

# Risk management for Tasmanian sport and recreation organisations

## 8. Risk management plan template



This Sport and Recreation Tasmanian (SRT) information sheet is one of 10 that when combined provide a resource designed to assist sport and recreation organisations (SROs) to improve their understanding and application of risk management. The information sheets included in the resource are as follows:

1. Overview and introduction to risk management
2. Developing a risk management culture
3. Applying risk management
4. Compliance and risk management
5. Insurance and risk management
6. Risk management in practice
7. Risk management policy template
8. Risk management plan template
9. Risk management audits
10. Risk management resources.

Information sheets one to five provide background information and theory and information sheets six to ten provide practical tools and templates. All sheets discuss risk management in accordance with the Australian Standard on Risk Management AS/NZS ISO 31000:2010 and the International Standard on Risk Management – Principles and Guidelines ISO/FDIS31000:2009.

### Risk management plan template

This information sheet provides a template designed to guide an SRO that is seeking to develop a risk management plan. It follows the risk-management process in the AS/NZS ISO 31000:2010 standard on Risk Management – Principles and Guidelines.

Users of this risk management plan template:

- can develop a risk management plan by inserting information in response to the guidance text, which is in italics, and by using some of the suggested statements included under each of the sub headings
- should ensure that the collated information reflects the particular internal and external environment in which their organisation operates
- are encouraged to employ SRT's risk management information sheets.

Where there is a direct relationship between sections of this template and other information sheets, this fact has been highlighted.

## **[Insert common or trading name of the SRO] RISK MANAGEMENT PLAN**

### **Background**

*Insert details relating to the SRO – its legal name and any other trading or business names it uses, what it is (for example, incorporated association), its history, its membership structure, its objects, its activities and any other relevant background.*

### **Key stakeholder roles and relationships**

*Insert details relating to the SRO's key stakeholders (including members, parents, local and/or state government, media, other SROs, sponsors, suppliers, state or national sporting organisations) and how these stakeholders 'fit into' the SRO, what their relationship is or what each stakeholder is responsible for.*

*Consider employing statements such as the following.*

- *[Insert common or trading name of the SRO]'s key stakeholders are listed, as part of our efforts to identify and understand our internal and external context.*
- *[Insert common or trading name of the SRO] recognises that stakeholders (defined as: those persons or organisations within or outside [insert common or trading name of the SRO] that can affect, be affected by, or perceive themselves to be affected by, our decisions or activities) should be kept informed about relevant aspects of [insert common or trading name of the SRO]'s risk management process, and asked about their views in order to build acceptance and generate solutions.*
- *[Insert common or trading name of the SRO] will consult with relevant stakeholders in an effort to understand their objectives, perceptions and concerns, so they can consider them in our application of risk management.*

### **Contracts register**

*List the agreements - and their key terms - the SRO has entered into with various parties, including any leases or for the provision of goods and services, or sponsorship.*

*Consider employing statements such as these.*

- *[Insert common or trading name of the SRO] has entered into a number of agreements with various parties, including a lease, for the provision of goods and services, and sponsorship.*
- *The following is a list of these contracts, and the key terms and conditions associated with each of them. [Insert a list]*

### **Insurance arrangements**

*Provide a summary of the SRO's insurance arrangements. Refer to information sheet five - Insurance and risk Management.*

*Consider employing statements such as the following.*

- *[Insert common or trading name of the SRO] sees insurance as a financial safety net, when other risk management strategies fail.*
- *In sourcing insurance, it has consulted a broker that has experience in dealing with SROs. It has advised the broker in writing of what its insurance requirements are, read the policies to ensure they cover the risks outlined to the broker, and has clearly communicated any cover afforded to members or affiliates, along with the claims procedure.*
- *Purchased insurance is relevant to its risk profile. It has been purchased after consideration of the risks identified and assessed by the organisation, and the availability and cost of insurance.*
- *The following is a summary of these insurance arrangements. [Insert summary here.]*

## Rules and policies

Insert a list of the SRO's rules and policies in respect of its operations and activities.

Consider employing some of the following statements.

- [Insert common or trading name of the SRO] has in place a number of rules and policies in respect of its operations and activities.
- The following is a summary of these rules and policies [insert summary here].

