

1 Purpose and Scope

1.1 Purpose

This policy details an approach for a coordinated and consistent approach to managing risk at the Hyden Community Resource Centre

1.2 Scope

The Hyden Community Resource Centre recognizes that risk is an inevitable part of the Centre's strategic and operational activities. The management committee actively strives to identify and address potential risks, to protect its staff, volunteers, assets and funding, and to maximize the center's opportunity to achieve its objectives. The Hyden Community Resource Centre will adopt a consistent risk management approach to allow for risk management to be understood and to ensure risks are identified across the centre.

Proactive risk management is an important part of Hyden Community Resource Centre approach to upholding its accountability to its members.

2 Related Documents

The following documents either contain references to this policy or are referred to in it:

- Continuous Improvement Policy
- Occupational and Health and Safety Policy
- Computer Systems Policy

3 Relevant Legislation

Hyden Community Resource Centre Constitution

Associations Incorporation Act 2015

Occupational Safety and Health Act 1984

Workers' Compensation and Injury Management Act 1981

Disability Discrimination Act 1992

Equal Opportunity Act 1984

Fair Work Act 2009

Privacy Act 1988

Financial Management Act 2006

Australian Charities and Not-for-profits Commission Act 2012

4 Definitions

Continuous Improvement	the practice of constantly seeking to improve the quality of process or service in the belief that performance can always be improved.
Management committee	the group of people, called management committee members, who are responsible for the management of the affairs of the centre.

5 Policy

5.1 Creating a Culture of Risk Management

- The management committee is committed to developing and fostering a culture of continuous improvement as part of the centre's management of risk.
- The Hyden Community Resource Centre committee will allocate sufficient resources to develop and implement a risk management plan, and monitor its effectiveness.
- The committee adopts a sensible approach to risk management; one that allows for any substantial risks to be identified.
- When the assessment of such a risk occurring demand that the centre avoids, minimises or accepts the risk, the committee will do so in a timely manner.

5.2 Risk Management Approach

- The Hyden Community Resource Centre will adopt the following approach to risk management:
 - The centre will ensure all committee members, staff and volunteers are educated, consulted and communicated with about risk management;
 - The committee and the coordinator / manager will promote ongoing risk communication in regular activities e.g. committee and staff meetings;
 - The committee will work with the coordinator / manager, staff and volunteers to identify and list the risks that are currently present or may occur in the future;
 - The centre will analyse and prioritise risks according to the likelihood of the risk occurring and the potential effects;
 - The manager will plan how the centre will respond to each threat, by identifying an appropriate risk response, to help the centre achieve its intended goals.
 - The response includes risk avoidance, risk minimisation and risk acceptance;
 - A risk owner/s will be assigned to each risk identified for monitoring the risk and carrying out necessary actions to decrease any threats; and
 - The centre will set internal controls, including a register of risks, to keep track of, and communicate the risks currently posed to the centre.

5.3 Monitoring and Reporting of Risks

- The Hyden Community Resource Centre will adopt the following internal controls to manage risks:
 - A register of risks will be maintained that details identified risks, an assessment of its likelihood and consequences, and strategies to manage the risk;
 - The register of risks will be reviewed on an annual basis;
 - The centre will continue to identify any new risks and management strategies; and
 - Regular reports will be provided to the committee.

6 Procedures

6.1 Monitoring and Reporting of Risks

6.1.1 Risk Communication

- The manager will encourage risk communication throughout the centre's operations on a daily basis.
- In identifying risks, the coordinator / manager will include information sources such as:

Risk Management Policy

- o Ongoing feedback, including complaints, received from users, members, staff, volunteers, partners and the community in developing the service;
- o Input from regular meetings, such as committee meetings and staff meetings;
- o Hazard Identification Report Form and Incident Report Form;
- o Requests for maintenance;
- o Policies and procedures reviews; and
- o Knowledge and experience of the committee, staff and volunteers on service delivery and procedures.

6.1.2 Risk Management Approach

The manager will manage the risk management approach as detailed in the policy.

