

# *Risk Management Planning: Challenges and Opportunities*



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Coffs Harbour



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# Aims of this session

Gain an appreciation of:

- CLC's risk management process/framework?
- How to prepare a risk profile?
- How did CLC assess its risk appetite?
- Assessing new risks?
- and ...opportunities from engaging with risk?

*Note: acknowledge PwC Risk Assurance (Brisbane)*

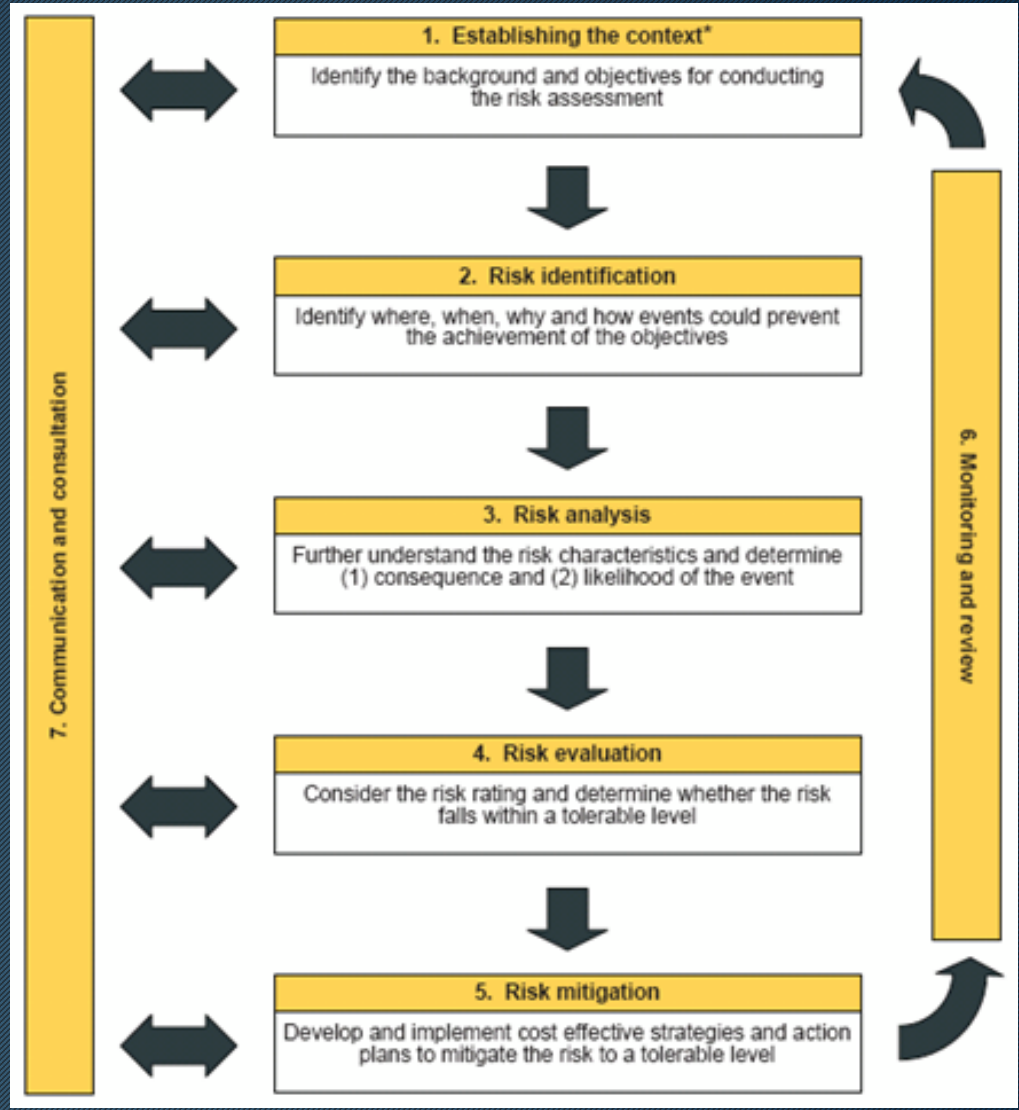
# Background

- CLC approved a Risk Management Plan in December 2013
- Guided by PwC (Risk Assurance Brisbane)
- Adhered to Commonwealth best practice guide

# CLC's risk planning process

- Overall framework
- **Risk profile** = identify key risks (CLC has 21)
- Describe **causes & impacts**
- Categorise **residual risks**
- List existing '**controls**' (what currently do to minimise)
- Agree **Target** category
- Identify **actions** to achieve target

