



CLUB RISK MANAGEMENT HANDBOOK

***A Practical Resource for Clubs and Event
Management Teams***

**Australian Sailing
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AUSTRALIAN SAILING
CLUB RISK MANAGEMENT
HANDBOOK

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Introduction to the Club Risk Management Process

Proper risk management processes can contribute to maintaining a safe environment for sailing activities. Safety is about the protection of people, physical property and organisations. Risk management assists clubs and event managers to meet their duty of care and involves putting processes in place to make sure that:

- The hazards (or unwanted events) associated with proposed sailing activities have been comprehensively and systematically identified, assessed and recorded.
- Controls have been identified and put in place to keep risks at an acceptable level.
- Checks are made, and evidence maintained to confirm that the controls are in place and effective.

Most clubs and classes will already have a number of controls in place to reduce risk levels. These may include things like:

- Requiring competitors to wear lifejackets
- Posting the weather forecast on the noticeboard and postponing when a strong wind warning is current
- Adhering to upper wind limits
- Making competitors sign on and off
- Requiring people to be trained before driving safety craft
- Requiring people to be trained before acting as instructors or coaches
- Having first aiders available
- Having safety boat ratios that are appropriate for fleet sizes and conditions

The problem for some clubs and classes, is that they have not approached the process of identifying hazards and assessing the appropriateness of controls in a systematic or rigorous manner. Additionally, if plans do exist, they are not reviewed on a regular basis as part of a formal plan or key responsible personnel change without an adequate handover.

This handbook and the risk management tool that accompanies it has been developed by Australian Sailing to provide clubs and event managers with guidance and tools that can be used in this process.

Whilst the handbook and the risk management tool are based on the Australian risk management standard and recognised best practices, it should not be considered a definitive resource. However, if it is followed and regularly reviewed by key people, the resource can assist you to identify and mitigate risks; and help the club meet its duty of care.

1. INTRODUCTION

1.1 Philosophy

Australian Sailing recognises that there are inherent risks associated with conducting sailing events, races and activities (including training) at clubs and centres. To minimise these risks, Australian Sailing has produced this handbook and a basic risk management tool that can be implemented with a view to providing a safer environment and experience for sailors and those organising activities.

To be most effective, risk management should become part of an organisation's culture and should be integrated into its philosophy, practices and business plans rather than being done in isolation. Like all good management practices it should be driven from the top down and be recognised as the responsibility of everyone.

1.2 What is Risk Management?

According to the Australian Sports Commission:

'Risk Management is simply the practice of systematically identifying and understanding risks and the processes in place to manage them. Ultimately, the process gets you to a point of deciding whether, in the context of a particular activity, a risk is acceptable or requires further action. It allows an organisation to be pro-active rather than reactive – creating a safer environment and "legally safer" operational procedures.'

This requires the development of a framework within which risk exposure can be identified, evaluated, controlled and monitored. Risk management is a tool by which persons involved in sport can seek to meet their duties and responsibilities and minimise their exposure to liability.

Risks which are typically covered by a risk management program typically include physical risks such as injuries to participants and the public and environmental damage. Other risks that may also be considered include:

- Moral and ethical risks – Loss of quality of participant experience and confidence, adverse publicity and damage to image or reputation.
- Legal risks – Losses and costs arising from legal actions for breach of a common law or statutory duty of care and compliance requirements
- Financial risks – Increased insurance premiums, costs associated with injuries for business reasons, loss of financial stability and asset value, replacement costs and earning capacity and increased external administrative costs

1.3 Background – Duty of Care

Club directors, office bearers, event managers, race officials and centre principals owe a duty of care to participants in sailing races and activities where there is a reasonably foreseeable risk of harm or injury to participants as a result of their actions. In exercising this duty of care, the law requires those responsible to take reasonable steps to reduce the likelihood of injury to participants as a result of those risks which are foreseeable. Those involved in organising sailing activities should also refer to the [relevant state and federal work health and safety](#) legislation for additional guidance and responsibilities in respect to managing risk.

1.4 Objectives

- To reduce the incidence of injury to participants, officials and other persons associated with club sailing activities.
- To ensure a safe environment for individuals to participate and enjoy sailing.
- To minimise potential club liability as a result of poorly managed sailing competitions and activities.

