

<b>Policy Name</b>	<b>Risk Management Policy &amp; Procedure</b>
<b>Related Policies and Legislation</b>	AISWA Guidelines – Risk Management
<b>Policy Category</b>	Planning & Management
<b>Relevant Audience</b>	All Treetops Community
<b>Date of Issue / Last Revision</b>	28 July 2011 12 May 2016 27 October 2016
<b>Date Set for Review</b>	May 2021
<b>Person/s Responsible for Review</b>	Principal, Treetops Administration

## Risk Management Policy and Procedure

### Purpose

Treetops Montessori School accepts that there are areas of operation where risk management is required. These areas are broadly divided into *Assets and the Physical Environment* and *People and Actions*. Within each of these areas there are legal impacts and implications for education and business continuity, management and financial security and the school's reputation. The school's policies cover procedures and philosophies for the specifics within most of these areas, e.g. Evacuation Policy, First Aid Policy, Medical Policies, Terrorist and Bomb Threat Policy, Anti-Discrimination Policy, Staff Recruitment Policy.

The school has a Risk Management Plan which it uses to assess areas of risk on a periodic basis. Appropriate risk management strategies are devised as required and with advice from specialists in particular areas.

### OBJECTIVES

Treetops Montessori School recognises that the school is exposed to risks due to the nature of our activities and the environment in which we operate. Risks arise due to the school's operational undertakings and from external sources. Risks occur in numerous ways and have the potential to impact the financial performance, reputation, health and safety, community and the overall ability to the school to deliver sound educational outcomes.

Sound understanding and proactive management of risk is vital to delivering on our strategic objectives and to ensure our success and ongoing sustainability.

The objective of our risk management system is to provide a consistent process for the recognition and management of risk across the school at both strategic and operational levels. The success of our risk management system lies in the responsibility placed on everyone at all levels to proactively identify, manage, review and report on risks relating to their specific areas of responsibility/control.

## **POLICY STATEMENT**

In order to fully understand our risk exposure, the school has established a Risk Management Policy which provides the framework for how risk will be managed at the school. The Policy is based on the Australian Standard *AS/NZS ISO 31000:2009: Risk Management – Principles and guidelines*, and forms part of the governance framework of the school. Risk management will be embedded into our strategic planning, decision-making and operational processes across the school.

Risks will be identified, analysed and ranked in a common and consistent manner and a Risk Register will be maintained containing material risks to the school.

Risk treatment actions and plans will be developed for risks which are deemed unacceptable to the school. Risks, and the effectiveness of the risk management system will be monitored on a regular basis and we will communicate and consult with relevant stakeholders on our approach to managing risk.

## **Definitions of Terms**

- Risk – The effect of uncertainty on objectives. It is characterised by potential and actual consequences.
- Risk Management – The coordinated activities used to control potential variations to plans to maximise opportunities and minimise loss.
- Risk Owner – The person who has the authority to manage and who is accountable for a risk.
- Stakeholder – Any organisation or person who may be affected or thinks they may be affected by an activity.
- Control – A measure that modifies a risk.

## **RISK TOLERANCE**

The school operates within a low overall risk range, with the lowest risk appetite relating to safety, finance and compliance objectives, including the health and safety of our students, staff and broader school community. Our tolerance for adverse risks will be used to determine which risks are required to be treated through the development of risk treatment actions to reduce risks to an acceptable level.

Risk understanding and our tolerance for risk will be key considerations in our strategic planning, decision making, operational control processes.

## **PRINCIPLES AND GUIDELINES**

### **When to Risk Manage**

Although risk management should be applied at some level for all activities it should be routine when

- changing a policy
- developing a strategic plan
- starting new projects
- expending significant amounts of money
- looking at sensitive issues

## Principles

Effective risk management begins with the following principles. Risk management

- is part of all activities.
- is part of all decision making.
- always considers uncertainty and how it can be addressed.
- is systematic and proactive.
- is based on accurate information and considers limitations of information.
- is built on the individual school.
- considers human nature and cultural factors.
- is transparent and involves all stakeholders.
- changes with the environment.

## ACCOUNTABILITY

The Board maintains overall responsibility for identifying major areas of risk and providing strategic-level policies and procedures on how they are to be managed. Ownership of risks and risk treatment actions will be assigned to relevant roles within the school. The school has incorporated risk management accountability in board-level, management, teaching and administrative roles who are required to report on risks and risk treatment actions as specified in the Risk Register.