# Framework



# Risk categories

Likelihood	Consequence				
	Negligible <\$200k	Minor >\$200k	Moderate >\$1m	Major >\$2m	Extreme <\$6m
Almost Certain >80%	<b>M</b>	<b>M</b>	<b>H</b>	<b>C</b>	<b>C</b>
Likely <80%	<b>L</b>	<b>M</b>	<b>H</b>	<b>C</b>	<b>C</b>
Possible <50%	<b>L</b>	<b>M</b>	<b>M</b>	<b>H</b>	<b>C</b>
Unlikely <20%	<b>L</b>	<b>L</b>	<b>M</b>	<b>H</b>	<b>C</b>
Rare <5%	<b>L</b>	<b>L</b>	<b>M</b>	<b>H</b>	<b>H</b>

Risk Level	<b>L</b> Low	<b>M</b> Medium	<b>H</b> High	<b>C</b> Catastrophic
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## Risk Categories

1. Operational
2. Property and Assets
3. Stakeholder
4. Governance
5. Financial

### **Operational Risks**

- 1 Failure to attract and retain appropriately qualified staff
- 2 Failure to effectively manage staff
- 3 Personal injury and/or damage to property arising from abusive behaviour
- 4 Personal injury and/or damage to property arising from remote travel and operations
- 5 Personal injury and/or damage to property arising from use and storage of dangerous goods etc.
- 6 Disruption to operations from external events

### **Property and Assets Risks**

- 7 Failure of information technology and data management systems
- 8 Failure to maintain adequate infrastructure to support operations
- 9 Theft / misuse / damage to buildings and property

### **Stakeholder Risks**

- 10 External pressure to expand scope of operations beyond core capacity and capability
- 11 Failure to effectively engage with constituents
- 12 Failure to meet expectations of constituents / maintain positive relationship
- 13 Government policy / priorities do not align with CLC strategic objectives

### **Governance Risks**

- 14 Failure to comply with legislative and regulatory obligations
- 15 Failure to effectively manage conflicts of interest
- 16 Organisational structure, governance framework and operations incompatible with obligations/strategic objectives

### **Financial Risks**

- 17 Failure to achieve efficient and effective use of resources
- 18 Failure to comply with financial management accountability obligations (ATO, CAC Act, ORIC, FMOs, TPB)
- 19 Fraud / misappropriation of funds and assets
- 20 Ineffective administration of administered funds: CATS/AAMC organisations
- 21 Insufficient funding to support operations

Risk Category	Risk Description	Causes	Impacts	Risk Owner	Consequence	Likelihood	Residual Risk rating	Existing controls / factors	Design Effectiveness	Operating Effectiveness	Control Effectiveness rating
	<i>What can occur</i>	<i>Potential causes of a risk</i>	<i>Potential impacts if a risk occurs</i>					<i>What is currently in place</i>			