1.5 Which Risks Need to be Managed?

Importantly, the law does not require clubs to provide a completely risk free environment. Indeed, by agreeing to participate in sailing activities, participants will be required to consent to those risks which form an inevitable aspect of the activity. Clubs will be expected to adopt reasonable precautions against risks which might result in injuries or damages which are reasonably foreseeable. Clubs will not be required to take steps to counter risks where it would be unreasonable to expect a club to do so in the circumstances unless these risks are unacceptable.

1.6 The Australian Standard

The approach adopted in this resource is based on the Australian Standard AS/NZS ISO31000 2009 Risk Management – Principles and Guidelines.

This handbook has sought to simplify the steps set out in the Australian Standard and make them relevant to sailing. It includes the following stages:

- Establish the Context
- Risk Identification
- Risk Analysis
- Risk Evaluation
- Risk Treatment (action plan)
- Monitoring and Review

1.7 Club and Event Risk Management – Scope and Limitations

This resource has been developed specifically for the sailing component of club activities. Whilst a similar approach may be used, the handbook does not comprehensively address risk management considerations for other elements of clubs such as governance, financial, marinas or food & beverage operations.

The handbook is not a definitive resource that will make your club litigation proof or completely fail-safe. However, if followed and the process regularly reviewed, it is likely to improve safety and may serve as a useful defence to claims for breach of duty of care.

Risks will vary depending upon the circumstances and the ways in which each club operates. It is up to the Committee and key people in your club when using this handbook to think about other risks not identified here, and plan for their treatment accordingly. “Other Local Risks” should be included in this process where indicated in the Risk Register.

1.8 Who Should be Involved in the Risk Management Process?

The successful management of risk requires commitment and leadership to be demonstrated by those at the top of an organisation (club or event organisation such as a Commodore, CEO, Event Chairman etc). Leadership from the top shapes culture, and culture will either encourage or discourage effective risk management.

It is important to involve people with a wide range of experience in the clubs operations to contribute to the risk management processes in order to get the best outcome. This should include people from committees to race officials, instructors, volunteers, yard managers, canteen volunteers and even external stakeholders such as the local emergency services.

Finally, it is important that all involved in sailing be aware of taking a pro-active approach to the identification and management of risk in their activities.

1.9 Accountability

As officers of an organisation, directors, CEOs, flag officers and other club officials all have a responsibility to be diligent in how their organisation puts into practice their risk management objectives. Due diligence requires that, among other things, the people in positions of responsibility ensure that the organisation has available, and uses, appropriate resources and processes to minimise risks.

Each club needs to ensure that a designated person is nominated and provided with the authority and accountability and has the appropriate competence for managing risk.

2. IMPLEMENTING A RISK MANAGEMENT PROCESS

The key steps of implementing a risk management process involve:

- Working out the context or scope of the activities to be covered (i.e. what's in and what's out)
- Systematically identifying, recording and assessing the hazards (unwanted events) associated with these activities (usually completed as a group with a range of people associated with different aspects of the activities that are undertaken).
- Identifying and recording the controls that are already in place to reduce the level of risk associated with these hazards
- Assessing the level of risk with the controls already in place
- Determining whether the level of risk is acceptable (they are never acceptable if they are 'Extreme')
- Deciding if 'High' or 'Medium risks have been reduced to As Low As Reasonably Practicable (ALARP)
- Determining the additional controls required to bring the level of risk down to an acceptable level
- Developing a list of actions (also called risk treatments) to put these controls in place
- Seeking approval from the appropriate level of management for risks that are Extreme, High or Medium that the proposed controls/risk treatments are acceptable
- Ensuring that the actions/risk treatments are completed
- Ensuring that identified controls are implemented and effective

The steps of this process can be seen in Figure 1.

