



AN INTRODUCTION TO RISK MANAGEMENT FOR EVENT HOLDERS IN WESTERN AUSTRALIA



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♀ OPTUS STADIUM, PERTH

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INTRODUCTION

Event Risk Management is concerned with the effect of uncertainty associated with planning and delivering events. It is concerned with taking steps to limit the chances of negative impacts occurring and preparing for the consequences if they do. It is also concerned with maximising the opportunities associated with any event, and ensuring it is as successful as possible. 'Success' in events often means meeting the event objectives, including key ones like ensuring that individuals are kept safe and healthy, the environment is protected, the financials are managed properly, and reputations are enhanced through the event.

Hint 1 – Remember that an Event Risk Management Plan does not just deal with safety and health related risks, it is 'whole of event' and should address all the key risks faced.

Risk Management is not something new. Individuals undertake risk management every day. Putting away the hose after watering the garden to avoid tripping over or putting on a seatbelt whilst travelling by car are both examples of sensible risk management.

The emphasis is on event holders to undertake a structured approach to risk management so that they can make good decisions and demonstrate to others that they have a transparent and robust process which shows how they reached those decisions. Those decisions will often relate to whether or

not certain risks should be accepted. Risk management gives event holders a systematic approach to identify and manage key risk exposures so that they can direct their resources towards the areas where they will be most effective. No event holder has infinite resources, so being able to prioritise can be very useful in successful event planning and delivery.

This resource aims to provide practical guidance to event holders to assist with managing risks associated with their events.

The resource was primarily developed to support event holders that are successful in receiving event funding through the Regional Events Scheme. However, the content is applicable to any event holder and aligns with the Australian Standard: Risk Management – Principles and Guidelines (AS ISO 31000:2018*).

This resource should also be read in conjunction with the publication: 'Resource for Events in Western Australia to assist in safe and efficient event planning and conduct', available from Tourism WA's website www.tourism.wa.gov.au.

* Copies of this Standard are available from Standard Australia's website www.standards.org.au

DEFINITIONS

WHAT IS RISK?

The effect of uncertainty on event objectives. It can be measured in terms of likelihoods and consequences (for example, the likelihood that an event patron might be seriously hurt at an event).

WHAT IS RISK MANAGEMENT?

In this context, it is the practice of systematically identifying, understanding and managing the risks encountered in the conceptualisation, planning, implementation and operation of events.

WHAT IS RISK TRANSFER?

Shifting responsibility or the burden of loss to another party through mechanisms like legislation, contracts or insurance. It is worth remembering that not all risks can ever be transferred (for example, reputational damage is not an insurable risk).

WHAT ARE 'RISK REFERENCE' OR 'RISK ASSESSMENT' TABLES?

Risk Reference Tables are developed for the purpose of determining how risks are to be evaluated, assessed, measured, accepted and monitored. Commonly there are five tables used:

Table 1 – Consequence Table (Qualitative Measures of Consequence)

Table 2 – Likelihood Table (Qualitative Measures of Likelihood)

Table 3 – Existing Controls Rating Table

Table 4 – Risk Assessment Criteria Table

Table 5 – Risk Acceptance Criteria Table

For a sample of these types of tables refer to Attachment A – Sample Risk Reference Tables

WHAT IS A RISK REGISTER?

A repository for all the event-related risk assessment information derived from performing the risk management process.





WHY WE NEED TO MANAGE RISK

It is good management practice. Adopting a risk-based approach provides structure and form to decision-making processes. Some good reasons to manage risks include:

- Helps with event planning.
- Reduces unexpected and costly surprises.
- Provides more effective and efficient allocation of resources.
- Better results are derived from event management.
- Assists the definition of insurance needs and helps obtain insurance cover.
- Provides better information for decision-making.
- Aids compliance with regulatory requirements.