**Operational Risks**

1	Failure to attract and retain appropriately qualified staff	<ul style="list-style-type: none"> <li>Unattractive remuneration and benefits</li> <li>Retention of PBI FBT and Remote taxation exemption and benefits</li> <li>Small / competitive labour market for specialist roles</li> <li>Remote and isolated location/s</li> <li>Lack of available &amp; suitable staff accommodation</li> <li>Insufficient funding</li> <li>Inadequate staff training, development, qualifications etc</li> <li>Ineffective succession planning</li> <li>Aboriginalisation employment strategy (EA)</li> </ul>	<ul style="list-style-type: none"> <li>Loss of corporate knowledge and relationships</li> <li>Inefficient use of resources</li> <li>Failure to meet statutory &amp; operational obligations and strategic objectives</li> <li>Financial loss</li> <li>Staff turnover</li> <li>High replacement costs of recruitment</li> <li>Staff morale and wellbeing</li> <li>Failure to achieve aboriginal employment targets</li> <li>Reputational damage</li> </ul>	General Manager & Manager, Human Resources	Major	Possible	High	<ul style="list-style-type: none"> <li>2012-2015 Enterprise Agreement approved with 4.5% annual salary increase, 12% superannuation and improved dependant air fares etc</li> <li>Succession planning tactics (strategic plan)</li> <li>Performance development plans</li> <li>Employee accommodation (recruitment and long term remote)</li> <li>Formal recruitment strategy</li> <li>Designated HR team</li> <li>PBI and remote taxation benefits</li> <li>District &amp; other allowances, relocation costs, leave air fares</li> </ul>	Sufficient	Partially Effective	Satisfactory
2	Failure to effectively manage staff	<ul style="list-style-type: none"> <li>Insufficient management expertise</li> <li>Ineffective organisational structure (oversight / reporting lines)</li> <li>Remoteness</li> <li>Organisational culture</li> <li>Substantial organisational growth</li> <li>Short term funding impact on staff w/o sufficient management</li> <li>Employment policies, contracts, JDs</li> <li>Quality of remote allied health &amp; support services</li> </ul>	<ul style="list-style-type: none"> <li>Failure to meet obligations and strategic objectives</li> <li>Increased risk of fraud / inappropriate activity</li> <li>Financial loss</li> <li>Staff morale / wellbeing / commitment</li> <li>Reputational damage</li> <li>FWA/CPSU grievance/intervention management</li> </ul>	General Manager & Manager, Human Resources	Moderate	Possible	Medium	<ul style="list-style-type: none"> <li>Dedicated HR team</li> <li>Code of conduct and policy and procedures</li> <li>Position descriptions (all positions)</li> <li>Performance appraisal system</li> <li>Performance development plans</li> <li>Employee assistance program</li> <li>Ranger mentor support, selective training &amp; development, professional coaching</li> </ul>	Sufficient	Partially Effective	Marginal
3	Personal injury and/or damage to property arising from abusive behaviour	<ul style="list-style-type: none"> <li>Insufficient physical security</li> <li>Remoteness</li> <li>Frequent community engagement</li> <li>Drugs and Alcohol</li> <li>Community disputes</li> <li>Legal/statutory function e.g. ALRA individual distribution</li> <li>Consultation/meeting procedures/expertise</li> </ul>	<ul style="list-style-type: none"> <li>Personal injury/death</li> <li>Disruption to operations</li> <li>Staff continuity</li> <li>Sense of safety</li> <li>Staff morale / wellbeing</li> <li>Reputational damage</li> <li>Damage to property</li> <li>Financial loss</li> </ul>	General Manager, Manager, Human Resources, & Manager F&F	Major	Possible	High	<ul style="list-style-type: none"> <li>Strong relationships with constituents</li> <li>Code of conduct (Council and Staff)</li> <li>Conduct provisions of CAC Act</li> <li>Travel and Vehicle policies</li> <li>Sanctions</li> <li>WH&amp;S policies, procedures and management</li> <li>Employee assistance program</li> <li>Insurance (Comcare/Comcover)</li> <li>Community development framework incl. good meeting procedure</li> <li>CCTV in some office locations</li> </ul>	Sufficient	Partially Effective	Marginal
4	Personal injury and/or damage to property arising from remote travel and operations	<ul style="list-style-type: none"> <li>Long distances</li> <li>Regional locations</li> <li>Staff travelling alone</li> <li>Bad roads / conditions etc</li> <li>Extreme/variable weather conditions</li> <li>Vehicle type and design for remote work</li> <li>Condition of vehicles / sat phones etc</li> <li>Communication failure</li> <li>Driver ability &amp; behaviour</li> <li>Misuse of vehicles &amp; other equipment</li> <li>Overloading of vehicles &amp; trailers</li> <li>Natural disaster</li> <li>Heat</li> </ul>	<ul style="list-style-type: none"> <li>Personal injury / death</li> <li>Damage to property</li> <li>Financial loss</li> <li>Disruption to operations</li> <li>Litigation</li> <li>Staff morale / wellbeing</li> <li>Sense of safety</li> <li>Psychological welfare</li> <li>Reputational damage</li> </ul>	General Manager, Manager, Human Resources, & Manager F&F	Major	Likely	Catastrophic	<ul style="list-style-type: none"> <li>WH&amp;S policies, procedures and management</li> <li>Staff travel policy</li> <li>Vehicle maintenance</li> <li>Insurance</li> <li>Staff driver training / licences</li> <li>Access to local knowledge</li> <li>Regular/frequent vehicle replacement</li> <li>Employee assistance program</li> </ul>	Sufficient	Partially Effective	Marginal
5	Personal injury and/or damage to property arising from use and storage of dangerous goods and equipment at multiple sites.	<ul style="list-style-type: none"> <li>Regular use of inherently dangerous equipment / materials (Aviation fuel, Quad bikes, Chemicals etc for weed spraying, Chainsaws, etc)</li> <li>Misuse of equipment / materials</li> <li>User error</li> <li>Insufficient training and awareness</li> <li>Health and fitness of staff</li> <li>Condition and age of equipment/materials</li> </ul>	<ul style="list-style-type: none"> <li>Personal injury / death</li> <li>Damage to property</li> <li>Financial loss</li> <li>Disruption to operations</li> <li>Litigation</li> <li>Staff morale / wellbeing</li> <li>Sense of safety</li> <li>Reputational damage</li> </ul>	General Manager, Manager, Human Resources, & Manager F&F	Major	Possible	High	<ul style="list-style-type: none"> <li>Standard Operating Procedures for use of equipment / materials</li> <li>WH&amp;S policies, procedures and management</li> <li>Staff training / accreditation</li> <li>Employee assistance program</li> </ul>	Weak	Ineffective	Unsatisfactory
6	Disruption to operations from external events	<ul style="list-style-type: none"> <li>Community and social events (death in community)</li> <li>Climate / environmental</li> <li>Natural disaster</li> </ul>	<ul style="list-style-type: none"> <li>Disruption to operations</li> <li>Financial loss</li> <li>Damage to property</li> <li>Reputational damage</li> <li>Client services</li> <li>Staff continuity</li> </ul>	General Manager, Manager, Human Resources, Manager F&F, Manager CS	Major	Possible	High	<ul style="list-style-type: none"> <li>Contingency and flexibility in work programs</li> <li>WH&amp;S policy and procedures</li> <li>Asset management plan</li> </ul>	Weak	Ineffective	Unsatisfactory