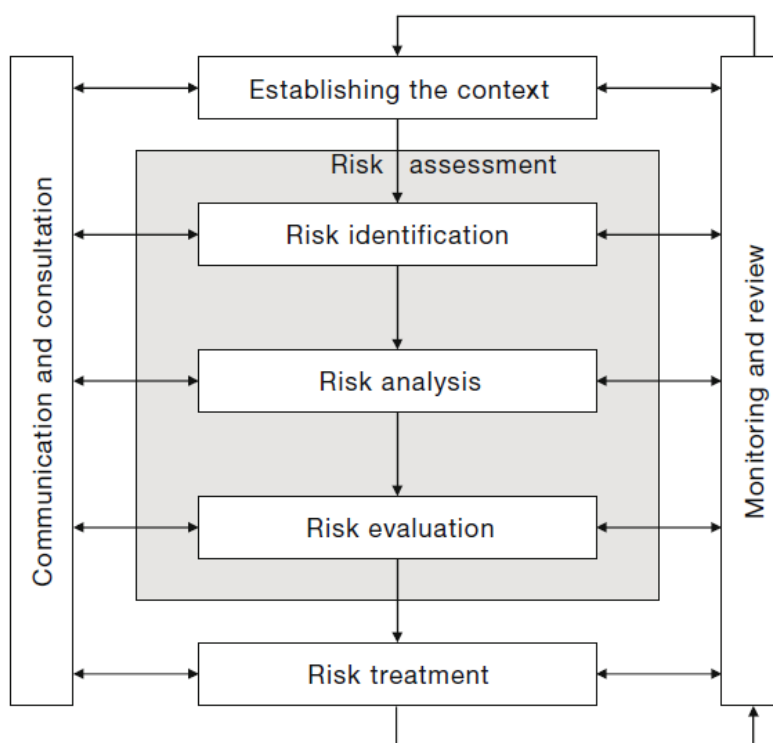


Figure 1

Risk management is not something that is done once, 'ticked off' and put on a shelf to gather dust. Risk management must be an ongoing process that must be revisited in a systematic manner on a regular basis and whenever either of the following occurs:

- Something has, or is proposed to be, changed from the situations that were assessed. This could be a change to the training activities, numbers or types of rescue craft, race formats or times, types of boats or courses that are being run, or the introduction of overlapping courses.
- When there has been an incident or emergency, to establish whether the correct controls were in place and what needs to occur in the future.
- Regular review (at least annually) or after an incident to ensure currency

3. THE RISK MANAGEMENT PROCESS

3.1 Communication and Consultation

Stakeholders are those persons or organisations that can affect, be affected by, or perceive themselves to be affected by a decision or activity of a club. Stakeholders need to be aware of and understand how risks that are relevant to them are managed. Effective communication ensures that those accountable for implementing the risk management process and stakeholders understand the basis on which decisions are made, and the reasons why particular actions are required.

An appropriate range of people need also to be consulted, as relevant, in the development, implementation and evaluation of the risk management program. It is equally essential that communication processes begin early and continue to be maintained at all stages of the consultation process.

Membership of clubs and associations is constantly changing and as such organisations should ensure that new members are introduced to the risk management program and their obligations as part of their induction to the organisation. Similarly, entrants in competitions and races that are not members of your club/class should be made aware of the relevant risk management procedures and any rules with which they must comply.

Examples of Communication Strategies in Relation to Risk Management

- To members:
 - Publish an explanation of its existence in the club newsletter (consider congratulating and thanking the people who have reviewed the handbook)
 - Post relevant documentation on the members section of the club website
 - Put a one page summary on the noticeboard and point to the details on the website
 - Invite members to contribute to the process
- To race officials, instructors and coaches (on water personnel):
 - Conduct an annual (at a minimum) Risk Management Update for all on water personnel
 - Before on water sessions mention the RMP and IMP in your crew briefing
 - Provide copies or website links for more information
 - Laminate relevant pages such as the IMP Contacts page and make sure there is a copy in the sailing office, starting tower and on every safety boat as appropriate

3.2 Establishing the Context

Risk criteria are used to evaluate the significance of risk. In Section 3.4 of this handbook, Australian Sailing has described the risk criteria that it has adopted to be consistent with the values, objectives and resources of the organisation. One of the most important parts of establishing the context for management of your risks is to confirm that your organisation is also going to adopt these criteria and that they will be used evaluate the acceptability of risks.

NOTE THAT IF THE RISK CRITERIA OF YOUR CLUB OR FOR YOUR EVENT DIFFER TO THOSE IN THESE HANDBOOK THEN DIRECT COMPARISONS OF RISK CAN NOT BE MADE WITH CLUBS OR CLASSES THAT DO USE THESE CRITERIA.

