

Risk Management Policy

Purpose and Scope

This policy establishes the process for the management of risks faced by Displaced Consulting Ltd (dPc). The aim of risk management is to maximise opportunities in all dPc activities and to minimise adversity. The policy applies to all activities and processes associated with the normal operation of dPc. It is the responsibility of staff, consultants, volunteers and others associated with dPc's work to identify, analyse, evaluate, respond, monitor and communicate risks associated with any activity, function or process within their relevant scope of responsibility and authority.

As a responsible and effective organization, dPc regularly reviews and assesses the risks it faces in all areas of its work and plans for the management of those risks. The implementation of an effective risk management policy is a key part of ensuring that dPc is fit for purpose.

Definitions

Risk is the likelihood is the likelihood that a harmful consequence (death, injury or illness) or an otherwise detrimental effect (failure of project to achieve objectives, outputs, outcomes and/or impacts; reputational damage to client, donor or dPc) when exposed to a hazard.

Risk Assessment is the process of evaluating and comparing the level of risk against predetermined acceptable levels of risk. Risk is assessed and rated by considering two characteristics: Probability or likelihood of occurrence; and Consequence of occurrence. Likelihood is a qualitative description of probability or frequency. Consequence is the outcome of an event, being a loss, injury, disadvantage or gain.

Risk Management means taking action to first eliminate significant risks (such as health and safety) so far as is reasonably practicable; and if that is not possible, minimising the risks so far as is reasonably practicable. Eliminating a hazard will also eliminate any risks associated with that hazard. Risk Management is the application of a management system to risk and includes identification, analysis, treatment and monitoring.

Risk Owner is the person(s) responsible for managing risks and is usually the person directly responsible for the strategy, activity or function that relates to the risk.

Principles

Risk management is a key governance and management function. The identification of risks is best done by involving those with a detailed knowledge of the organization and the sector within which operates.

dPc is proactive in its approach to risk management, balances the cost of managing risk with anticipated benefits, and undertakes contingency planning in the event that critical risks are realised.

dPc has a primary duty to ensure the health and safety of those it has contracted and other persons under its duty of care while working for the organization, wherever they be located. This duty to ensure health and safety requires dPc to manage risks:

- By eliminating health and safety risks so far as is reasonably practicable; and
- If it is not reasonably practicable to eliminate the risks, by minimising those risks so far as is reasonably practicable.

Deciding what is ‘reasonably practicable’ to protect people from harm requires weighing up certain matters, including the likelihood of a hazard or risk occurring and the degree of harm that would result, and then making a judgement about what is reasonable in the circumstances.

Effective risk management involves:

- A commitment to health and safety from the Director of dPc
- The involvement and cooperation of dPc’s workers

Outcomes

- As far as is reasonably practicable, workers, clients, donors and others should not put at risk from work carried out by dPc.
- dPc is protected from adverse incidents, reduces its exposures to loss, and mitigates and controls loss should it occur. dPc has extensive insurance coverage as a private limited company.
- dPc has ongoing, unimpeded capacity to fulfil its mission, perform its key functions, meet its objectives and support its clients, donors and partners.
- As a consequence, the costs of risk to dPc, as well as its staff, funders, partners and associates is reduced.

Policy Implementation

Risk management forms part of strategic, operational and line management responsibilities, and is integrated into strategic and service planning processes. Risk management is embedded in all policies, procedures and project planning; with staff, consultants and other relevant associates contributing to risk management systems, planning and implementation.

Policy Detail

dPc aims to achieve the highest standards in the management of risks that threaten to adversely impact on dPc, its functions, objectives, operations, assets, staff, clients, funders or others.

dPc does whatever it can (whatever is ‘reasonably practicable’) to ensure its employees, associates and other people are not harmed by its activities. Risk management involves four steps:

1. Identify hazards – find out what could cause harm to people, the project, dPc or its associates.
2. Assess risks – understand the likelihood of a hazard causing harm and how serious it could be
3. Control risks – implement the most effective control measure that is reasonably practicable in the circumstances.
4. Review control measures to ensure they are working as planned.

Many hazards and their associated risks are well known and have well established

and accepted control measures. In these situations, the second step to formally assess the risk is unnecessary.

If, after identifying a hazard, we already know the risk and how to control it effectively, [organisation] just implements the controls.

Consulting with workers

Consultation with workers (employees, consultants and volunteers) is required at each step of the risk management process. By drawing on the experience, knowledge and ideas of its workers, dPc is more likely to identify all hazards and choose effective risk controls.

dPc workers must follow safety instructions and procedures, and they will do this more effectively if they are involved in the development of these procedures, understand the reasons for them and how they work.

dPc encourages its workers to report any hazards and health and safety problems immediately so that risks can be managed before an incident occurs.

Approach to Risk Management

Managing risks is an ongoing process that is triggered particularly when changes affect dPc's work activities, such as:

- New program start-up
- Changing work practices, procedures or the work environment
- Purchasing new or used equipment or using new goods/materials
- Planning to improve productivity or reduce costs
- New information about working environment risks becomes available
- Responding to work-related incidents (even if they have caused no injury)
- Responding to concerns raised by workers, health and safety representatives or others associated with dPc
- dPc uses the risk management policy and approach when designing and creating proposals and other products, developing processes or assessing locations used for work.

Review incident records and data

dPc will record, analyse and learn from hazard-related incidents, worker complaints, or other concerns identified by dPc workers, partners, clients, donors and other associates. Where appropriate, further investigation and action will be taken. dPc will be fully transparent in its risk assessments and subsequent outcomes and findings with its workers, donors, clients and other relevant parties.