



Policy #3

# Risk Management Framework

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# Table of Contents

|   |          |
|---|----------|
| <b>PURPOSE</b> .....                                  | <b>3</b> |
| <b>SCOPE</b> .....                                    | <b>3</b> |
| <b>OBJECTIVES</b> .....                               | <b>3</b> |
| <b>RESPONSIBILITY</b> .....                           | <b>3</b> |
| <b>RISK MANAGEMENT COMMITTEE</b> .....                | <b>3</b> |
| <b>RISK MANAGEMENT METHODOLOGY</b> .....              | <b>4</b> |
| Risk Classification Schedule and Residual Risks ..... | 4        |
| Step 1    Establish likelihood level – Table 1 .....  | 4        |
| Step 2    Establish consequence level – Table 2 ..... | 4        |
| Step 3    Establish Risk Rating – Table 3 .....       | 5        |
| Risk Threshold.....                                   | 6        |
| Risk Register .....                                   | 6        |
| <b>FRAMEWORK REVIEW</b> .....                         | <b>6</b> |

## **Purpose**

This framework provides for the elimination or control of all risks associated with Little Athletics Tasmania activities.

## **Scope**

The successful implementation of this framework requires a consistent and systematic approach to risk management at all levels of Little Athletics Tasmania's activities, from the Board through to each Centre and Club. In order to manage risks in accordance with best practice, Little Athletics Tasmania will comply with the requirements of AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines as well as established safety, financial management and human resources policies and procedures.

## **Objectives**

The objectives of this framework are:

- Identify, report and analyse the liabilities associated with its range of risks
- Encourage the ongoing identification and reporting of potential risks
- Determine the magnitude of risks
- Develop and maintain a risk register
- Develop, prioritise and implement ongoing plans and strategies to address risks
- Promote and support risk management practices throughout Little Athletics Tasmania's operations
- Gain widespread Centre and Club support for risk management undertakings
- Educate volunteers about good risk management practices
- Minimise the impacts of insurance claims and premiums
- Protect Little Athletics Tasmania's image as one of Tasmania's top sporting options for families, providing a safe, satisfying, and enjoyable experience for everyone associated with Little Athletics in Tasmania.

## **Responsibility**

The Little Athletics Tasmania Board is ultimately accountable for this policy and will delegate risk and compliance management responsibility to suitable personnel.

## **Risk Management Committee**

Little Athletics Tasmania will establish a Risk Management Committee, comprising the following personnel:

- President;
- Finance Director;
- Technical Director; and
- Up to two invited individuals possessing suitable risk management expertise

This Committee will meet at least twice a year to undertake a comprehensive risk management review of Little Athletics Tasmania's activities and specifically the Risk Register.

LATas affiliated Centres will be encouraged to establish their own Risk Management Committees, the purpose of which is to manage risks at a Centre level inclusive of overseeing the implementation of the LATas Risk Register.

## Risk Management Methodology

Little Athletics Tasmania will adopt the methodology embodied within AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines, which is:

- Establish context
- Identify risks – hazards and opportunities
- Analyse risks – likelihood and consequence
- Evaluate risks – ranked and prioritised
- Treat risks – identify controls and action plans as required
- Monitor risks, controls and action plans

## Risk Classification Schedule and Residual Risks

Little Athletics Tasmania will utilise the following risk classification schedule for all risk assessment activities.

### *Step 1 Establish likelihood level – Table 1*

| Level | Descriptor     | Detail Description                          |
|-------|----------------|---|
| A     | Almost Certain | Is expected to occur in most circumstances  |
| B     | Likely         | Will occur in most circumstances            |
| C     | Possible       | Might occur at some time                    |
| D     | Unlikely       | Could occur at some time                    |
| E     | Rare           | May occur only in exceptional circumstances |

### *Step 2 Establish consequence level – Table 2*

| Level | Descriptor    | Detail Description   |
|-------|---------------|--|
| 1     | Insignificant | No injuries, low financial loss (less than \$100)                                    |
| 2     | Minor         | First aid treatment, medium financial loss (\$100 to \$500)                          |
| 3     | Moderate      | Medical treatment required, high financial loss (\$500 to \$1000)                    |
| 4     | Major         | Extensive injuries, loss of activity capability, major financial loss (\$1k to \$5k) |
| 5     | Catastrophic  | Death, huge financial loss (over \$5k)   |

Once the likelihood letters are identified as per Table 1 and consequence numbers are selected from Table 2 a single Risk Rating can be selected from Table 3 (below) by cross multiplying Tables 1 & 2.