## SRO risk based on consideration of its internal and external context

Insert information about the general nature of the risks facing the SRO, such as those arising from:

- legal and commercial relationships (for example, breaches of legislation that apply to activities including employment, fundraising, gaming or licencing)
- financial management (for example a lack of awareness on the part of directors as to the financial status of the organisation)
- people and related occupational health and safety (for example failure to adhere to contracts associated with contractors or sponsors, or failure to properly manage volunteers)
- assets (for example, damage caused by drought, fire, storms, earthquakes, vermin, disease or contamination).

Insert information about how the risks might impact on a range of areas, including but not limited to:

- assets and resources, including staff, office bearers, contractors, members, visitors and the community
- revenue and entitlements
- direct and indirect costs
- activities and events
- the environment.

Consider using some of the following statements.

- The general community expects [insert common or trading name of the SRO] to exercise an appropriate duty of care to all its staff, contractors, members and guests, and that it accepts its responsibilities to the community as a whole.
- [Insert common or trading name of the SRO] is a workplace, given it employs staff and independent contractors, and as such is acutely aware of its obligations to comply with relevant legislation.
- Legislative requirements for activities conducted by [insert common or trading name of the SRO], including compliance to federal, state and local government regulations in areas such as the environment, gaming and licencing, all need to be taken into account when managing risks, as do the political, social and economic environments.
- [Insert common or trading name of the SRO] is exposed to risks which may result in financial losses, cause loss of reputation or bad publicity, such as the following.
  1. legal and commercial relationships
  2. financial management
  3. people and related occupational health and safety
  4. assets.



- Additional risks might include:
  - a lack of awareness on the part of directors as to the financial status of the organisation
  - failure to recognise and take advantage of an opportunity to build club membership
  - failure of a fundraising activity to generate a profit
  - failure to deliver on obligations to sponsors
  - failure to abide by [*insert common or trading name of the SRO*] constitution or meet incorporation obligations
  - failure to provide safe systems of work for staff, contractors or volunteers
  - a breach of legislation that applies to activities such as employment, fundraising, gaming or licencing
  - failure to adhere to contracts associated with contractors or sponsors
  - failure to properly manage volunteers
  - injury or death of an employee or member
  - failure to market, promote or manage an event properly
  - unfavourable publicity resulting from a club activity
  - failure to undertake strategic, operational or financial planning
  - failure to seek or secure grants
  - fraud or misappropriation of funds or information
  - illegal entry and vandalism
  - a breach of building codes or local government regulations associated with aspects of the [*insert common or trading name of the SRO*]'s facility, including the kitchen
  - damage caused by drought, fire, storms, earthquakes, vermin, disease or contamination
  - loss caused by obsolete and unreliable technology.
- Risks to [*insert common or trading name of the SRO*] may affect a range of areas, including but not limited to:
  - assets and resources including staff, office bearers, contractors, members, visitors and the community
  - revenue and entitlements
  - direct and indirect costs
  - activities and events
  - the environment
  - intangibles such as reputation and goodwill

*Information about specific risks and controls should be located in a risk register.*

*General external risks (those associated with other parties such as key stakeholders) can be listed here, but specific examples of these should be listed in the next section or a risk register.*



## Stakeholder risks and risk management

Insert information about the risks key stakeholders face, the risk management plans they have in place (if any) and how those plans tie in with the SRO's risk management plans. This might include:

- risk management information provided by a regional, state or national body
- information about the risks (and their management) associated with a facility the SRO uses on a regular basis, such as a risk management plan for that venue
- information relating to any agreements between the SRO and other parties, such as a school or a council
- expectations of insurers.

Consider employing statements such as these.

- [Insert common or trading name of the SRO] has not assumed the responsibility for the risk management plans of other key stakeholders. However it expects full and transparent communication and treatment of the risks that are the responsibility of other stakeholders.
- Failure to communicate with stakeholders may prejudice [insert common or trading name of the SRO]'s, other stakeholders and the objects of this risk management plan.
- [Insert common or trading name of the SRO] has recorded relevant risks and risk management plans associated with its stakeholders in the following table.

## Risk management policy

Insert a risk management policy as determined and adopted by the SRO.

Refer to information sheet seven - Risk management policy template.

Consider employing these statements.