- Provides a robust evidence base and assists in preparation for auditing.
- Lessening risk encourages more people to participate in the event.
- Balances opportunity and risk.
- Identify and analyse risks that affect the critical success factors of the event.

Hint 2 – Break the event down into easily digestible components that align with how you, as an Event Holder, are intending to plan and deliver the event. For example, a reasonable structure for a triathlon event may be pre-event, swim leg, bike leg, run leg, post-event. This helps ensure that no component of the event is forgotten.

WHEN WE NEED TO MANAGE RISK

Risk Management is a way of looking at an event and considering what can stop the event holder from achieving what they want to achieve. Therefore, risk management is an ongoing process that can be applied to all aspects of an event. Event holders should carry out a risk assessment for any event. It is a continuous process that is designed to help prioritise where to dedicate energy, activities, resources and funds. Stakeholder expectations are constantly evolving and increasing. In contrast, the tolerances for negative impacts are decreasing. This means the risk assessment should be revisited every time an event is held, and it should always be 'front of mind'.

RISK MANAGEMENT IS A SYSTEMATIC PROCESS

Step 1 – Establish the Context, Criteria and Critical Success Factors

Step 2 – Risk Identification

Step 3 – Risk Analysis (Causes, Consequences and Controls)

Step 4 – Risk Evaluation

Step 5 – Risk Treatments

IMPORTANT

Throughout each step, it is essential that there is 'consultation and communication' with everyone involved in the event, including internal and external stakeholders. There also needs to be systematic monitoring, review, recording and reporting.

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RISK MANAGEMENT PROCESS

Aligned to AS ISO 31000:2018 (which is available from Standards Australia at www.standards.org.au).

COMMUNICATE & CONSULT

Have you as an Event Holder adequately communicated and consulted throughout all of the above?

STEP 1

Establish what event planning and delivery comprises of.

Establish the risk criteria assessments will be undertaken against.

Have you as an Event Holder adequately described the event, and the Risk Management process being applied to that event by defining the scope, setting the internal and external context and defining the risk criteria?

STEP 2: IDENTIFIED THE RISKS

Have you as an Event Holder adequately identified the key risks relevant to the components of the event?

STEP 3: ANALYSED THE RISKS

Have you as an Event Holder adequately identified the indirect and direct causes, controls and consequences associated with those key risks?

STEP 4: EVALUATED THE RISKS

Have you as an Event Holder adequately considered the likelihood and consequences of those risks occurring?

STEP 5: TREATED THE RISKS

Have you as an Event Holder adequately managed the risk through a series of defined controls and action?

RECORDING & REPORTING

Have you as an Event Holder adequately recorded and reported on the risk management process and outcomes relevant to the event?

MONITOR & REVIEW

Have you as an Event Holder adequately monitored and reviewed the risks through the evolution of the event?

RISK MANAGEMENT PROCESS:

COMMUNICATION & CONSULTATION

Communication and consultation are essential to the success of the overall risk management process.

The effectiveness of an event holders' risk management process depends upon, amongst other things, involving the right people at the right time and ensuring they understand, are involved in, and contribute to the process.

Each step of the risk management process relies on communication and consultation to achieve its purpose. For instance, in:

- **Setting the context** – communicating and consulting with internal and external stakeholders is essential to reaching a thorough understanding of the event environment and to defining the purpose, scope and criteria for the risk assessment.
- **Risk identification** - a diversity of input can ensure important risks are not overlooked and ensure that risks are accurately described.
- **Risk evaluation and analysis** - allows all perspectives to be considered in arriving at what could cause risks to occur, what the consequences could be, what controls exist and what represents the realistic levels of risk.
- **Risk treatment** - is more effective because of the contribution from stakeholders. Treatment plans are more likely to be technically, financially and operationally viable – and better understood by everyone.
- **Effective communication and consultation** mean more successful monitoring and reviewing throughout the process as risk information is valid, current and in use.

