BORDER COLLIE CLUB

OF SOUTH AUSTRALIA

RISK MANAGEMENT POLICY

(Adopted 20/12/2020)

RISK MANAGEMENT POLICY

The main identified sections are as follows:
(a) Risk is now defined in terms of the effect of uncertainty on objectives.
(b) The principles that organisations must follow to achieve effective risk management have now been made explicit.
(c) There is much greater emphasis and guidance on how risk management should be implemented and integrated into organizations through the creation and continuous improvement of a framework.
(d) An informative Annex describes the attributes of enhanced risk management and recognizes that while all organizations manage risk in some way and to some extent this may not always be optimal.
This Standard is identical with, and has been reproduced from ISO 31000:2009, Risk management—Principles and guidelines.

When implemented and maintained in accordance with this Standard, the management of risk
enables all organizations to, for example—
(a) increase the likelihood of achieving objectives;
(b) encourage proactive management;
(c) be aware of the need to identify and treat risk throughout the organization;
(d) improve the identification of opportunities and threats;
(e) achieve compatible risk management practices between organisations and nations;
(f) comply with relevant legal and regulatory requirements and international norms;
(g) improve financial reporting;
(h) improve governance;
(i) improve stakeholder confidence and trust;
(j) establish a reliable basis for decision making and planning;
(k) improve controls;
(l) effectively allocate and use resources for risk treatment;
(m) improve operational effectiveness and efficiency;
(n) enhance health and safety performance as well as environmental protection;
(o) improve loss prevention and incident management;
(p) minimize losses;
(q) improve organizational learning; and
(r) improve organizational resilience.

This Standard is intended to meet the needs of a wide range of stakeholders including—
(i) those accountable for achieving objectives and therefore ensuring that risk is effectively managed within the organization as a whole or within a specific area, project or activity;
(ii) those responsible for developing risk management policy within their organization;
(iii) those who need to evaluate an organization effectiveness in managing risk; and
(iv) developers of standards, guides, procedures, and codes of practice that in whole or in part
set out how risk is to be managed within the specific context of these documents.

1.1 Risk Management Fundamentals

The risk management system for BCCSA is based upon Australian Standard AS/NZS ISO 31000:2009. This standard provides a framework within which risks and hazards experienced by BCCSA members can be reduced or eliminated.

AS/NZS ISO 31000:2009 defines "risk" as "**the chance of something happening that will have an impact upon objectives. It is measured in terms of consequences and likelihood.**"

The concept of risk has three elements:

- the perception that something will happen;
- the likelihood of something happening;
- the consequences of it happening.

AS/NZS ISO 31000:2009 defines "hazard" as "**a source of potential harm**." Hazard management is often discussed as part of the BCCSA Occupational Health Safety and Welfare obligations. Hazard management is an element of risk management that focuses on risks to personal safety. Risk management focuses on the affects on organisational objectives and many risks relate to program integrity rather than personal safety. Risk management is broader than hazard management.

AS/NZS ISO 31000:2009 defines risk management as "**the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects**" and the risk management process as the "**the systematic application of management policies, procedures and practices to the tasks of identifying, analysing, evaluating, treating and monitoring risk.**"

1.2 The Risk Management Process

Whilst there are variations in systems, AS/NZS ISO 31000:2009 provides a seven element process for risk management that is logical and easy to apply to everyday and special BCCSA activities/events. The seven (7) elements in the risk management process are:

Step 1 – **communicate and consult**

This element applies across all stages. It is critical that all stakeholders are included in the risk identification, analysis and treatment processes. Risk management is an activity consideration and should not be an individual's sole responsibility.

Step 2 – **establish the context**

Risk management should reflect the size and scope of the event, the outside and internal influences and the stated objectives of the activity. Identical activities conducted in winter and summer, for example, have significantly different risk/hazard issues that need to be addressed. Again, this element applies across all of the processes of risk assessment. Changes in the 'context' may require a re-think of control strategies.

Step 3 – **identify risks (risk assessment)**

This is the first step of three in the 'risk assessment' process. Identifying risks relates to the where, when how and why of the risks. Identify all the risks irrespective of the likelihood or consequences of those risks. Do not limit your attention to obvious risks. Do not limit your examination to those risks that are easily controlled.

Step 4 – **analyse risks (risk assessment)**

Critically examine each risk and assess the likelihood of the risk being realised and the consequences of it happening. Examining the full range of potential consequences will provide insight into appropriate controls.