Another important role of establishing the context is to provide boundaries to what the risk management process will consider and to form the groundwork for the rest of the risk management process. This part of establishing the context concerns:

- Understanding the organisation's objectives

- Determining the activities that are/are not covered by the process
- Determining the geographical extent of the risk assessment
- Determining whether the risks that are being considered only include those related to health and safety or whether they also include environmental damage, reputational damage, financial loss etc.
- Recognising things that are external to the activities being considered that may give rise to uncertainty

3.3 Risk Identification

The next step in the risk management process is to identify what risks (unwanted events) exist (or may exist in the future) for our sailing races and activities.

A risk register (see spreadsheet in Section 4) is used to record these unwanted events and then to assess, rank and help manage them. Risk registers should always be developed as a group process.

It is important that a range of people who regularly participate in and support the sport be involved in identifying the risks. Officials, instructors, coaches, yard personnel and even participants should be considered for being involved in the workshop that identifies risks and their controls. There is no substitute for actual practical experience in working out why accidents occur, or what presents a potential problem.

Some items that should be considered when identifying risks include:

- The experience and age of participants
- The type of fleet
- The type of activities conducted
- Incident history (including types of injuries, causes etc)
- How operational procedures are conducted, and whether there have been any previous problems

For the purposes of managing the identified risks it can be useful to divide the excel spreadsheet into:

- types of activities (separate spreadsheets for an OTB event, kiteboarding, training etc) and
- risk categories (dividing up the analysis within a spreadsheet).

3.3.1 Sample Risk Categories:

Some examples of risk categories that could be considered are presented below. Clubs need to make their own assessment as to how you segment a risk register to help identify and manage unwanted events.

The spreadsheet based risk register that accompanies this handbook has a number of risk categories that are appropriate for an 'off the beach' event. For these categories it identifies a number of common unwanted events that fall within these categories. Your task is to assess and treat (where necessary) these unwanted events in the context of your club and its activities. Space has also been provided under each category for you to identify additional unwanted events which are particular to your club.

The following are some sample Risk Categories.

(a) On-Water

This category would typically include all of those unwanted events associated with the conduct of sailing races and sailing activities once the participants have left shore. On-water risks will vary depending upon the nature of the activities, experience of participants and organisers and the location(s) in which they are conducted.

(b) Off-Water

This category would typically cover unwanted events which immediately precede or follow on-water events and activities. Launching and retrieval of boats, rigging and preparation activities of race organisers and instructors could all be considered in this regard.

(c) **Host Club Management**

The physical environment in which activities /events are managed will create the opportunity for unwanted events in relation to personal safety and property damage. This category would typically focus on the club and surrounding environments which are utilised by members, participants, and in some circumstances, the general public.

3.4 Risk Analysis

Having identified the risks they then need to be assessed against specified criteria to determine their risk level. The risk level is later used in the evaluation of the risk and whether or not it is acceptable to the organisation and/ or needs to be treated. It also assists in the selection of risk treatments once evaluation determines that treatment is required.

The recommended approach to risk analysis is to assess the identified risks in terms of their likelihood to occur and the consequences that could arise if they occur and then to rate the risk. These ratings describe:

1. The chance of the risk occurring (likelihood) given the controls that are already in place
2. The loss or damage impact if the risk occurred (consequence) given the controls that are already in place
3. The risk level
4. Whether or not the risk level is ALARP (As Low As Reasonably Practicable)

In order to systematically assess the risks identified in the first stage of the process, Australian Sailing has defined the risk rating scales set out below in Tables 1 – 3. The risk rating scales will allow you to rate identified risks and then identify risk management priorities.

The risk criteria, or the likelihood, consequence and risk matrix tables presented below are recommended for all Australian Sailing affiliated clubs and classes. This will enable consistency and provide the ability to combine / merge risk registers.

3.4.1 Likelihood

The likelihood is related to the potential for a risk to occur over an annual evaluation cycle.

Table 1: Likelihood Scale

Rating	LIKELIHOOD The potential for problems to occur in a year
A	ALMOST CERTAIN: Will probably occur, could occur several times per year
B	LIKELY: High probability, likely to arise once per year
C	POSSIBLE: Reasonable likelihood that it may arise over a five-year period
D	UNLIKELY: Plausible, could occur over a five to ten year period
E	RARE: Very unlikely but not impossible, once in 15 years

3.4.2 Consequence

Consequence refers to the degree of injury, loss or damage which may result from its occurrence. The context will have described whether the consequences that are to be considered only include health and safety or whether they also include environmental damage, reputational damage, financial loss etc.