Risk Category	Risk Description	Residual Risk rating	Design Effectiveness	Operating Effectiveness	Control Effectiveness rating	Additional risk treatments		Consequence Likelihood	Target Risk rating	Person/s responsible	Implementation date / key milestones	Strategic Plan reference (Goal/Strat)
	What can occur					Objective	Actions					
<b>Operational Risks</b>												
1	Failure to attract and retain appropriately qualified staff	High	Sufficient	Partially Effective	Satisfactory	<ul style="list-style-type: none"> <li>Improve effectiveness of succession planning</li> <li>Improve effectiveness of staff recruitment and retention strategies</li> <li>Organisation structure review (as per Strategic Plan)</li> <li>Taxation legislation monitoring and submissions</li> <li>Aboriginal employment strategy implemented effectively</li> </ul>	<ul style="list-style-type: none"> <li>Implement stratplan re succession planning</li> <li>Submission to Australian Government regarding NFP FBT review</li> <li>Enterprise Agreement 2012-2015 post approval review checklist</li> <li>Implement stratplan</li> <li>Submission to Australian Government regarding 'charity' definition and PBI</li> <li>Implement AES/EA</li> </ul>	Moderate	Possible	<ul style="list-style-type: none"> <li>Director/GM</li> <li>Director/ GM/ GM Legal/ MF</li> <li>Director/ GM/ GM Legal/ MF</li> <li>Director/ GM</li> <li>GM/ GM Legal/ MF</li> <li>Director/ GM/ GM Legal/ MF</li> </ul>	<ul style="list-style-type: none"> <li>GM budget 2013</li> <li>Completed</li> <li>Completed</li> <li>Completed</li> <li>Part complete</li> <li>Completed</li> <li>AES committee end 2013</li> </ul>	<ul style="list-style-type: none"> <li>7.2</li> <li>7.12</li> <li>7.12</li> <li>7.7</li> <li>7.7</li> <li>7.12</li> <li>7.6</li> </ul>
2	Failure to effectively manage staff	Medium	Sufficient	Partially Effective	Marginal	<ul style="list-style-type: none"> <li>Staff communication review</li> <li>Job description review</li> <li>Improve effectiveness of employee assistance program</li> <li>Organisation structure review (as per Strategic Plan)</li> <li>Review appraisal system</li> </ul>	<ul style="list-style-type: none"> <li>Culture &amp; staff satisfaction survey &amp; actions</li> <li>Revolving/ongoing</li> <li>Formalise/review performance management framework (including consequence management)</li> <li>Finalise action planning from StratPlan</li> <li>RFP for consultant to review</li> </ul>	Moderate	Possible	<ul style="list-style-type: none"> <li>MHR</li> <li>GM/ MHR</li> <li>GM/ MHR</li> <li>Director/ GM all managers</li> <li>MHR</li> </ul>	<ul style="list-style-type: none"> <li>2014</li> <li>Ongoing</li> <li>2014</li> <li>2013</li> <li>2013</li> </ul>	<ul style="list-style-type: none"> <li>7.7</li> <li>7.13</li> <li>7.12</li> <li>7.2</li> <li>7.7</li> </ul>
3	Personal injury and/or damage to property arising from abusive behaviour	High	Sufficient	Partially Effective	Marginal	<ul style="list-style-type: none"> <li>Develop best practice for consultation &amp; meeting practices</li> <li>Dispute prevention &amp; management framework</li> <li>Improve ability to deal with difficult people</li> <li>Improve effectiveness of employee assistance program</li> <li>Improve effectiveness of personnel security</li> </ul>	<ul style="list-style-type: none"> <li>Dispute/consultation action planning - StratPlan</li> <li>Support staff safety, e.g. meeting control powers</li> <li>Bad meeting debriefs &amp; actions</li> <li>Training in dealing with abusive behaviour</li> <li>WH&amp;S awareness training</li> <li>Security systems review - install reception duress systems to Police, install physical reception barrier, improve security 27 Stuart Highway, new security for Cameron St.</li> <li>Complaints/feedback procedure</li> </ul>	Moderate	Possible	<ul style="list-style-type: none"> <li>MPolicy</li> <li>MPolicy</li> <li>MPolicy</li> <li>MPolicy</li> <li>MHR</li> <li>MHR</li> </ul>	<ul style="list-style-type: none"> <li>2013</li> <li>2013</li> <li>2014</li> <li>2014</li> <li>2014</li> <li>2013</li> </ul>	<ul style="list-style-type: none"> <li>7.17</li> <li>7.17</li> <li>7.17</li> <li>7.17</li> <li>7.10</li> <li>7.10</li> </ul>
4	Personal injury and/or damage to property arising from remote travel and operations	Catastrophic	Sufficient	Partially Effective	Marginal	<ul style="list-style-type: none"> <li>Improve effectiveness of employee assistance program</li> <li>Improve remote travel safety</li> <li>Formal quad-bike policy and procedures (drafts currently in development)</li> </ul>	<ul style="list-style-type: none"> <li>WH&amp;S awareness training</li> <li>GPS vehicle and asset tracking (including duress buttons and vehicle rollover alert)</li> <li>GPS tracking call centre</li> <li>Update staff travel policies</li> <li>Staff travel policy awareness</li> <li>Finalise quad-bike policy and procedures</li> </ul>	Moderate	Likely	<ul style="list-style-type: none"> <li>MHR</li> <li>MHR</li> <li>MHR</li> <li>MHR</li> <li>MHR</li> </ul>	<ul style="list-style-type: none"> <li>2013 update</li> <li>2013</li> <li>2014</li> <li>2014</li> <li>2014</li> <li>2013</li> </ul>	<ul style="list-style-type: none"> <li>7.10</li> <li>7.10</li> <li>7.10</li> <li>7.10</li> <li>7.10</li> <li>7.10</li> </ul>
5	Personal injury and/or damage to property arising from use and storage of dangerous goods and equipment at multiple sites.	High	Weak	Ineffective	Unsatisfactory	<ul style="list-style-type: none"> <li>Improve effectiveness of operating procedures for dangerous goods and equipment</li> <li>Improve effectiveness of employee assistance program</li> <li>Improve storage of fuels and chemicals</li> </ul>	<ul style="list-style-type: none"> <li>WH&amp;S awareness training</li> <li>Review of storage of fuels and chemicals</li> <li>Chemical storage facilities at Cameron St and Lajamanu</li> </ul>	Moderate	Likely	<ul style="list-style-type: none"> <li>MHR</li> <li>GMMFF</li> <li>GMMFF</li> </ul>	<ul style="list-style-type: none"> <li>2013 update</li> <li>2013</li> <li>2013</li> </ul>	<ul style="list-style-type: none"> <li>7.10</li> <li>7.10</li> <li>7.8</li> </ul>
6	Disruption to operations from external events	High	Weak	Ineffective	Unsatisfactory	<ul style="list-style-type: none"> <li>Develop business continuity plan</li> <li>Improve off site premises and storage location</li> <li>Improve effectiveness of personnel security plans</li> </ul>	<ul style="list-style-type: none"> <li>Formalise business continuity management</li> <li>Review Cameron Street as a potential business continuity operations centre</li> <li>Conduct scenario test of business continuity</li> </ul>	Moderate	Possible	<ul style="list-style-type: none"> <li>GM</li> <li>GMMCS</li> <li>MCS/MFF</li> </ul>	<ul style="list-style-type: none"> <li>2013</li> <li>2013</li> <li>2014</li> </ul>	<ul style="list-style-type: none"> <li>7.9</li> <li>7.9</li> <li>7.8</li> </ul>

