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**Policies****POLICY 10****POLICY ON RISK MANAGEMENT****Overview**

Risk Management is recognised as an integral part of good management practice, both at Executive and Line Management levels, identifying opportunities and threats to an organisation's activities through a continual interactive process.

The process of well defined steps which, taken in sequence, enable continued improvement in management decision making.

We **MUST** manage our risks more effectively. If our risks are not well managed, corporate and personal resources are wasted.

Risk Management aims to minimise exposure to risks. The best system in the world will not prevent every accident so it should be noted that only those steps which are reasonable and practicable need to be taken to manage those reasonable foreseeable risks. Any area of risk can be substantially reduced by "good housekeeping and administration" and by ensuring a safe sporting environment.

**1. Goals**

- 1.1 To design a Risk Management Policy with the most effective and cost efficient controls to prevent or minimise the probability of occurrence and the cost of a loss, what methods and to what benefits.

**2. Objects**

- 2.1 The Identification of Risks which involves the systematic assessment of all hazards which could affect New South Wales Darts (Inc.).
- 2.2 To analyse and evaluate the Identified Risks.
- 2.3 To assess and prioritise Identified Risks.
- 2.4 To identify the risk treatment options.
- 2.5 To monitor and review.

**3. The Identification of Risks** which involves the systematic assessment of all hazards which could affect New South Wales Darts (Inc.):

- 3.1 Association Officials and Representatives
- 3.2 Compliance with own Constitution
- 3.3 Compliance with Government Grant conditions
- 3.4 New South Wales Darts (Inc.) conducted events and activities
- 3.5 Volunteer workers
- 3.6 Discrimination legislation
- 3.7 Corporate Law regulations
- 3.8 Health regulations
- 3.9 Fundraising regulations
- 3.10 Art Unions, lotteries

- 3.11 Contractual liabilities
- 3.12 Taxation
- 3.13 Employment
- 3.14 Nuisance, such as excessive noise and activity

#### **4. To Analyse the Identified Risks**

The object of this section is to combine estimates of likelihood and consequences in context of existing controls and document the findings.

- 4.1 Identify
  - 4.1.1 Sources of information
  - 4.1.2 Techniques for information gathering.
- 4.2 Determine existing controls.
- 4.3 Determine likelihood and consequences.
- 4.4 Types of Analysis  
(In order of complexity and cost/effort):
  - 4.4.1 Qualitative
  - 4.4.2 Semi-Qualitative
  - 4.4.3 Quantitative
  - 4.4.4 Combination(s) of above.

#### **5. To Assess and Prioritise Risks**

The object is to decide whether risks are acceptable or unacceptable.

- 5.1 Compare level of risk found against predetermined criteria.
- 5.2 Produce graded list of risks.
- 5.3 Acceptance of risk is based on:
  - 5.3.1 Cost of risk treatment and cost of rectifying the loss  
Versus
  - 5.3.2 Opportunities afforded by taking the risk.

#### **6. To Identify the Risk Treatment Options**

The object of this section is to decide from the following options which way New South Wales Darts (Inc.) choose to operate their Risk:

- 6.1 Avoid risk (not proceed/alternatives)
- 6.2 Accept risk and fund any losses
- 6.3 Reduce likelihood of occurrence
  - 6.3.1 Audit and compliance programs

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**Policies**

- 6.3.2 Contract conditions
- 6.3.3 Quality assurance
- 6.3.4 Supervision
- 6.3.5 Testing.
- 6.4 Reduce consequences
  - 6.4.1 Contingency planning
  - 6.4.2 Contract conditions
  - 6.4.3 Fraud control planning.
- 6.5 Transfer risk, e.g. to:
  - 6.5.1 Contractors
  - 6.5.2 Insurers
  - 6.5.3 Joint Ventures
  - 6.5.4 Landlord/Tenant
  - 6.5.5 Note: Transferring risk acquires a new risk – that the entity to which the risk has been transferred fails to perform its own risk management.
- 6.6 Retain Risk
- 6.7 Evaluate Treatment Options
  - 6.7.1 Cost/benefit analysis
  - 6.7.2 Combinations of options
  - 6.7.3 Cost of risk reduction (Refer: Figure 1)
- 6.8 Prepare treatment plans:
  - 6.8.1 Decision process
  - 6.8.2 Identify responsibilities, timetable and outcome (Refer: Figure 2)
  - 6.8.3 Risk Treatment Process
- 6.9 Implement treatment plans:
  - 6.9.1 Methods
  - 6.9.2 Evaluate mechanism
    - 6.9.2.1 Responsibilities/accountabilities
    - 6.9.2.2 Performance criteria
    - 6.9.2.3 Objectives
  - 6.9.3 Milestone monitoring