6.1.3 Register of Risks

- The manager will oversee the register of risks for the Hyden Community Resource Centre.
- The register of risks includes:
 - o Risks identified to the centre, to staff and volunteers, and to users and members;
 - o Date risk was identified;
 - o Document the risk rating according to its likelihood of occurrence and consequences;
 - o Identify strategies to reduce each risk i.e. to avoid, minimise or accept;
 - o Time frames for activities;
 - o List the risk owner/s assigned to each risk;
 - o Date the risk and strategies were reviewed to identify improvements; and
 - o Any new strategies identified to control or reduce the risk, or in response to any changes.

6.1.4 Reporting of Risks

- Any risk assessed as 'extreme' (i.e. where likelihood is almost certain or likely; and consequences are major or catastrophic) must be raised to the committee for immediate attention.
- The manager will review the register of risks each year when the operational plan is reviewed.

All relevant staff and volunteers directly involved in the risk management procedures will be asked to assist in the review.
- The manager will report against the register of risks to the committee.
- The manager, with the assistance of staff and volunteers, will conduct continuous improvement strategies and activities to ensure the Hyden Community Resource Centre complies with legal and contractual requirements.

Any non-compliance or improvements will be reported as per the Continuous Improvement Policy.

6.2 Responsibilities

The management committee is ultimately responsible for ensuring that the Hyden Community Resource Centre has adequate risk management procedures in place. This

Risk Management Policy

includes allocating adequate budget and resources to implement strategies to reduce and manage risk.

The committee delegates the responsibility for the implementation of risk management procedures on a day-to-day basis, and for ensuring that all staff and volunteers are aware of and adhere to the procedures.

All staff and volunteers are responsible for maintaining an awareness of risk in their allocated duties and for ensuring that they follow the procedures above to manage any identified risk.

7 Document History

Document name:			
Version number	Version date	Approved by	Description of changes
1.0	Date	Management Committee	Adopted

8 Approval

Name	
Position	
Signature	
Date	

10 Appendix – Example Risk Matrix

Risk Management Template

Risk type	Likelihood	Consequences	Overall rating
Asset failure	2	2	Low
Commercial/strategic	1	1	Low
Natural Events	2	3	Medium
People – difficult or aggressive users	2	1	Low
Political Circumstances	3	3	High
Public health/safety	1	2	Low
Regulatory requirements	2	2	Low
Security	2	1	Low
Closure of a support service	3	2	Medium
Technologic	2	2	Low
Other	1	1	Low

Legend

Risk types
Asset failure
Commercial/strategic, financial, or legal mismanagement
Natural events – a storm damages the building
People – difficult or aggressive users
Political circumstances such as changes in government policy
Public health/safety
Regulatory requirements
Reputation of the organisation
Security
Closure of a support service
Technological
Other

Likelihood		
Level	Descriptor	Example detail description

Risk Management Policy

1	Rare	May occur only in exceptional circumstances
2	Unlikely	Could occur at some time
3	Possible	Might occur at some time
4	Likely	Will probably occur in most circumstances
5	Almost certain	Is expected to occur in most circumstances

Consequence		
Level	Descriptor	Example detail description
1	Insignificant	No injuries; low financial loss
2	Minor	First aid treatment; on-site release immediately contained; medium financial loss
3	Moderate	Medical treatment required; on-site release contained with outside assistance; high financial loss
4	Major	Extensive injuries; loss of production capability; off-site release with no detrimental effects; major financial loss
5	Catastrophic	Death; toxic release off-site with detrimental effect; huge financial loss

Overall rating					
Likelihood	Consequences				
	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic
1 (Rare)	Low	Low	Medium	High	High
2 (Unlikely)	Low	Low	Medium	High	Extreme
3 (Moderate)	Low	Medium	High	Extreme	Extreme
4 (Likely)	Medium	High	High	Extreme	Extreme
5 (Almost certain)	High	High	Extreme	Extreme	Extreme