Table 2: Consequence Scale

Rating	CONSEQUENCE
5	CATASTROPHIC: One or more fatalities. Large scale environmental damage. Significant reputational damage likely to attract ongoing adverse media attention.
4	MAJOR: Permanent disabling injury. Injury to a member of the public. Vessels lost or damaged beyond repair. Significant environmental damage or likely to result in fine. Reputational damage with national media attention.
3	MODERATE: Serious reversible injury requiring medical treatment and rehabilitation. Vessels unable to complete series, race or passage. Environmental damage temporary/reversible. Short term adverse media attention.
2	MINOR: Reversible temporary illness/injury requiring medical treatment. Damage to equipment that requires repair before being operable. Local reputational damage
1	NEGLIGIBLE: Minor injuries possibly requiring first aid. Minor damage to equipment. Minor environmental impact.

3.4.3 Risk Matrix

Having assessed each risk in terms of its likelihood and consequence we are in a position to identify the existing controls and assess the risk level to determine what else needs to be reasonably done to manage the risks. The risk matrix is used to determine the level of risk and assess whether it is acceptable to the organisation. Risk level is determined by which coloured box the risk falls into based on its likelihood and consequence.

Table 3: Risk Matrix

		Consequence					
		Catastrophic One or more fatalities. Large scale environmental damage. Significant reputational damage likely to attract ongoing adverse media attention.	Major Permanent disabling injury. Injury to a member of the public. Vessels lost or damaged beyond repair. Significant environmental damage or likely to result in fine. Reputational damage with national media attention.	Moderate Serious reversible injury requiring medical treatment and rehabilitation. Vessels unable to complete series, race or passage. Environmental damage temporary/reversible. Short term adverse media attention.	Minor Reversible temporary illness/injury requiring medical treatment. Damage to equipment that requires repair before being operable. Local reputational damage	Insignificant Minor injuries possibly requiring first aid. Minor damage to equipment. Minor environmental impact	
		5	4	3	2	1	
Likelihood	Almost Certain Will probably occur, could occur several	A	E	E	H	H	M
	Likely High probability, likely to arise once per year	B	E	E	H	M	L
	Possible Reasonable likelihood that it may arise over a	C	E	H	H	M	L
	Unlikely Plausible, could occur over a five to ten year	D	H	H	M	L	L
	Rare Very unlikely but not impossible, once in	E	M	M	L	L	L

3.5 Risk Evaluation

Once risk level has been determined the group can then evaluate whether an activity is appropriate to be undertaken at all, and if so, what additional controls or treatment may be necessary to make the risk tolerable to the organisation.

Risk evaluation involves comparing the level of risk analysis with risk criteria established when the context was considered. It involves determining what risks are tolerable to the organisation having regard to the organisation's attitude to risk.

Australian Sailing has determined that the following minimum actions are required to be taken for events and activities that it is responsible for. Clubs and classes should develop similar criteria for activities and events that they are running.

E	<p>Extreme risks that are likely to arise and have potentially serious consequences requiring urgent attention.</p> <p>The activity related to this unwanted event cannot take place until the controls have been approved by the highest ranking person in the organisation (Commodore/ President/ Board) and they have been fully implemented.</p>
H	<p>High risks that are likely to arise and have potentially serious consequences requiring urgent attention or investigation.</p> <p>The activity related to this unwanted event cannot take place until the proposed controls have been approved by person within the organisation that is responsible for the activity (CEO or General Manager), they are ALARP and they have been fully implemented.</p>
M	<p>Medium risks that are likely to arise or have serious consequences requiring attention.</p> <p>The activity related to this unwanted event cannot take place until the controls have been approved by the Sailing/ Regatta Manager or PRO as relevant, they are ALARP and they have been fully implemented.</p>
L	<p>Low risks and low consequences that may be managed by routine procedures and other similar controls.</p>

3.6 Risk Treatment (Action Plan)

Risk treatment is the process of putting further controls in place to reduce the level of risk until it is acceptable. It involves selecting one or more options for modifying risks and implementing these. Ideally the group will work together to brainstorm a variety of treatment strategies and then consider each strategy in terms of its effectiveness and implementation. This will necessarily involve some "reality testing" of risk treatment strategies as officials determine what reasonable steps they may take to reduce the impact of the risk arising.

