

A Risk Management Approach

Kidsafe NSW recommends a risk management approach to address potential safety hazards. This approach follows the risk management process as outlined in AS/NZS ISO 31000 Risk management, which recommends the following steps:

STEP 1: COMMUNICATION AND CONSULTATION

Successful assessment of risk depends on effective communication and consultation with stakeholders including:

- Identifying or assessing hazards or risks.
- Making decisions on how to control risks.
- Making decisions about procedures.

STEP 2: ESTABLISHING THE CONTEXT

Identify the external and internal risk management issues and establish a context within which risks are to be managed.

STEP 3: RISK IDENTIFICATION

The Standard recommends a systematic approach and use of a structured process to help identify any risk. Initially it is useful to ask the following questions in relation to a potential hazard:

- **What** can happen, **where** and **when**? Generate a comprehensive list of potential sources of risk.
- **Why** and **how** can it happen? Consider possible causes and scenarios.



STEP 4: RISK ANALYSIS

This will help you decide the best approach for dealing with the risk/s

- Evaluate the controls that are already in place, and consider their effectiveness.
- Examine each risk in terms of 'consequence' (what could happen) and 'likelihood' (the probability of something happening). This will help when making the decision about treating the risk/s.

STEP 5: RISK EVALUATION

Use the information in step 4 to make a decision about rating each of the risk/s. The matrices on the following page can assist with this process. The risk rating can determine the appropriate action. Different risks require different levels of action.

STEP 6: RISK TREATMENT

There are a range of options for treating risks:

- Identify the options for treatment. These may include:
 - ✘ removing or avoiding the risk entirely where practicable
 - ✘ reducing the likelihood of the risk by putting control measures in place, for example, installing a barrier or relying on close supervision and keeping children within reach

STEP 7: MONITOR AND REVIEW

Ongoing monitoring and review is essential.

Regularly review the effectiveness of the risk treatment to ensure it is the most appropriate action.

An example of a *simple* risk level matrix

| | Consequence | | |
|------------|-------------|----------|-------|
| Likelihood | Major | Moderate | Minor |
| Likely | Red | Red | Amber |
| Possible | Red | Amber | Green |
| Unlikely | Amber | Green | Green |

Risk treatment key:

- Red — Immediate action
- Amber — Heightened action
- Green — Business as usual

An example of a *complex* risk level matrix

| | | CONSEQUENCE | | | |
|------------|----------------|-------------|----------|-------|---------------|
| | | Major | Moderate | Minor | Insignificant |
| LIKELIHOOD | Almost Certain | 1 | 1 | 2 | 3 |
| | Likely | 1 | 2 | 3 | 4 |
| | Possible | 2 | 3 | 4 | 5 |
| | Unlikely | 3 | 4 | 5 | 5 |

Risk rating

- 1: Very High Risk – Rectify immediately
- 2: High Risk – Immediate control required
- 3: Significant Risk – Make plan to control risk
- 4: Medium Risk – Monitor risk on ongoing basis
- 5: Low Risk – Set a time to review risks



Australian Standards

Where possible, we have outlined the relevant Standards for each area of risk. This is not an exhaustive list, and *Kidsafe NSW* strongly recommends that individuals check with Standards Australia and with local compliance agencies.

In addition, there are some Standards that should be consulted as overall Standards for child safety. These include the Standards listed in the table on right.

| Reference | Title | Area covered |
|------------------|---|----------------------------------|
| ISO/IEC Guide 50 | <i>Safety aspects – Guidelines for child safety</i> | Child safety |
| HB 136 | <i>Safety aspects – Guidelines for child safety</i> | Child safety |
| AS 4226 | <i>Guidelines for safe housing design</i> | Safe housing design |
| AS/NZS ISO 31000 | <i>Risk management—Principles and guidelines</i> | General risk management practice |
| HB 266 | <i>Guide for managing risks in not-for-profit organisations</i> | |

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