# Heat map

LIKELIHOOD	Almost Certain >80%	M	M	H	C	C
	Likely <80%	L	M	H	C	C
	Possible <50%	L	M	H	H	C
	Unlikely <20%	L	L	M	H	C
	Rare <5%	L	L	M	H	H
Risk Matrix (April 2013)		Negligible <\$200k	Minor >\$200k	Moderate >\$1m	Major >\$2m	Extreme >\$6m
CONSEQUENCE (IMPACT)						

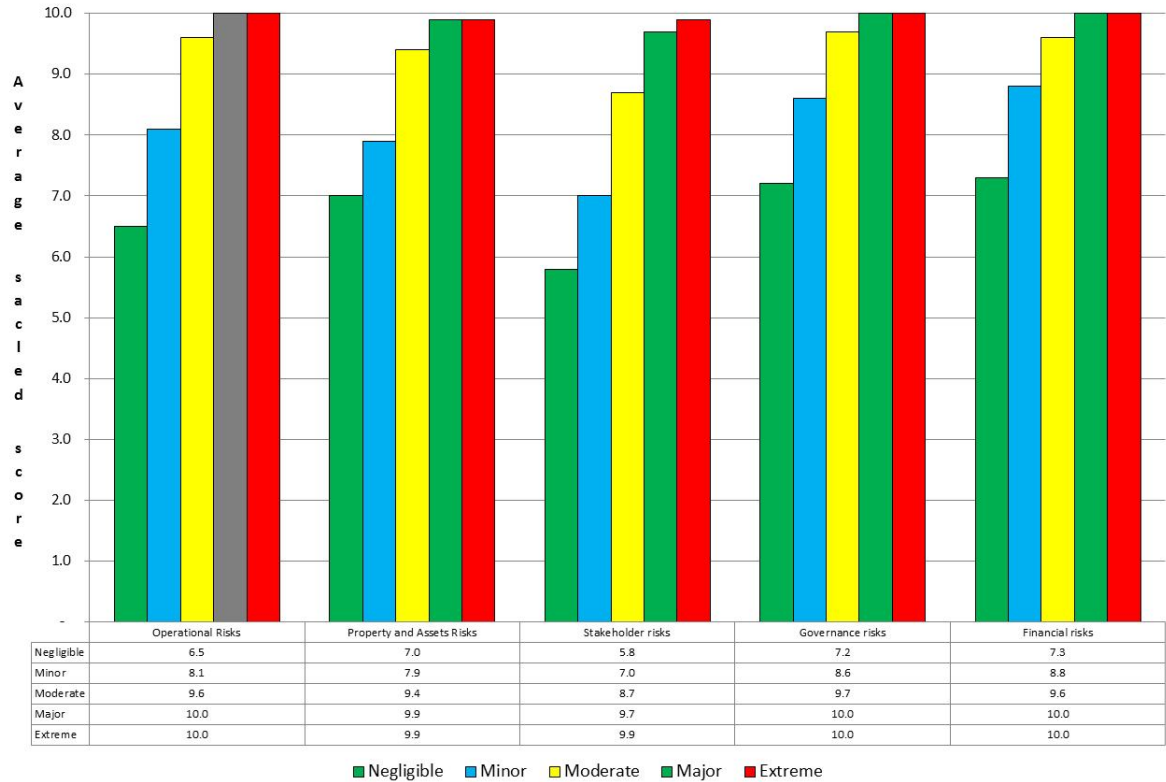
**Comcare best practice:** a risk appetite assessment is to understand **tolerance** of the current management to acceptance of risk events, and provide a **baseline** for comparison of future assessments to understand trend.