Communication and consultation do not mean asking everybody their opinion about everything. When planning, consider the following in relation to communication and consultation requirements and ensure this is documented:

- **Objectives** – what are the aims of involving different people/stakeholders in the process?
- **Participants** – who are the appropriate parties/stakeholders to be involved at each step of the process?
- **Perspectives** – what particular contribution or viewpoint is anticipated and required from each participant/stakeholder?
- **Methods** – how will consultation take place? It may not always be practical to get all the parties/stakeholders together in one place.

Consider the 'RACI' approach – Responsible, Accountable, Consulted and Informed – to identify key stakeholders and their roles throughout the process. The RACI concept is highlighted below.

R - RESPONSIBLE

The person assigned to deliver/execute a particular activity.

A - ACCOUNTABLE

The ultimate decision-maker and owner of the activity and its associated outcomes.

C - CONSULTED

The party/parties whose expertise and/or opinions must be sought and clarified prior to undertaking the activity of making decisions.

I - INFORMED

The party/parties who are required to know that the particular activity or decision has been undertaken.

Hint 3 – It is necessary to take a broad perspective of 'stakeholders' in risk management as they are considered to be those interested parties who perceive themselves to be affected by your actions rather than just those who actually have. Make sure that you have documented all your stakeholders, their expectations, their feedback into your event risk process and you understand the impacts if those expectations are not met (e.g. if a stakeholder expects you to have a license or certain permission for an activity, what will be the ramifications if you don't have that).



RISK MANAGEMENT PROCESS:

MONITOR & REVIEW

Risk management is an ongoing process, so event holders need to regularly monitor and review from 'Step 1' onwards. This should include checking whether anything has changed which may impact on the risks previously identified.

Hint 4 – Start early, use document control and review more regularly as the event draws closer.

This can be done by:

- Risk reviews.
- Review progress of new 'Treatment Action Plans' (i.e. the implementation of new controls).

New risks can also be identified from:

- Accident, incident and claims reports;
- Findings, financial audits and post event evaluations;
- Physical inspections;
- Reviewing other similar events;
- Speaking with stakeholders/Committees; and
- Reviewing the previous performance of the event.

Hint 5 – Command, control and communicate event information before, during and after the event.



RISK MANAGEMENT PROCESS:

RECORD & REPORT

Recording and reporting the risk management process and its outcomes provides useful information for Event Holders used in event planning and decision making. Risk Management activities should be communicated to relevant stakeholders with appropriate recording and reporting mechanisms put in place. The Event Holders will need to consider:

- What information is reported and to which stakeholders;
- The formatting and method to record and report;
- The frequency of reporting the information; and
- How the Event Holder deals with the retention and handling of information amongst stakeholders regarding its use and levels of required privacy and confidentiality.

Hint 6 – If in doubt, document it. Always be aware of the importance of ensuring documents are usable, succinct and can be readily understood by the proposed audience.

RISK MANAGEMENT PROCESS:

STEP 1 - ESTABLISH THE CONTEXT, CRITERIA AND CRITICAL SUCCESS FACTORS

Establishing the context involves establishing the 'risk management process' that will be used and clarifying how it will be aligned with the event scope, activities and stages. Effectively identifying risks in the next step relies on clarity at this stage in relation to event objectives, the critical success factors (CSFs) required to meet the objectives, event holder capabilities and factors internal and external to the event holder.

1. OVERVIEW

Be clear on:

- The scope and objectives of the risk management planning in relation to the event.
- Answering the 'who', 'what', 'when', 'how' and – 'with what' questions?
 - Who is going to be involved?
 - What are they actually going to be doing?
 - When are they going to be doing it?
 - How are they going to do it?
 - With what resources will they undertake this?
- The CSFs for your event. These are the elements that you need to get right in relation to the event planning and delivery (e.g. safe handling & serving of food/beverages, safe equipment use...etc.). If you establish what it is critical you get right, it will be far easier to articulate the risk (e.g. failure to ensure safe handling and serving of food/beverages, failure to ensure safe equipment use...etc) and you will keep your event risk assessment at the appropriate level.