**Step 3 Establish Risk Rating – Table 3**

| Likelihood  | Consequences       |            |               |            |                   |
|---|--------------------|------------|---------------|------------|-------------------|
|   | Insignificant<br>1 | Minor<br>2 | Moderate<br>3 | Major<br>4 | Catastrophic<br>5 |
| A (Almost Certain)  | H                  | H          | E             | E          | E                 |
| B (Likely)  | M                  | H          | H             | E          | E                 |
| C (Possible)  | L                  | M          | H             | E          | E                 |
| D (Unlikely)  | L                  | L          | M             | H          | E                 |
| E (Rare)  | L                  | L          | M             | H          | H                 |
| <b>Legend:</b>  |                    |            |               |            |                   |
| E Extreme risk; immediate attention required                        |                    |            |               |            |                   |
| H High risk; Risk Management Committee attention required           |                    |            |               |            |                   |
| M Moderate risk; Centre Management responsibility must be specified |                    |            |               |            |                   |
| L Low risk; manage by routine procedure                             |                    |            |               |            |                   |

EXAMPLE: Likelihood is B and Consequence 2. Risk rating = HIGH

**Hazard Elimination or Control**

Hazard control involves limiting the exposure of a person’s top risks or hazards.

The control measures are considered in the order of providing the greatest effect.

The following is the recommended order:

**ELIMINATION**

**SUBSTITUTION**

**ISOLATION**

**SAFE WORK PRACTICES**

**ENGINEERING CONTROLS**

**PERSONAL PROTECTIVE EQUIPMENT**

Little Athletics Tasmania will respond to all residual risks, which involves identifying the options available to treat risks, assessing options and implementing treatment plans. The appropriate level of response to a risk will be based on a number of factors, including resources (human and financial), worst case scenario, versus practical likelihood and return on investment.

Residual risks with an Extreme, High or Moderate Ranking must be escalated to the President for further evaluation. These may be treated in a number of ways:

- Accept the risk – this should be an informed decision made after careful consideration of the likelihood and consequence of the risk. It should also be made in light of the Risk Threshold set by the Risk Management Committee
- Avoid the risk – all reasonable steps should be taken to avoid a risk, such as ceasing an activity
- Share/Transfer the risk – involving another party to spread the risk may be beneficial to allow continued participation in an opportunity presented by that risk
- Treat the risk – implement further control measures and encourage the risk to be reviewed appropriately

Risks identified as having positive outcomes may be treated in a number of ways:

- Seek out the opportunity
- Change likelihood – an opportunity is more likely to present itself or be realised where the likelihood of the event occurring is realised
- Change consequence – all steps should be taken to increase an existing opportunity by way of synergies, increased resources or greater focus
- Sharing the opportunity – potential barriers to exploiting an opportunity may be removed by the involvement of another party to provide additional resources or capabilities
- Retaining the capability – no action being taken, satisfied that the opportunity is being appropriately exploited or put to benefit for Little Athletics Tasmania

### **Risk Threshold**

Little Athletics Tasmania Risk Threshold refers to its ability to absorb risks associated with its activities. The Risk Threshold is linked to the residual risk rating, where the level of exposure is balanced against the potential opportunity.

It is the responsibility of the Risk Management Committee, to set and document the Risk Threshold on an annual basis. The Risk Management Committee delegates to Centre management the ability to conduct activities within the Risk Threshold. An acceptable Risk Threshold for Little Athletics Tasmania will be determined by the Risk Management Committee with respect to each risk.

Risk Threshold – Season 2017/2018 = Moderate

### **Risk Register**

Little Athletics Tasmania will maintain a Risk Register for all Board of Management and volunteers to access and utilise. The current Register will be reviewed by the Risk Management Committee twice a year.

Additionally the Risk Register will be circulated to all Centres prior to Conference to facilitate a review, by Centre Delegates, at Conference.

Centres are encouraged to utilise the LATas Risk Register as well as adding in their own Centre specific risks and control measures. Assistance with this is available from the LATas Technical Director.

### **Framework Review**

This policy will be reviewed on an annual basis.