## RISK MANAGEMENT OVERSIGHT

The board or its delegated (Risk) Sub-Committee will oversee the Risk Management Policy and the school's exposure to risk. Ongoing oversight of the effectiveness of our risk management processes and activities will provide assurance to the Board and stakeholders and will support our commitment to continuous organisational improvement. We will review material risk incidents and ensure that appropriate actions are taken and lessons learnt

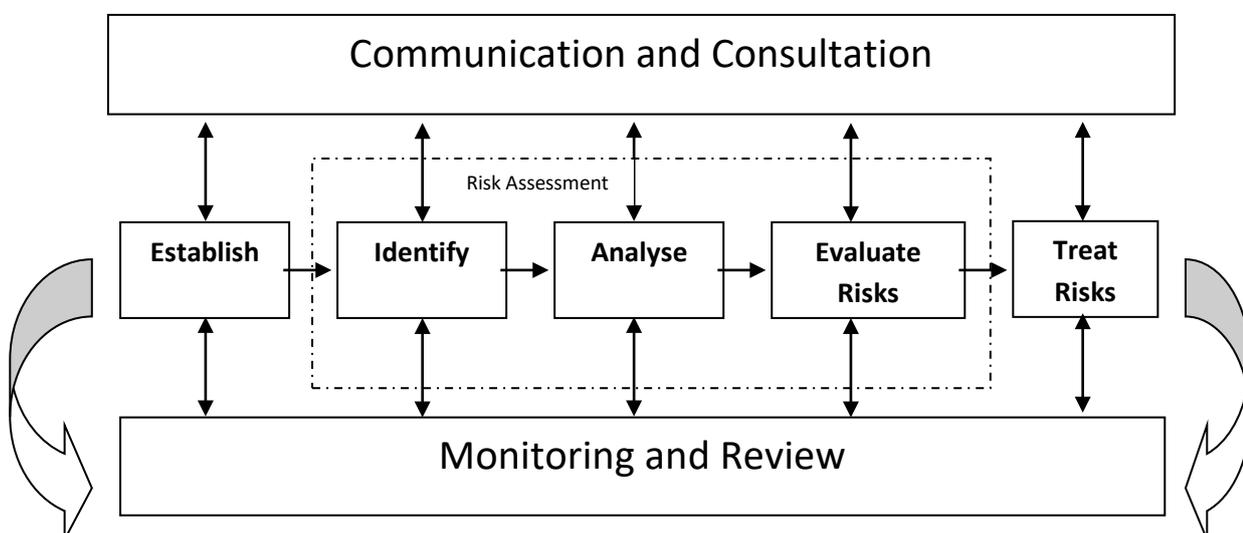
## REPORTING, MONITORING AND REVIEW

The school will monitor risks and treatment actions on an ongoing basis and will update the Risk Register and risk treatment plans as required. Performance of the risk management system and outstanding risk treatment actions will be reported by the Principal to the Board (or delegated committee) on a regular basis. Formal reviews of both the risk management system and the Risk Register will take place on an annual basis and the Board will assess the effectiveness of the Risk Management Policy annually.

## Process

Managing risk involves logical and systematic thinking.

A typical risk assessment process is summarised in the following table.



### **Communication and Consultation**

Both internal and external stake holders should be consulted and kept informed as appropriate to the school and circumstance. An open process will make sure that stake-holders are engaged and nothing is missed. In addition to the Board, the Work Health and Safety committee will, by agreement, be routinely consulted around matters pertaining to risk in the work place.

For each risk identified a consultative open approach will help ensure

- all stakeholders are considered.
- clear identification of all risks.
- all expertise is used.
- all parties are aware of the risk and the treatment devised.

### **Establish Context**

- The school will consider the external and internal contexts in which it operates.
- External Context would include the political, legal, competitive and regional environments.
- Internal Context would include ethos of the school, strategic directions, school culture, contracts and existing policies.
- Treetops will define its risk criteria so the risk can be evaluated. For example, how the level of risk will be determined.

### **Risk Assessment Involves:**

#### **Risk Identification**

Treetops will develop a list of reasonable risks it may be exposed to including those associated with not pursuing an opportunity.

Not all risks will be under the control of the school. External “Risk Assessors” may be consulted in this area.

Risks have

- a source – the thing that can help or harm
- an event – something that happens, the source has impact
- a consequence – the impact on assets and stakeholders
- a cause – what and why is there a hazard
- controls – policies, training etc.
- a time and place where it could happen

The following questions could be asked of every risk considered.