Hint 7 – Establish what is critical that you get right and consider the risk in this context. For example, if it's critical that your event is 'commercially viable', one of your key risks is likely to be that it isn't (e.g. failure to ensure a commercially viable event).

2. DEVELOP RISK CRITERIA

- Develop risk criteria against which risks are to be evaluated. These are often termed risk assessment or reference tables. Important criteria that should be considered include:
 - the kinds and levels of consequences that will be considered (as a minimum consequences like injuries and ill-health, financial loss, event delay or cessation, and reputational damage are typically described on a range from 'catastrophic' to 'insignificant')
 - how 'likelihood' will be defined (typically, likelihood will be on a range from 'almost certain to 'rare')
 - how robust the controls are when considered collectively (typically, controls will be rated 'inadequate', 'adequate' or 'excellent')
 - how it is determined whether the risk level is such that it can be accepted or whether further treatment activities are required.

Note: A set of sample risk assessment/reference tables (i.e. risk criteria) have been provided at Attachment A. These tables are examples only and event holders will need to develop their own, relevant to the event. Remember, it is not possible to understand a risk assessment without documenting and providing the risk reference tables that have been used.

Hint 8 - Make sure the risk tables you rate your risks against are suitable for you and your event (e.g. if a financial loss of \$50,000 would have a 'major' impact to you as an Event Holder, the consequence description tables under 'major' should align with that).

3. RISK ASSESSMENT

Establish the boundaries for each risk assessment.

- Describe and define the event for which risks are to be identified, including the:
 - scope
 - event stages in a way that ensures the risks will be comprehensively considered in relation to the event
 - the functions and activities which comprise those stages.

Note: Key activities can be categorised into three levels with associated risk:

Strategic - Risks associated with the high-level longer-term goals, objectives or strategies of the organisation, business or association. For example, the desire to grow the event and its reputation over future years.

Operational - Risks associated with the day-to-day functions of event planning and delivery, safety and security, marketing and promotion, and financial management. For example, the desire to bring the event in on budget.

Project/Event Phase or Stage specific - Those risks associated with the specific event stage or phases of the event (i.e. concept, planning, implementation, and event operation). For example, risks associated with the cycle leg of a triathlon during event operation.

RISK MANAGEMENT PROCESS:

STEP 2 - RISK IDENTIFICATION

The purpose of this step is to identify what could go wrong and what could happen to prevent the event from being successful.

Once you have established the CSFs in Step 1 and the likely risks, consider the following:

METHODS

Be clear on:

- **Experience and records:** Start by reviewing internal and event industry records for the types of incidents that have happened in the past (this is only an indicator as not all future risk incidents have previously happened).
- **Brainstorming:** Get together with those who know the event and or the event type well to find out what the event relies upon and the things that can – and do – go wrong.
- **Analysis:** Analyse internal systems and processes to identify critical points. For example, when will event volunteers be briefed, it may be a critical point in the process and the last opportunity to ensure they have the relevant information. Equally, the Event Holder may be engaging other services for the event and will need to ensure that the providers are able to demonstrate adequate insurance cover prior to any contract being signed off.
- **Personal feedback:** Look up any reports or reviews that might identify things that could affect the ability of the event to succeed. The advent of social media means that many successful, and less than successful events, have running

commentary available relating to how well those events were managed. More broadly, using the internet can help identify how well similar international, national and state events have been run and put organisers in contact with event managers who can provide personal feedback.

- **Audit and other recommendations:** Look for findings (e.g. of financial audits or post event evaluations) as they may also identify things that could affect the ability of the event to succeed.

KEY QUESTIONS

- What can happen?