- [Insert common or trading name of the SRO] has formulated and adopted a risk management policy.
- The risk management policy is an attachment to this risk-management plan.



## Risk management process

Insert information about the risk management process undertaken to establish, implement and communicate the plan and the outcomes. Refer to information sheet six - Risk management in practice, for details on each of these steps.

Consider information relating to the following.

- Establishing the risk context - the internal and external environment in which the SRO and its stakeholders operate.
- Risk assessment - including risk-identification tools and techniques such as workshops, audits, brainstorming or scenario analysis, and risk analysis and evaluation processes. Refer to information sheet nine for advice on risk-management audits, and information sheet six for advice on the analysis and evaluation of risk.
- Risk treatment – including options such as accepting, avoiding, reducing, transferring, retaining or financing the risk.
- Communication, consultation, evaluation and modification – including the communication and consultation associated with developing and implementing the plan, along with how it was evaluated and modified to reflect changes in circumstances.

Consider statements such as:

- [Insert common or trading name of the SRO]'s risk management plan is a result of the organisation engaging people with a sound understanding and experience in the activity or organisation to examine all sources of risk and identify and define risks by asking what could happen, what is the likelihood of something happening, and what will the consequences be if they do happen?
- The nominated persons (or committee) identified, analysed and evaluated risks by employing a range of risk management tools including audits, a risk calculator and a risk register.
- The process for identifying and managing risk involved a series of logical steps.
  - Establishing the risk context to gain an understanding of the factors that affect risk management, both outside the organisation (for example, social standards) and inside (including goals, relationships, activities and capabilities). This included consideration of the influence of key stakeholders. Information relating to this has been included in sections of this risk management plan headed 'Background' and 'Stakeholders'.
  - Identifying risks to which the organisation and its people are exposed. This involved considering what can arise, how and why, and using tools and techniques including workshops, brainstorming, scenario analysis and audits. Identified risks have been recorded in a risk register.
  - Analysing risks by considering sources of risk, existing controls, likelihood, and consequences, to determine the levels of risk that exist.
  - Evaluating risks to determine whether their level is acceptable or unacceptable, and modifying [insert common or trading name of the SRO]'s actions to reflect changes in circumstance. This has been completed using a risk-assessment calculator. Information resulting from this step in the process has been included in a risk register.
  - Treating risks by reducing, avoiding, transferring or financing them. The chosen or required treatment options are recorded in a risk register.
- These steps are supported by the ongoing activities of communication, consultation, and monitoring and review.



## Responsibility

*Insert who will oversee the risk management process and whether it will involve a committee. Document the current risk management expertise that is available within the organisation, such as specialist volunteers and/or selected members of the board, committees, working groups or external providers.*

*Refer to information sheets two and seven - Developing a risk management culture, and risk management policy template, for additional information.*

*Consider employing some of the following statements.*

- *[Insert common or trading name of the SRO]'s board or committee will initially oversee the risk management process and will be supported by a risk management committee.*
- *The risk-management committee will draw on current risk-management expertise available within [insert common or trading name of the SRO], such as specialist volunteers and selected members of the board or committee and working groups.*
- *Ultimate responsibility for risk management is assigned to the chairperson of the board of management, but everyone is responsible and accountable for managing risks. This responsibility varies depending on their position within the organisation, their duties and knowledge.*
- *Office bearers and those acting in an official capacity should be fully aware of their duties and responsibilities, and operate within the parameters set by duty statements, policies, and operating guidelines, all of which are designed to ensure a clear understanding of the responsibility associated with particular positions, and an understanding of risk and its management.*
- *In most instances a risk source will be under the control of a designated staff member or office bearer who is accountable for an activity or function. In some instances, the risk may be shared by several parties (for example, an independent contractor or a neighbour). If this is the case, the relevant parties will be consulted during the risk-assessment process.*
- *Responsibility for implementing specific control measures for each identified risk is detailed within a risk register.*

## Risk register

*Insert completed registers. Refer to information sheet six - Risk management in practice.*