- What is the source of the risk?
- What might happen that would help or hinder our mission?
- When, how and where is the risk?
- Who will be affected?
- Do we have existing controls?
- What could cause our controls to be less affective?
- Is our information reliable?
- Is this the only risk?
- Have all the right people been involved?
- What records have/will be kept?

## **Risk Analysis**

At this stage the risk needs to be understood. The possible positive and negative consequences of all treatments, including no treatment, should be examined. The reliability of data and effectiveness of existing controls would be considered.

There are many ways of analysing risk. All involve some way of measuring consequences and likelihood. Some are qualitative, involving descriptions, and others are quantitative, involving assignment of numerical values. A combination of these two types is also possible.

Consequence and likelihood tables are used to give a clear picture of possibilities. Once the consequences and likelihood have been determined the level of risk can be assessed using a Risk Matrix. Examples of consequence, likelihood and Risk Matrix tables are in Appendix 1.

When staff plan activities, excursions / incursions etc assessment plans should be used to identify and manage risk. See Appendix 5.

## **Risk Evaluation**

Based on the analysis and established criteria a decision as to the level of treatment is made. The decision may be to do further analysis if the risk is not properly understood. All legal requirements and flow-on effects should be considered.

A good question to ask is *“Under what circumstances, if any, would this risk be tolerable?”*.

## **Risk Treatment**

The treatment(s) decided on are implemented. This stage involves:

- a review of existing guides.
- agreement that the root cause of the risk has been identified.
- determining if the risk can be shared wholly or partly with another party. E.g. By contract or insurance cover.

Risk treatment also involves:

- documenting the decisions.
- determining who is accountable for implementing the option(s).
- allocating resources.

## **Monitoring and Review**

At all stages the risk needs to be monitored and plans reviewed. This will involve

- allocation of personnel to do the monitoring and review.
- measuring to see if the treatment was effective.
- determining if further information is required.
- checking to see if other risks are emerging.
- Doing a cost benefit analysis to see if the event was “worth it”.

## **Risk Management Documentation**

Formalised processes and documentation assist in making the risk management process comprehensive, reliable and less onerous.

For some school activities it is good practice to have a documented “plan B”. This document would take effect if the risks during an event became too great due to changing circumstances. The circumstances that would trigger the implementation of “plan B” should have been discussed before the activity commences.

## Consequence Tables

Risk Level	Description
<b>Severe</b>	A considerable potential for loss of school capability, multiple fatalities, failure to achieve any outcomes of activity, or serious long term degradation of public image and morale.
<b>Major</b>	A considerable potential for serious degradation of school capability, fatal injury, failure to achieve outcomes of activity or significant degradation of public image/morale.
<b>Moderate</b>	A moderate potential for serious degradation of school capability, fatal injury, equipment loss, failure to achieve outcomes of activity or short term impact to public image/morale.
<b>Minor</b>	Has the potential to degrade school capability, injure students, staff or members of the public, damage equipment or compromise outcomes of activity.
<b>Low / Not Significant</b>	Minimal potential for impact to students, staff and members of the public, equipment, activity or public image/morale.

## Likelihood and Risk Level Tables

Likelihood	Definition
<b>Almost Certain (A)</b>	Expected to occur during the activity under consideration.
<b>Likely (B)</b>	Could occur during the activity under consideration.
<b>Possible (C)</b>	Occurrence conceivable but only expected infrequently during the conduct of activity.
<b>Unlikely (D)</b>	Occurrence conceivable but only expected on a few occasions during the conduct of activity.
<b>Rare (E)</b>	Occurrence conceivable but expected no more than once during the conduct of Activity.

## Risk Matrix

			Potential Consequences				
			L6	L5	L4	L3	L2
			Minor injuries or discomfort. No medical treatment or measureable physical effects.	Injuries or illness requiring medical treatment. Temporary impairment.	Injuries or illness requiring hospital admission.	Injury or illness resulting in permanent impairment.	Fatality
			Not Significant	Minor	Moderate	Major	Severe
Likelihood	Expected to occur regularly under normal circumstances (A)	Almost Certain	Medium	High	Very High	Very High	Very High
	Expected to occur at some time (B)	Likely	Medium	High	High	Very High	Very High
	May occur at some time (C)	Possible	Low	Medium	High	High	Very High
	Not likely to occur in normal circumstances (D)	Unlikely	Low	Low	Medium	Medium	High
	Could happen, but probably never will (E)	Rare	Low	Low	Low	Low	Medium

When considering the likelihood or consequences of exposure, bear in mind the existing risk control measures, e.g. the safe operating equipment and procedures that are in place etc. The existence of suitable risk control measures will reduce the potential for injury.