# Risk appetite

Description/risk/action	Case A	Case B	Case C	Case D	Case E
Consequence or impact level:	Negligible	Minor	Moderate	Major	Extreme
Cost/loss range value:	< \$200k	> \$200k to \$1m	> \$1m to \$2m	> \$2m to \$6m	> \$6m
<b>Risk - 1</b>	<b>Failure to attract and retain appropriately qualified staff</b>				
Tick the frequency of occurrence you consider ACCEPTABLE for ALL of the CASEs (A, B, C, D and E)	Never	Never	Never	Never	Never
	Almost never	Almost never	Almost never	Almost never	Almost never
	Seldom	Seldom	Seldom	Seldom	Seldom
	Sometime	Sometime	Sometime	Sometime	Sometime
	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally
	Frequently	Frequently	Frequently	Frequently	Frequently

# Risk appetite

CLC Management Risk Appetite 2013 (by risk category)



# Engaging with risk & opportunities

**PGPA compliance** – must establish & maintain an appropriate system of risk oversight and management

**Risk planning** – thinking about innovative solutions

**Structured observance** – risk aversion, risk identification, formal process

# How does a risk plan provide an opportunity?

## Example

- **Key risk** = remote travel, vehicles accidents, breakdown
- **100+ vehicles** travelling over 570,000 sq. km. over some of the most **remote and inhospitable** terrain
- **Communication limits** = minimal mobile coverage + radio/sat. phone limitations
- **Staff and asset risks?**

## Risk solution?

- GPS (satellite) tracking system – all vehicles
- Breakdown & accident alerts + emergency 'button'
- Call centre manage alerts
- Other opportunities?  
Transport planning data, maintenance scheduling, driver behaviour, fuel consumption?