Hint 9 – Make sure that you have considered and documented the potential indirect and direct causes that might give rise to the risk, the potential multiple consequences if the risk occurs and the actual controls that are in place to manage the consequences and likelihood of risk occurring. The relationship between cause, risk and consequence is typically a ‘many to one to many’ relationship (i.e. there are many potential causes for a risk and multiple possible consequences as a result).

- Think about what you determined as critical, and how your event could be impacted by:
 - Inadequate venue selection(s) and site planning
 - Inadequate promotion of the event

- Inadequate ticketing
- Inadequate waste management, lighting and power, water and toilets
- Unsuitable weather
- Unsatisfactory food hygiene
- Inadequate emergency and incident prevention, preparedness, response and recovery (including first aid and medical services)
- Fraud, misconduct and/or breaches of confidentiality / privacy
- Failing to secure appropriate licensing (e.g. liquor licenses, council permits)
- Poor consultation or briefings with stakeholders
- Inadequate signage

The above is not an exhaustive list. Many of the concerns event holders should consider will be relevant to the event, but the more people involved in identifying risks and their causes the better.

- How and why it can happen? List the possible indirect and direct causes that could give rise to the risks.

Hint 10 – Articulate the risks as the inverse of the CSFs identified in Step 1.





RISK MANAGEMENT PROCESS:

STEP 3 - RISK ANALYSIS

This involves analysing the possible causes, potential consequences and likelihoods of those consequences for each identified risk (using the established risk criteria – refer to Attachment A for sample tables). When multiplied this will provide the overall level of risk. The purpose of this step is to separate high risks from low risks, and to prioritise those areas where resources should be allocated.

- **Possible Causes:** What are the indirect and direct factors that could cause or contribute to the risk?
- **Potential Consequences:** These are the potential impacts or outcomes of a risk eventuating. A risk can have multiple consequences being loss, injury, disadvantage or gain. What are the consequences of the risk?

Likelihood: This is a measure of how likely it is that a certain consequence will eventuate, ranging from rare to almost certain.

What is the likelihood of the risk occurring? Process:

- Look at the adequacy of existing controls. Identify how the risk is currently being mitigated.
- What are the consequences if it occurs?
- Multiply consequences by likelihood to give a level of risk.
- How likely is it to occur? (Evaluate likelihood based on existing controls)
- Review the level of risk determined against the acceptance criteria identified in Step 1.

- Decide which risks are to be treated or accepted. Decide this by identifying at what value a risk changes from being acceptable to unacceptable.
- Record the analysis (Refer to Attachment B for a sample risk identification form and risk register below – the tools that could be used to record the analysis).

- i. Risk Number
- ii. Event Activity
- iii. Responsible Manager
- iv. Critical Success Factor
- v. Risk Type
- vi. Risk
- vii. Causes
- viii. Consequences
- ix. Controls
- x. Control Rating (Inadequate, Adequate, Excellent)
- xi. Residual Risk
 1. Likelihood
 2. Consequence
 3. Risk Rating (Likelihood x Consequence)

- xii. Review Process
 1. By Whom
 2. Date
- xiii. Review Outcomes
 1. Actions
 2. Responsible Person
 3. Date
- xiv. Comments

Hint 11 - Only select the consequence categories that are relevant to that risk. You do not have to rate every consequence category for each risk. Some consequences will not be applicable to a specific risk. Where there are multiple ratings for a risk the highest combination of consequence/likelihood is taken as the overall level or risk.

RISK MANAGEMENT PROCESS:

STEP 4 - RISK EVALUATION

Using a Risk Assessment/Reference Table, assess the levels of controls and determine the likelihood and consequences of the risk eventuating with the current controls in place.

The Risk Evaluation aims to determine if the risk rating is acceptable and if controls are at least adequate.

Using the possible consequences and estimate the possible level of impact for each risk occurring based on your experience, judgement, intuition and other relevant information you may have.