*Consider employing statements such as these.*

- *[Insert common or trading name of the SRO] has developed a risk management register in order to record identified risks and controls.*
- *Office bearers or staff members accountable for [insert common or trading name of the SRO]'s activities document risk associated with these activities via the risk register.*
- *The register and supporting documentation will be regularly reviewed and updated by the board of management, to ensure identified risks are managed and that necessary risk treatments are addressed and updated.*
- *The register sets out the risk management plan for all identified risk areas and includes control options and progress updates.*



## Communication policy

*Insert communication plans and/or mechanisms in relation to SRO risk management plans and processes. Refer to information sheets two and six - Risk management culture, and Risk management in practice.*

*Consider employing statements such as the following.*

- Effective communication is crucial to the risk management plan. *[Insert common or trading name of the SRO]* will clearly communicate its risk management plans with stakeholders.
- Clearly explaining what *[insert common or trading name of the SRO]* is doing from a risk management perspective and why it is doing it will improve the understanding of members and stakeholders about the benefits of risk management. It will also hopefully ensure that that understanding is comprehensive and current. This will strengthen the environment within *[insert common or trading name of the SRO]* and encourage it to take a risk management approach to normal activities.
- Sound two-way communication is critical at all stages of the risk management process and is necessary to gather the best possible information to identify and assess the risk and determine the best treatment. Systems will be developed to ensure good communication.
- Mechanisms will be formalised to ensure they occur and will involve strategies such as:
  - communicating *[insert common or trading name of the SRO]*'s risk management plan internally via a noticeboard, newsletter or website
  - positioning posters or information sheets promoting safety in and around *[insert common or trading name of the SRO]*'s facility
  - advertising safety initiatives within *[insert common or trading name of the SRO]* via its internal-communication systems or externally via the media
  - providing new or prospective members with information about *[insert common or trading name of the SRO]*'s commitment to safety
  - offering a reward and recognition program that encourages improvements in safety among those most directly involved.
  - regularly reporting on the progress of the management of risk at board of management meetings.
- To facilitate communication, *[insert common or trading name of the SRO]* will:
  - support all verbal instruction with written communication, and vice versa
  - maintain a risk register
  - retain supporting documentation
  - regularly review the risk register and supporting documentation
  - communicate and consult with all parties involved.





## Monitoring, reviewing and reporting

Insert a list of strategies for monitoring, reviewing and reporting the management of risk. Refer to information sheet six – Risk management in practice.

Consider employing statements such as these below.

- The goals, programs and processes of [insert common or trading name of the SRO] can change, as can the political, social and legal environment. The internal and external risk context needs to be re-examined regularly to ensure the ways in which risks are managed remain valid.
- Monitoring and review is essential. The plans and associated documentation including the risk register will be constantly reviewed, to ensure any necessary risk treatments are addressed and updated.
- Monitoring and review will assist with identifying trends, trouble spots and other changes with implications for [insert common or trading name of the SRO], and ensure that risk management continues to be effective. It helps respond to changes that occur within or outside [insert common or trading name of the SRO].
- Monitoring requires ongoing assessment of measures that have been put in place to treat risks. Any indication that these measures are not effective is reason for immediate attention to remedy the situation. Risks need to be monitored regularly to ensure changing circumstances do not alter the risk priorities.
- [Insert common or trading name of the SRO] will employ reviews of its risk management as a periodic process, designed to consciously find out if systems, processes, and measures are implemented and if they are effective. These reviews will be scheduled on a quarterly basis as a matter of good practice, but risk management will be a standing agenda item at [insert common or trading name of the SRO] board meetings.
- The following will be used for the purposes of monitoring and review.
  - Internal or external audits (by independent persons or persons with significant experience within and knowledge of the organisation) of key areas such as financial management, occupational health and safety, people and compliance.
  - Audits involving physical inspections of assets, including facilities and playing surfaces.
  - Evaluations of the programs and services offered.
  - Reviews of organisational policies, strategies and processes.
- If a risk has eventuated, it is expected that the risk will have been treated in accordance with the risk management plan. The risk and its treatment will be reported.
- All risk management processes, including treatments will be recorded to confirm the actions taken under the risk management plan. If any variation is required to the risk management plan, it will again be recorded.
- A review of [insert common or trading name of the SRO]'s risk management plan will be undertaken at regular intervals.
- [Insert common or trading name of the SRO] will provide reports to stakeholders if requested on the implementation and monitoring of risk management plans, including treatments.



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