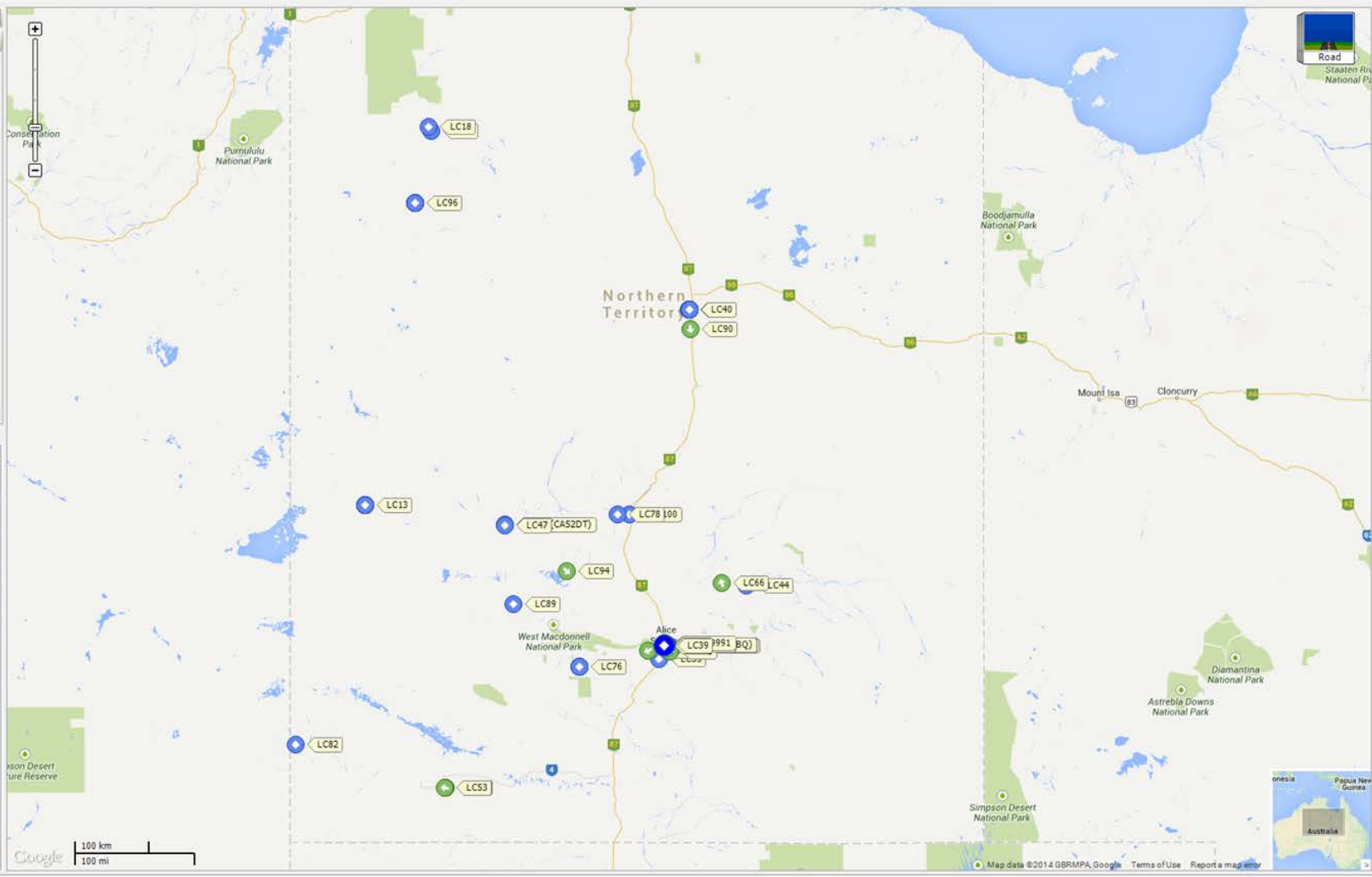
Search for: Vehicle Enter Vehicle Name Search

Fleet: Central Land Council

- Vehicles**
- | Group Name                            | Display Name | Vehicle |
|---------------------------------------|--------------|---------|
| RSU                                   | LC55         |         |
| <b>Tennant Creek (8 Vehicles)</b>     |              |         |
| Tennant Creek                         | LC13         |         |
| Tennant Creek                         | LC19         |         |
| Tennant Creek                         | LC21         |         |
| Tennant Creek                         | LC37         |         |
| Tennant Creek                         | LC40         |         |
| Tennant Creek                         | LC42         |         |
| Tennant Creek                         | LC62         |         |
| Tennant Creek                         | LC79         |         |
| <b>To be Installed (3 Vehicles)</b>   |              |         |
| <b>Town and Property (6 Vehicles)</b> |              |         |
| Town and Prope...                     | LC02         |         |
| Town and Prope...                     | LC05         |         |
| Town and Prope...                     | LC06         |         |
| Town and Prope...                     | LC32         |         |
| Town and Prope...                     | LC34 9991    |         |
| Town and Prope...                     | LC35         |         |

Vehicle Activity - LC39 As at Friday, 23 May 2014

E..	Priority	Time	Speed
Low	Low	11:02 AM	0.0 km/h
Low	Low	11:01 AM	33.0 km/h
Low	Low	10:59 AM	22.0 km/h
Low	Low	10:57 AM	13.0 km/h
Low	Low	10:55 AM	0.0 km/h
Low	Low	10:42 AM	0.0 km/h
Low	Low	10:40 AM	41.0 km/h
Low	Low	10:38 AM	24.0 km/h
Low	Low	10:36 AM	0.0 km/h
Low	Low	10:08 AM	0.0 km/h
Low	Low	10:06 AM	28.0 km/h
Low	Low	10:04 AM	51.0 km/h
Low	Low	10:02 AM	0.0 km/h



100 km 100 mi



# Structured risk assessments

- Risk arises
- Review risk escalation action
- Recent **example** = incident with braking, Toyota then advises 32 Land-cruisers have a faulty brake component



<b>Current Risk Level</b>	<b>Low</b>	<b>Medium</b>	<b>High</b>	<b>Catastrophic</b>
Immediate notification	Manager or equivalent	Senior Manager	Executive Management Team	Director and the Audit Committee