RISK MANAGEMENT PROCESS:

STEP 5 - RISK TREATMENTS

If a risk is identified as unacceptable to you as an Event Holder, then it should be evaluated in terms of what else can be done to reduce the risk by implementing new risk controls. The alternative is to enhance existing controls.

Hint 12 – Make sure that you differentiate between ‘controls’ that you actually have versus ‘treatment actions’ that you intend to undertake – typically because the controls need to be improved and/or the risk is just too high for you as an Event Holder.

WHAT ARE THE CHOICES?

- **Avoiding or removing risks** by ceasing or changing the relevant objective or activity;
- **Reducing the risk** by changing the likelihood and/or consequence of the risk through modifying existing controls or adding new controls;
- **Transferring or sharing the source** of the risk (e.g. insurance, outsourcing);
- **Accepting the risk** by making an informed decision that the risk rating is at an acceptable level or that the cost of the treatment outweighs the benefit.

KEY QUESTIONS

- What is currently being done to control this risk?
- What resources will be required to implement the chosen control(s)?
- Is it worth doing? (e.g. cost versus benefit considerations).

Hint 13 – Make sure all treatment actions have an individual responsible for ensuring the action is undertaken, and a date by when the action will be completed. Try to ensure this allocation is to an individual rather than a group (e.g. the Chair of a particular committee rather than the Committee as a whole).

ADDITIONAL RESOURCES

- Australian New Zealand Standard: Risk Management – Principles and Guidelines (AS ISO 31000:2018)
www.standards.org.au
- Tourism Western Australia: Resource for Events in Western Australia to assist in safe and efficient event planning and conduct (Version 6)
www.tourism.wa.gov.au
- Department of Health – Guidelines for Concerts, Events & Organised Gatherings (December 2022)
https://ww2.health.wa.gov.au/Articles/N_R/Public-buildings-and-mass-gatherings
- State Law Publisher
www.slp.wa.gov.au
- COVID-19 coronavirus
<https://www.wa.gov.au/government/document-collections/covid-19-coronavirus-events>





ATTACHMENT A – SAMPLE RISK ASSESSMENT / REFERENCE TABLES

Risk Assessment / Reference Tables are developed for the purpose of establishing guidance as to how risks are to be evaluated, assessed, measured, accepted and monitored.

Commonly there are five tables used:

- Table 1 – Consequence Table (Qualitative Measures of Consequence)
- Table 2 – Likelihood Table (Qualitative Measures of Likelihood)
- Table 3 – Existing Controls Rating Table
- Table 4 – Risk Assessment Criteria Table
- Table 5 – Risk Acceptance Criteria Table

A sample of each risk reference table is provided for reference.

TABLE 1 - CONSEQUENCE TABLE (QUALITATIVE MEASURES OF CONSEQUENCE)

Level	Rank	Injuries	Reputation & image	Financial loss	Operational efficiency	Interruption to services	Social/community
1	Insignificant	Incident / near miss report but no immediate signs of injury	Individual stakeholder complaint. Issue rectified at local level	Revenue/cost impact 0-2% of operational budget	Impact absorbed through routine operations	All event activity stopped for less than 2 hours	Low localised situation with no broader impacts
2	Minor	Injury or illness requiring first aid only	Negative media article. Low local exposure. Stakeholder complaint handled at Line Manager level	Revenue/cost impact 2-5% of operational budget	Minor delays in achieving objectives. Majority of objectives remain on track.	All event activity stopped for 2 – 4 hours	Minor delay impacting on ability to meet social / community expectations
3	Moderate	Medical treatment necessary/ Insurance claim/ rehabilitation program/ lost time injury or illness.	Some negative media coverage or industry criticism. Stakeholders make formal complaints.	Revenue/cost impact 5-10% of operational budget	Management effort required to re-direct resources to avoid delays in achieving strategic intents. Administration of the event could be subject to significant review or change	All event activity stopped for 4 hours – 1 day	Community backlash, Social and community rejection
4	Major	Substantial damages / life threatening injury or illness	Extensive public criticism. State-wide media exposure. Public embarrassment. Loss of credibility.	Revenue/cost impact of 10-20% of operational budget	Significantly reduced ability to achieve objectives / key deliverables. Continued function of the event would be threatened.	All event activity stopped for 1 – 3 days	Long delays in event delivery leads to stakeholder impacts socially, economically and financially. Emerging environment and/or health issues.
5	Catastrophic	Loss of life. Permanent disabilities	Sustained State and National media reporting. Very high multiple impacts across stakeholders. Third party actions	Revenue/cost impact more than 20% of operational budget.	One or more key deliverables not delivered resulting in, major flow on effects for external stakeholders.	All event activity stopped for more than 3 days	Widespread social problems causing multiple impacts. Serious long term environmental and health issues.

