived from a combination of Maximum Consequence Severity and Likelihood rating.

Risk Rating = Maximum Consequence Severity x Likelihood

There are four possible risk ratings as defined by the risk matrix shown below:

Likelihood	Consequences				
	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Severe (5)
Almost Certain (5)	Low	Medium	Significant	Extreme	Extreme
Likely (4)	Low	Medium	Significant	Significant	Extreme
Possible (3)	Low	Medium	Medium	Significant	Significant
Unlikely (2)	Low	Low	Medium	Medium	Significant
Rare (1)	Low	Low	Low	Medium	Medium

Treating Risks

Where existing controls are not effective and the risk rating unacceptable or above the level of acceptance, additional treatment plans may have to be put in place to reduce the risk rating (through reduction of likelihood) to an acceptable level.

Select the appropriate risk treatment options

Risk treatment options can include:

- **Accepting the risk** – current risk rating level is acceptable and existing controls are effective. No further treatment action plans required, but contingency plans should be put in place to manage/fund the consequences of the risk should it occur. Ensure that current controls contain at least 1 Detective type control.

Reasons Why a Risk May Be Acceptable:

- The level of risk is so low that specific treatment is not necessary;
- The risk is such that there is no treatment available;
- The cost of treatment, including insurance costs, exceeds the benefit to such a degree that acceptance is the most cost effective option – applies particularly to lower level risks;

Reducing the likelihood - by preventative maintenance, audit & compliance programs, supervision, contract conditions, policies & procedures, testing, investment & portfolio management, training of staff, technical controls and quality assurance programs etc.

Avoiding the risk by deciding not to start or continue with the activity that gives rise to the risk;

Selecting the most appropriate risk treatment option involves a cost/benefit consideration.

RISK MANAGEMENT PLAN

Name of Club:		Date Completed:	
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Club Auditor Name:		Phone:	
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1	2	3	4	5	6	7	8	9	10
Activity/ process	Hazard / Risk	C (consequence)	L (likelihood)	Risk rating	Control	Risk rating after control in place	Control implemented by	Control to be in place by	Control actually in place
<i>Boating</i>	<i>Injury due to collision or mishandling of watercraft</i>	<i>A (Severe)</i>	<i>5 (Rare)</i>	<i>M (Med.)</i>	<i>All boat operators to be fully licensed as required</i>	<i>Medium</i>	<i>Watercraft owners</i>	<i>Continuous</i>	
<i>Swimming</i>	<i>Drowning</i>	<i>A (Severe)</i>	<i>5 (Rare)</i>	<i>M (Med.)</i>	<i>Parental supervision of non-swimmers</i>	<i>Medium</i>	<i>Parents</i>	<i>Continuous</i>	
<i>BBQ Fires</i>	<i>Burn</i>	<i>C (Moderate)</i>	<i>3 (Possible)</i>	<i>M (Med.)</i>	<i>Parental supervision of children</i>	<i>Low</i>	<i>Parents</i>	<i>Continuous</i>	
<i>Vehicle Traffic</i>	<i>Accident involving pedestrian</i>	<i>C (Moderate)</i>	<i>3 (Possible)</i>	<i>M (Med.)</i>	<i>Vehicles on site be restricted to 5 km per hour</i>	<i>Low</i>	<i>Vehicle Drivers licenced</i>	<i>Continuous</i>	
<i>Electricity supply</i>	<i>Electrocution</i>	<i>A (Severe)</i>	<i>5 (Rare)</i>	<i>M (Med.)</i>	<i>RCDs checked annually</i>	<i>Low</i>	<i>Committee</i>	<i>Continuous</i>	
<i>Dangerous goods</i>	<i>Poisoning</i>	<i>C (Moderate)</i>	<i>5 (Rare)</i>	<i>L (Low)</i>	<i>MSDS kept on site. Only low risk goods kept on site</i>	<i>Low</i>	<i>Committee</i>	<i>Continuous</i>	
<i>Trees and vegetation</i>	<i>Falling branches or trees hitting person or property</i>	<i>B (Major)</i>	<i>3 (Possible)</i>	<i>S (Sig.)</i>	<i>Implementing recommendations of arborists reports</i>	<i>Low</i>	<i>Committee</i>	<i>Continuous</i>	
<i>Snakes</i>	<i>Snake bite</i>	<i>B (Major)</i>	<i>5 (Rare)</i>	<i>L (Low)</i>	<i>Keep undergrowth back from footpaths. Removing branch litter from foreshore</i>	<i>Low</i>	<i>All members</i>	<i>Continuous</i>	
<i>Bush Fire</i>	<i>Smoke inhalation and Burns, death</i>	<i>A (Severe)</i>	<i>3 (Possible)</i>	<i>S (Sig.)</i>	<i>Follow the Fire Management Plan</i>	<i>Low</i>	<i>All members</i>	<i>Continuous</i>	
<i>Alone Onsite</i>	<i>Self inflicted injury</i>	<i>C (Moderate)</i>	<i>3 (Possible)</i>	<i>S (Sig.)</i>	<i>Carry Mobile phone for emergency calls</i>	<i>Low</i>	<i>All members</i>	<i>Continuous</i>	
<i>Bicycle and scooter riding</i>	<i>Falling on ground or hitting pedestrian</i>	<i>D (Minor)</i>	<i>3 (Possible)</i>	<i>M (Med.)</i>	<i>Riding of bikes limited to tracks at slow speed</i>	<i>Low</i>	<i>All members</i>	<i>Continuous</i>	
<i>Walking</i>	<i>Trips and Falls</i>	<i>D (Minor)</i>	<i>3 (Possible)</i>	<i>M (Med.)</i>	<i>Keep walking paths free of sticks and tripping hazards</i>	<i>Low</i>	<i>All members</i>	<i>Continuous</i>	