Step 5 – **evaluate risks (risk assessment)**

Using the analysis, determine their priority for treatment and the scope of treatments required. It is at this point that hard decisions might be made regarding the viability of an initiative, i.e. the risks outweighing the benefits. Use of the Qualitative Analysis Matrix tool will simplify this process (see later in this policy document).

Step 6 – **treat risks**

Put in place controls to reduce or remove the likelihood and/or lessen the consequences. Treatments can focus on reducing/controlling the environmental issues creating the risk, the actual plant or equipment creating the risk and/or lessening or eliminating the negative consequences for the person/s at risk.

Step 7 – **monitor and review**

The circumstances giving rise to a risk can change. Risks can reduce as a result of outside influences which may allow the removal or variation of controls. Conversely, risks may increase in likelihood and/or consequences requiring the placement of controls not previously required. The placement of controls does not end the risk management process.

1.3 Risk Assessment

Risk assessment is applied common sense – it is problem solving for risks. As with any problem solving method, not taking the time to properly assess a situation before embarking on a course of action can result in ineffective controls or even worsening of a risk or hazard.

There are three elements of the risk management process which constitute the 'risk assessment' process. Identifying risks is the first of these elements. When identifying the risks associated with BCCSA and its activities, it is important to think beyond the obvious. The following are just some considerations:

Everyday BCCSA activities – event hosting, conducting activities and even operating a BBQ all contain obvious risks to safety but don't overlook the risks associated with just conducting a meeting or in the simple administration of an Executive Committee.

Fundraising events – even operating a simple display stand at a street fair has its own set of associated risks. Any food preparation standards are also legislated controls which might reduce the likelihood of food poisoning, but in itself increases the risk of prosecution if the standards are not met.

Risks associated with membership – It is important for BCCSA members, when applying the risk management processes not to ignore the far-fetched, but also not to over-react to the unlikely.

Once identified, risks are assessed to gauge the likelihood of their occurrence and the consequences arising from their occurrence. Plotting each risk using the Qualitative Analysis Matrix will provide a priority rating for treatment. This assessment can be used to justify a chosen course of treatment for an identified risk.

The Qualitative Analysis Matrix provides a standard for rating both the likelihood and consequences of an identified risk and then rating the risks in order of priority.

The matrix is based on a rating system for likelihood and consequences. You must subjectively assess each risk using the table below. Subjective assessments are most accurate when a proper analysis of the risk has occurred and all the surrounding facts are known.

Assessment Table:

Likelihood Assessment			Consequences Assessment		
Level	**Descriptor**	**Detail**	**Level**	**Descriptor**	**Detail**
A	Almost certain	Is expected to happen in most circumstances	**1**	Negligible	No injuries, low financial cost
B	Likely	Will probably occur in most circumstances	**2**	Minor	First aid treatment, on-site release contained, medium financial cost
C	Possible	Might occur at some time	**3**	Moderate	Medical treatment required, on-site release contained with outside assistance, high financial loss
D	Unlikely	Could occur at some time	**4**	Major	Extensive injuries, loss of production capability, off-site release with no detrimental effects, major financial loss
E	Rare	May occur only in exceptional circumstances	**5**	Severe	Death, toxic release off site with detrimental effect, huge financial loss

Once the likelihood and consequences ratings are decided, plotting the results on the Qualitative Analysis Matrix table will provide the assessment rating for the risk. The matrix below has been developed specifically for BCCSA activities.

Qualitative Analysis Table

LIKELIHOOD ↓	CONSEQUENCES				
	1 NEGLIGIBLE	2 MINOR	3 MODERATE	4 MAJOR	5 SEVERE
A ALMOST CERTAIN	HIGH	HIGH	EXTREME	EXTREME	EXTREME
B LIKELY	MODERATE	HIGH	HIGH	EXTREME	EXTREME
C POSSIBLE	LOW	MODERATE	HIGH	EXTREME	EXTREME
D UNLIKELY	LOW	LOW	MODERATE	HIGH	EXTREME
E RARE	LOW	LOW	MODERATE	HIGH	HIGH

Any risks rated as **Extreme** must be dealt with immediately and the continuance of the activity should be suspended until the risk is re-rated to a lower level. Action plans need to be developed to monitor the ongoing treatment of these risks. Risks of this scale must be reported to the BCCSA Executive Committee who may in turn consult with Dogs SA, ANKC or similar body.