Within the financial domain it may be appropriate to consider:

Consequences					
Severity	Financial Loss	Health	Infrastructure	Reputation	Legal
5	>\$10 000 000	Multiple fatalities. Significant injuries to many people	Serious long term damage	Serious long term loss	Significant fines and legal action
4	\$1 000 000	Single fatality. Significant injury to several people	Serious medium term damage	Significant loss	Some legal action
3	\$100 000	Some injury to several people	Some short term damage	Some attention from media	Serious compliance issues
2	\$10 000	Some people hospitalized	Little damage	Very little media attention	Minor legal action
1	<\$10 000	No injury.	No damage.	No media attention.	No compliance or legal issues

A risk/reward table may also be considered in special circumstance utilising the follow 'gains' or reward measures.

Level	Description	Consequence
1	Insignificant	Small benefit, low financial gain
2	Minor	Minor benefit, some financial gain
3	Moderate	Some gain in reputation, high financial gain
4	Major	Enhanced reputation, major financial gain
5	Outstanding	Significant gain in reputation, huge financial gain

**Appendix 2: Example Risk Treatment Plan**

<b>Planned Activity</b>	Athletics carnival	<b>Risk review conducted by</b>	Sports teacher
<b>Date activity commences</b>	2/11/2016	<b>Date of risk plan</b>	4/5/2016

<b>Risks In Priority Order (from review)</b>	<b>Treatment Options</b>	<b>Preferred Option</b>	<b>Cost-Benefit</b>	<b>Person to Implement Option</b>	<b>Completion Date of Implementation</b>	<b>Monitoring Process</b>
Prickles	Poison spray Pull out weeds	poison	accept	Head gardener	End September	Gardener / Maintenance
Sprinkler holes	Fill in holes. Change to overhead watering. Have covers made.	Make covers	accept	Maintenance	End of October	Gardener / Maintenance



**APPENDIX 3: Example Risk Register**



Identify			Analyse		Evaluate	
Serial No	Risk/Impact	Existing Treatment	Consequence	Likelihood	<ul style="list-style-type: none"> <li>Risk Level</li> <li>Effectiveness</li> </ul>	Priority
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						



**APPENDIX 4: Example Treatment Plan**

Serial No (from Risk Register)	Treatments Options	Resource Implications	Priority	Referred to	Action by	Deadline	Verify implementation treatment effectiveness
<b>Monitor and Review</b>							

Risk Management Plan compiled by: \_\_\_\_\_

Authorised by: \_\_\_\_\_

Position: \_\_\_\_\_ Date: \_\_\_\_\_

Position: \_\_\_\_\_ Date: \_\_\_\_\_

Notes:

## Appendix 5: Risk Management Assessment Plan

Camps outside of the school are an important part of the learning that happens at Treetops Montessori School.

It is important that when planning a learning experience outside the school that the potential risks to student safety and potential loss are carefully considered and planned for. The safety of our students is a priority and essential for a successful field trip to meet its aims.

Please fill out this form and send to the Principal at least **two (2) weeks in advance** of the trip.

**Excursion details:** *What is the learning experience you plan to undertake? What will the students gain from this? How does it link with the current curriculum?*

**Title and Date of Camp**

**Class – Term X**

**Organising Teacher:**

**Organising Teacher contact Mobile number:**

**Itinerary**

<i>Venue Name</i>	
<i>Venue Address</i>	
<i>Contact Phone Number</i>	

### School Contact Details

Kate Myburgh	Front Office	(08) 9299 6725
Mr Peter MacLean	Principal	0417 043 881
Ms Kerry Raak	Business Manager	0402 335 687



**Participants (including drivers, supervisors, students and guests)**

<b>Adult Drivers</b>	<b>Contact</b>
Total Adult Drivers	
<b>Adult Supervisors / Drivers</b>	<b>Contact</b>
Total Adult Supervisors / Drivers	
<b>Adult Participants</b>	<b>Contact</b>
Total Adult Participants	
<b>Students</b>	<b>Emergency Contact Details</b>



**Risks**

Activity Type:	Identified Risk: <i>What are the potential risks to safety or loss?</i>	Management Strategy: <i>What will you do to minimise or avoid impact to student safety?</i>
	<b>Emergency Equipment:.</b>	
	<b>Emergency Equipment:</b>	
	<b>Emergency Equipment:.</b>	
	<b>Emergency Equipment:</b>	
	<b>Emergency Equipment:.</b>	