**Policies****7. Monitor and Review**

- 7.1 Incorporated in Risk Treatment Process (Refer: Figure 2)
- 7.2 Changing circumstances are assessed
- 7.3 Ensure relevance of plans.

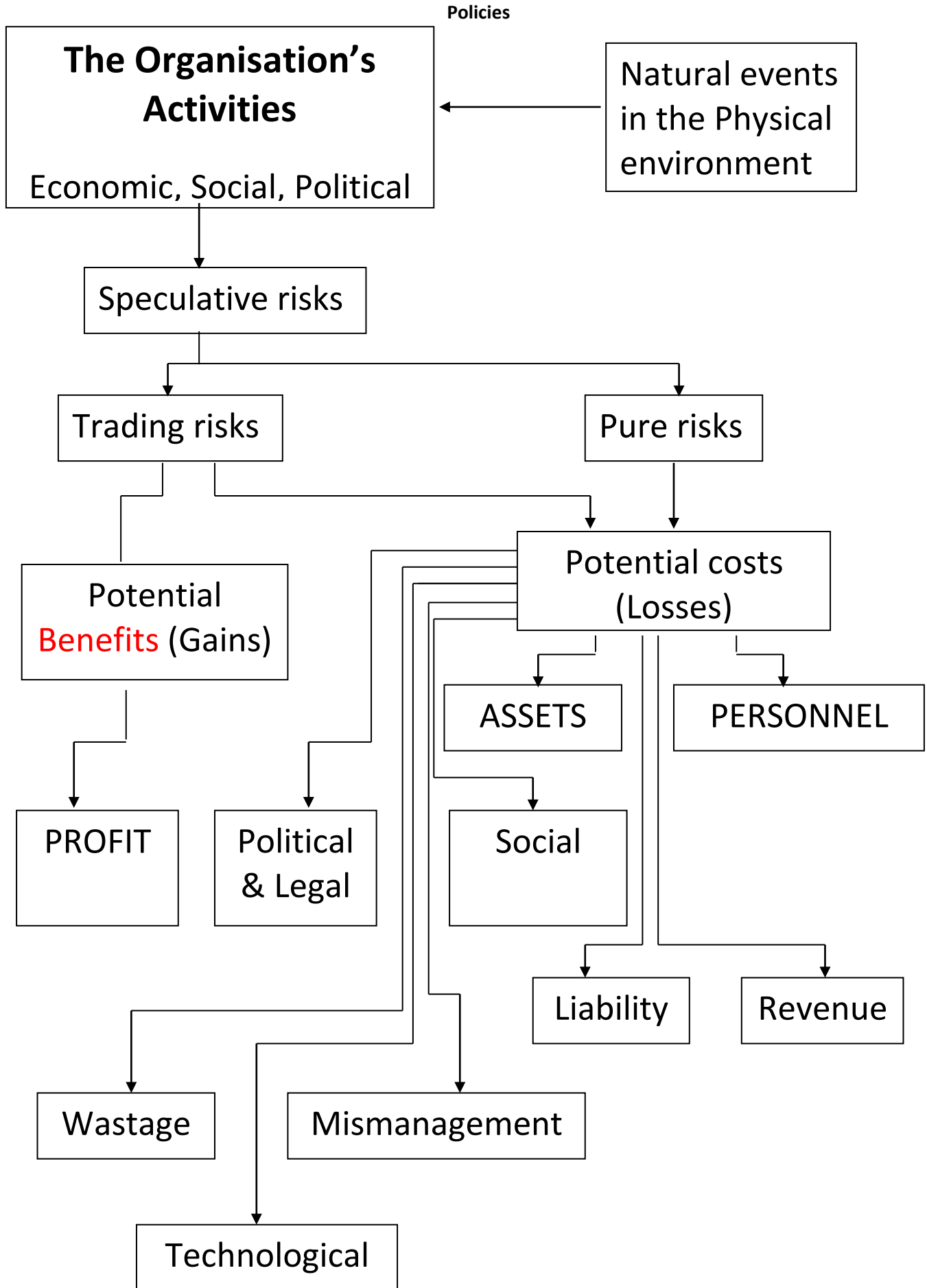


FIGURE 1

# RISK TREATMENT PROCESS

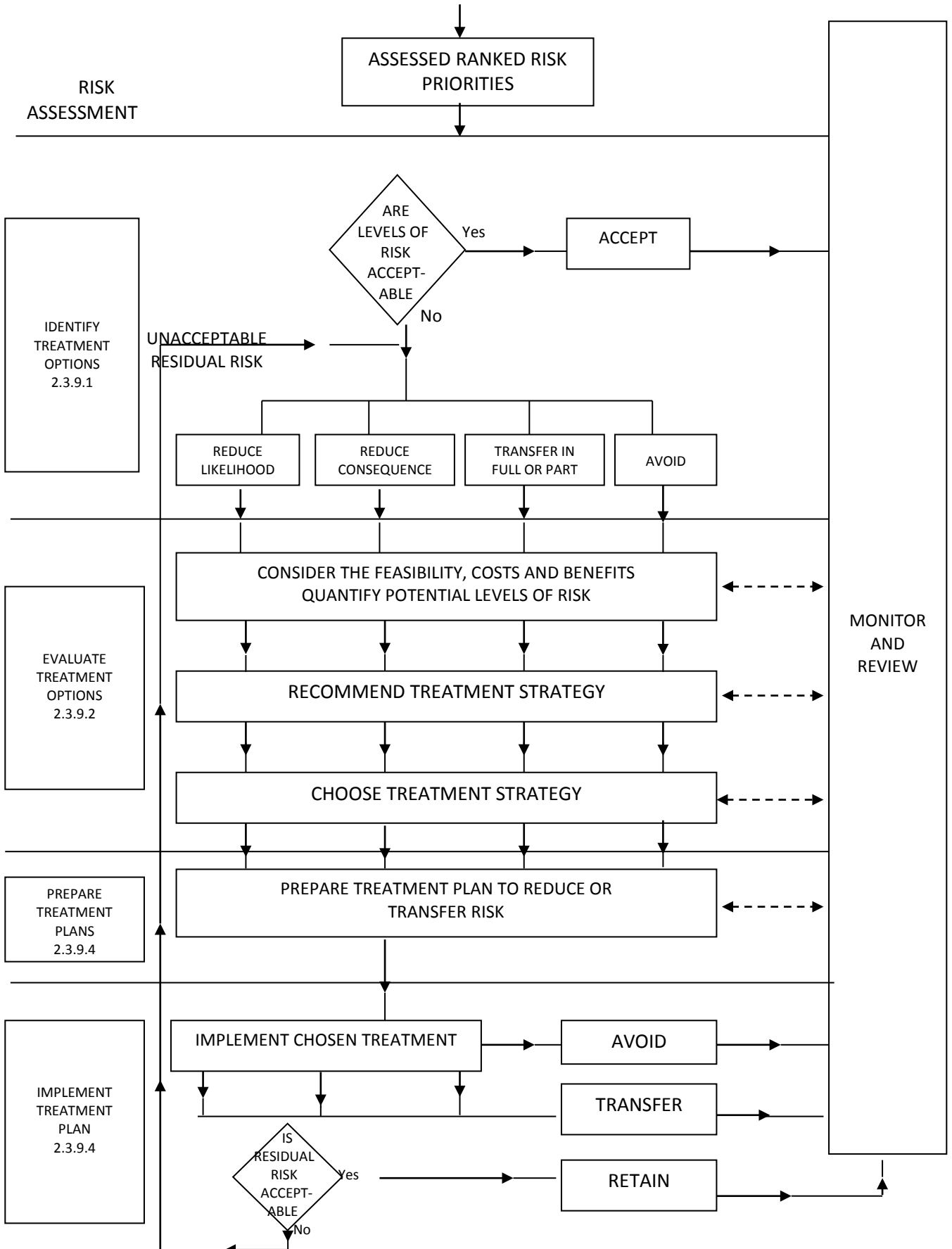


FIG. 2 RISK TREATMENT PROCESS