TABLE 2 – LIKELIHOOD TABLE (QUALITATIVE MEASURES OF LIKELIHOOD)

Level	Descriptor	Description	Probability
1	Rare	The event may occur only in exceptional circumstances. (eg. Less than once in 10 years.)	< 10%
2	Unlikely	The event could occur at some time. (eg. At least once between 5 and 10 years.)	10 - 30%
3	Possible	The event should occur at some time. (eg. At least once between 1 and 5 years.)	31 - 50%
4	Likely	The event will probably occur in most circumstances. (eg. Once per year.)	51 - 70%
5	Almost Certain	The event is expected to occur in most circumstances. (eg. More than once per year.)	71 - 90%

TABLE 3 – EXISTING CONTROLS RATING TABLE

Level	Descriptor	Foreseeable	Example detail description
E	Excellent	More than what a reasonable person would be expected to do in the circumstances.	Excellent controls fully in place and require only ongoing maintenance and monitoring. Protection systems are being continuously reviewed and procedures are regularly tested.
A	Adequate	Only what a reasonable person would be expected to do in the circumstances.	Being addressed reasonably. Protection systems are in place and procedures exist for given circumstances. Period review.
I	Inadequate	Less than what a reasonable person would be expected to do in the circumstances.	Little or no action being taken. Protection systems exist or they have not been reviewed for some time. No formalized procedures.

TABLE 4 – RISK ASSESSMENT CRITERIA TABLE

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

TABLE 5 – RISK ACCEPTANCE CRITERIA TABLE

Level risk	Criteria for management of residual risk	Reporting to	Who is responsible?
Low (1 - 5)	Acceptable with adequate controls (subject to alignment with risk tolerance and appetite).	Annual reporting to Risk Committee.	Risk Owner
Moderate (6 - 11)	Acceptable with adequate controls (subject to alignment with risk tolerance and appetite).	Annual reporting to Risk Committee.	Risk Owner
High (12 - 15)	Requires excellent controls. Refer to CEO/Director for acceptance decision.	Monthly reporting to CEO. Quarterly reporting to Risk Committee.	CEO/Director
Extreme (16 - 25)	Unacceptable. Refer to Board/CEO for next steps.	Immediate and ongoing reporting to CEO, Risk Committee and Board.	Board/CEO

ATTACHMENT B – SAMPLE RISK ASSESSMENT WORKSHEET

The following worksheet is an example of how identified risks could be recorded.



EXAMPLE 1 – RISK IDENTIFICATION WORKSHEET

Business/Association/ Club/Group			
Activity/Event & Critical Success Factors			
Risk Ref. No.		Risk (What can go wrong)	
Causes:			
Consequences if Risk occurs:			
Control measures:			
Residual Consequence rating			
Residual Likelihood rating		Residual Level of risk	
What can you do about it? (Actions)			
1.	Due Date	Status (In progress/ Complete)	
2.	Due Date	Status (In progress/ Complete)	
3.	Due Date	Status (In progress/ Complete)	
Level of risk after actions:			
Consequence rating		Likelihood rating	Level of risk
Name:		Date:	

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