



TYPE OF DOCUMENT:	POLICY
TITLE:	RISK MANAGEMENT
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POLICY STATEMENT

Perth Boat School is committed to managing risk from any exposure that could adversely impact on any training and assessment activities. Perth Boat School will implement and maintain written procedures to identify and manage risks concerned with compliance with the Standards for Registered Training Organisations and to correct and prevent any failure to comply with the Standards and Perth Boat School's quality system, policies and procedures.

Perth Boat School will ensure that it develops, implements and maintains risk management strategies for:

- * AQTF compliance, and**
- * all training and assessment activities.**

Perth Boat School will ensure it has written policies, procedures and action plans for the management of risks.

RISK MANAGEMENT

1.0 INTRODUCTION

Perth Boat School is committed to providing quality training and assessment in accordance with the Australian Quality Training Framework (AQTF 2007). Perth Boat School's commitment to compliance with the "Standards for Registered Training Organisations" will ensure its continuous improvement practices are maintained throughout all facets of its operations providing excellence in service delivery. Accordingly it is imperative that Perth Boat School identifies and eliminates risks of non-compliance with the AQTF standards.

As an RTO, Perth Boat School is required to have written policies and procedures for identifying and managing risks concerned with compliance with the AQTF standards and to implement corrective and preventative measures for risks.

Risk management is the process of identifying risks, analysing, prioritising, and either eliminating or having insurance coverage for them. Through this process, risk is understood and managed, before it hits unexpectedly.

2.0 POLICY PRINCIPLES :

2.1 Principles



- Risk management is an integral part of strategic policy, management responsibilities and operational functions
- All Perth Boat School personnel have a role in, and are accountable for, managing risk. This applies from the identification stage right through to the treatment of the risk.
- Risk management ensures that Perth Boat School:
 - Reduces its exposure to loss and mitigates and controls loss should it occur;
 - Ensures the ongoing and unimpeded capacity of Perth Boat School to fulfil its mission, perform its key services, meet its objectives and serve its student/members
 - Safeguard its assets; and
 - Reduces the cost of risks.
- The risks associated with the absence of a policy on risk management include:
 - Non-compliance with the AQTF;
 - loss of RTO registration
 - A lack of a systematic approach to the application of management policies, procedures and practices to the tasks of analysing, evaluating and controlling risk.
- Perth Boat School aims to avoid, accept, reduce or insure against risks.
- Perth Boat School aims to maintain its high service delivery standards through its compliance with the AQTF. Integral to this is active, ongoing and timely intervention in risk identification and management.
- The Director Perth Boat School is responsible for maintaining the effectiveness of the business and ensuring its clients receive a high standard of service, which is not compromised in any way, particularly through non-compliance with any aspect of the AQTF. This includes ongoing monitoring and assessment of the risks to AQTF compliance and the implementation of policies, procedures and other measures to minimise or eliminate those risks.

2.2 Likelihood ratings

Perth Boat School uses the following Likelihood ratings in assessing risks:

Level	Descriptor	Description
5	Almost certain	The event is expected to occur in most circumstances.
4	Likely	The event will probably occur in most circumstances.
3	Possible	The event might occur at some time.
2	Unlikely	The event could occur at some time.
1	Rare	The event may occur only in exceptional circumstances.



2.3 Consequence ratings

Perth Boat School uses the following Consequence ratings in assessing risks:

Level	Descriptor	Reputation & image	Financial	Operational efficiency
1	Insignificant	Unsubstantiated, low impact, low profile	Negligible cost.	No impact.
2	Minor	Substantiated, low impact. Manager involvement	Low financial loss.	May incur delays Suspension of scope
3	Moderate	Substantiated, moderate impact, Involvement,	Moderate financial loss.	Significant delays in major deliverables Reduction in scope
4	Major	Substantiated, high impact, third party actions	Major financial loss.	Non – achievement of major deliverables Loss of RTO
5	Catastrophic	Substantiated, public embarrassment, very high multiple impacts, high profile, third party actions	Extreme financial loss.	Non achievement of major key objectives Loss of RTO

2.4 Risk ratings

Perth Boat School uses the following overall risk ratings in assessing risks:

Risk Ranking Matrix

Likelihood	Consequence				
	Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
5 Almost certain	5	10	15	20	25
4 Likely	4	8	12	16	20
3 Possible	3	6	9	12	15
2 Unlikely	2	4	6	8	10
1 Rare	1	2	3	4	5



Ranking and Response

Ranking	Risk	Required action
20-25	Extreme risk	Principal action required
13-19	High risk	Senior management attention required.
6 – 12	Moderate risk	Management responsibility must be specified.
1-5	Low risk	Manage by routine procedures.

3.0 SUPPORTING DOCUMENTATION

Perth Boat School documentation which supports the implementation of this Policy includes:

- F33_01 Risk Identification Template
- F33_02 Risk Action Plan Template
- Risk Analysis for RTO
- Risk action plans



4.0 PROCEDURES :

RISK MANAGEMENT

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Step One – Risk Management Plan Developed
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- 1 Perth Boat School will develop a risk management plan and continually review this plan in consultation with key stakeholders, taking into account any previously unforeseen, unwarranted and avoidable occurrences, which have had an adverse affect on Perth Boat School, its clients or its stakeholders.
- 2 Risks are identified and listed against each of the Standards of the AQTF.
- 3 Each risk is assessed in terms of its “Likelihood” and “Consequence”.
- 4 Each risk is assigned a risk rating.
- 5 An individual risk plan is developed for each identified risk, including corrective, preventative and monitoring actions.
- 6 Actions are implemented to protect against risks.

Step Two – Risk Management Plan Review

- 1 Risk plans are reviewed every 12 months with enhancements made through the continuous improvement process.