Risk treatments should be considered in the order of the following hierarchy:

- Eliminate the risk where possible
- Substitute (such as replacing a type of rounding mark for another that is less dangerous)
- Isolate (physically separating people from the potential source of harm such as placing a course to avoid a known reef)
- Engineer (such as using mechanical aids to lift anchors on marks)

- Administration (such as procedures for checking safety equipment in rescue craft each day)
- Personal protective equipment (such as life jackets, hats and sunscreen)

For risks with risk levels greater than “low’ an assessment should also be made of whether the risks have been reduced to ALARP (as low as reasonably practicable) taking into account:

- the likelihood of the hazard or risk occurring
- the degree of harm that might result from the hazard or risk
- what is known or ought reasonably to be known about the hazard or the risk and ways of eliminating or minimising the risk
- the availability and suitability of ways to eliminate or minimise the risk
- the cost associated with available ways of eliminating or minimising the risk, including whether the cost is grossly disproportionate to the risk.

3.7 Monitor and Review

The treatments or controls that are developed for each unwanted event need to be tracked through to implementation if each risk level is to be successfully reduced. This has to occur by some systematic method such as using an electronic action tracking system or a spreadsheet that is regularly tracked to make sure that each identified action is completed.

club

It is suggested that the club use audit and review methods to check that controls have been, and continue to be, implemented. These methods could include:

- Independent periodic checks that procedures are being observed, that safety related equipment is in place and being maintained
- Periodic reviews of the risk register - particularly if circumstances or activities change within the club or its environs.

Clubs could also arrange for the reporting to the committee at periodic intervals on the implementation of the risk management process.

The keeping of records and the continued evaluation of the risk in the light of such records is crucial. Your risk management procedures should include the review of any incidents, as well as information on the effectiveness of the risk management process. Statistics on continuing injuries or accident occurrences could also be used to determine whether there are specific activities that require either increased precautions or supervision.

It is also very important that the risk management process and risk register are reviewed at the end of the event, activity, program or season to ensure that they are effective and up to date.

The awareness of risk, risk management processes and risk registers cannot remain static. They must become part of the way that a club or organisation approaches its day to day activities. Risks can change according to changed circumstances, changes in legislation, development of safe practices and techniques, and developing technologies. Constant evaluation and updating must be done to take account of developing trends and the organisation’s own experience.

3.8 Insurance

It is important that clubs understand that they cannot rely solely on insurance to protect them. Insurance is the last resort in the context of risk management and should serve as your back up plan if all else fails. Club management (Directors, committee members etc) have a responsibility to ensure that they have assessed the risks at their club and put effective strategies in place to mitigate them. This should be coupled with addressing the insurance requirements for a clubs operations. Types of cover to consider for clubs include: Public Liability, Directors & Officers, Marine Hull, Property and Personal Accident

4. THE RISK REGISTER

PLEASE NOTE: This handbook is a guide. The risks which have been included under the respective Risk Categories in the following Risk Register tool were originally identified by volunteer club officials in a workshop convened by Australian Sailing. There will be circumstances where risks which are particular to your club's/centre's/event's sailing activities may not have been addressed. Space has been provided for you to identify and address these.

[Click Here – To access Risk Management Tools](#)

Disclaimer

This document provides general information and guidance relating to risk management practices at sailing clubs and training centres and for the management of events which was current at the time of production. The information contained in this document does not constitute advice and should not be relied on as such. This resource may be affected by changes to legislation, good practice and experience. It is not exhaustive in its coverage of rights or obligations under any law.

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Version Control

Version #	Implemented By	Revision Date	Approved By	Approval Date	Reason
1.0	<Rayshele Martin>	<11/09/16>	<name>	<mm/dd/yy>	Revised Risk Management Plan, updating references to Australian Sailing
1.1	<Author name>	<mm/dd/yy>	<name>	<mm/dd/yy>	Document updated to provide consistency with AS/NZS 31000