High risk should be dealt with after dealing with Extreme risks. Again ongoing action plans are required to monitor the risks. Risks at this level must be reported to the Executive Committee and serious consideration should be made not to continue with the activity until the risks are mitigated.

Moderate risks can be controlled by applying routine procedures. Whilst these risks should be monitored through ongoing action plans, there is no need to report outside of the area/program dealing with the risk.

A **Low** risk may be accepted but should be monitored periodically to ensure the rating does not change. Acceptance of a risk does not mean the risk is insignificant.

It is important that, once controls are in place, risks are re-assessed and re-prioritised. Action plans must include a re-assessment of the risk to an acceptable/manageable level (see later in this policy). Those risks still rated Extreme and High after controls are put in place will require further treatment before the activity can be accepted.

1.4 Treatment of Risks

There are five (5) accepted 'treatments' or courses of action used to control risks. These are:

Avoiding the risk

This may mean physically avoiding a hazard that gives rise to the risk (e.g. barriers) but may also mean abandoning an activity.

Reducing the likelihood

This includes any action to reduce the occurrence of the risk. Using traffic cones to warn motorists of the presence of a person, or training members in the proper use of equipment are examples of treatments that reduce the likelihood of a risk.

Reducing the consequences

This treatment includes actions to reduce injury or other losses. The wearing of protective clothing and the purchase of theft insurance are examples of controls to reduce the consequences of a risk.

Transferring the risk

Sometimes the treatment of a risk is not your responsibility. For example, exposed electrical wiring in a hired hall is a hazard that the owner of the premises should rectify. Transferring the risk does not remove the risk. If the responsible person does not control the risk you must take alternative action to reduce your risks e.g. do not use those premises until the wiring is fixed.

Accepting the risk

For the reasons cited below, sometimes risks can be accepted. Acceptance of a risk does not mean the risk does not exist. Accepted risks must be monitored to ensure they do not become more serious.

1.5 Acceptance of Risks

Risks may be accepted without the need for controls if:

- the level of risk is low – the risk is unlikely and the consequences are negligible; and
- no treatment is available – there is nothing you can do about the risk, it is out of your control; or
- the cost of treating the risk is too high compared with the benefits of doing so; or
- the opportunities of completing the activity/task outweigh the consequences.

It must be stressed that **only** risks rated as **LOW** can be accepted without controls.

1.6 BCCSA Risk Management System

All member/volunteers must identify the inherent risks associated with their activities and their group's activities. Risk assessments should be included as an integral part of the planning

of future BCCSA activities, events and functions. The risk management process must be applied before the event occurs and not when examining 'what went wrong' after the event.

There are numerous reasons why risk management is becoming increasingly important for BCCSA and the BCCSA programs including our obligations to provide safe activities and events, to help us to achieve the BCCSA objectives and because it is incumbent upon us to reduce our risks if we wish to remain protected under the current insurance agreement.

Insurance is there to protect us against the unexpected event and does not remove the obligation to act safely. Even if, with the benefit of hindsight, it was shown that an initial risk analysis was flawed, it is better to have assessed the risks and done something about it them to have buried your head in the sand!

The BCCSA Risk Management System is designed around two functions: the identification of risks and the assessment and treatments of those identified risks. Two BCCSA program specific forms have been developed to support those processes and provide an ongoing record of risk management activities and as such the following procedures apply:

A Risk Identification Form must be completed for each activity undertaken by the club/and or individual. The form requires an outline of the activity and a list of the identified hazards

A Risk Assessment and Action Plan must be completed for **each** of the risks/hazards identified on the Risk Identification Form; this form includes the Risk Assessment Matrix described previously

Risks must be addressed in priority order as required by the matrix.

The Risk Assessment and Action Plan must include:

- an outline/list of the controls proposed or implemented to treat the risk;
- the category of risk treatments applied;
- a re-assessment of the risk with the control/s considered;
- the Risk Identification Form and all associated Risks Assessment and Action Plans shall be kept by the Secretary as a record of the risk management process and for future risk monitoring purposes;
- a copy of all forms shall be sent to the Executive Committee.

NOTE: it is important that all identified risks be addressed on a Risk Assessment form – even if the course of action is to accept the risk without treatment. This form is the record of the risk assessment processes and may be required if claims are made for loss or injury whilst undertaking BCCSA activities or attending a BCCSA function.