<b>Current Risk Level</b>	<b>Low</b>	<b>Medium</b>	<b>High</b>	<b>Catastrophic</b>
<b>Capture</b>	Record risk information in a Risk Register and track actions. Reference the primary consequence category used to select risk severity			
<b>Plan and action</b>	Develop action plan <b>within 3 months</b> , if required.	Develop action plan <b>within 1 month</b> .	Develop action plan <b>within 1 week</b> .	Develop action plan <b>immediately</b> .
	Implement actions within a reasonable timeframe.	Implement actions within 6 months (general) and within 3 months (safety related).	Implement actions within 3 months.	Implement actions as soon as practicable but less than 3 months.
	Management to apply discretion when determining actions to be taken.	Where consequence is major or catastrophic – additional escalation and monitoring may be required.		
<b>Report</b> (risk and action)	Advise Team through relevant reporting	Advise Management through relevant	Advise Executive Management Team through relevant reporting mechanisms (at least monthly). Advise and update the Audit	

# Structured risk assessments

- **Catastrophic** – death/serious injury risk due to potential for brake failure
- Director, Audit Committee, managers & (most important) staff advised
- Action plan **immediately** prepared & published on Intranet, Toyota negotiation
- **Outcomes** = all vehicles repaired without further incident

## Quality Control

Revision	Date	Officer	Approved	Comments
0	13/01/14	FW	NG	First revision for comment
1	13/01/14	NG	NG	Additional risk management information
2	03/02/14	FW	NG	Reviewing status of action plan
3	02/04/14	FW	NG	Update
4	10/04/14	FW	NG	Update
5	06/05/14	FW	NG	Close-out

**Reason for plan:** Catastrophic brake failure in a LC70 series dual cab on 09/12/13.

**Key risk category:** Personal injury and/or damage to property arising from remote travel and operations.

**Potential impacts:** Personal injury / death (if brakes failed), Damage to property (to CLC and other property, if brake failure resulted in accident), Financial loss (minimised by vehicle and Comcare insurance), Disruption to operations (vehicles unavailable for operational requirements – this impact is limited during January due to the extent of staff leave/weather at this time of the year, but will increase as we move into February), Litigation (including against Toyota dealer), Staff morale / wellbeing (minimised by staff being assured that all actions to minimise mishaps being taken, clear advice on situation, no requirement for individual staff to use affected vehicles), Sense of safety (refer previous factor, staff entitled to feel safe), Reputational damage (if another incident was to occur – unknown at the time a vehicle brake failure in 2013 was caused by this fault).

**Action Plan:**

Number	Action	Date	Action officer	Completed
1	Notify Toyota Dealer	09/12/13	FW	Yes
2	Incident report and notify CLC WHS officer	09/12/13	FW	Yes
3	Inspect all CLC vehicles	08-10 Jan 14	FW	Yes
4	Grounding of vehicles with damage and vehicles not inspected (remote)	08/10/14	FW	Yes
5	Confirmation in writing from Toyota regarding safety of vehicles for mobilising	13/01/14	DR	No – management plan
5.A	Email from senior management at PKMC that LC70 series vehicles are safe for mobilising; although noted by PKMC staff that vehicles need regularly servicing	03/02/14	FW	Yes
6	Notify all staff	13/01/14	FW	Yes
7	Notify insurance provider	13/01/14	NM	Yes
8	Offer staff alternate vehicle for use	13/01/14	FW	Yes
9	Edit the Navman tracking system to ensure every 9,000km travelled is captured	13/01/14	FW	Yes

<b>9</b>	<b>Edit the Navman tracking system to ensure every 9,000km travelled is captured</b>	<b>13/01/14</b>	<b>FW</b>	<b>Yes</b>
<b>10</b>	Inspect all relevant LC70 series braking system at regular intervals (every 10,000km) as per PKMC advice, and PKMC rectify is signs of cracking	13/01/14	FW	Yes
<b>11</b>	Complete risk management action plan	13/01/14	FW	Yes
<b>12</b>	Follow up with PKMC regarding timing for repairs	Ongoing	FW	Complete
<b>12.A</b>	Email sent to PKMC requesting update	03/02/14	FW	Complete
<b>13</b>	Prepare vehicle inspection tracking report (Vehicle number, date inspected, odometer reading, distance travelled since last inspection, fault detected)	Ongoing until resolved	FW	Complete
<b>13</b>	Obtain advice from Toyota dealer as to when all vehicles will be rectified	Ongoing	FW	Complete
<b>14</b>	Advice to staff that all vehicles have been rectified	Once resolved	FW/NG	Complete
<b>15</b>	Recall notice from Toyota received	01/04/14	FW	Yes
<b>16</b>	Contact PKMC re: recall notice; discussion with service manager at PKMC regarding recall notice and action for replacement part to the ABS mounting bracket in 31 CLC vehicles; PKMC awaiting parts (estimated to arrive in Alice Springs 10/4/14); CLC vehicles prioritised	02/04/14	FW	Yes
<b>17</b>	Email staff regarding update; including verbal notification to remote staff (at council meeting)	02/04/14	FW	Yes
<b>18</b>	Property to manage the repairs to the affected 31 vehicles and grounded of cars as needed	02/04/14	FW/SD	Complete
<b>19</b>	PKMC to commence the repair works all 31 affected vehicles; starting date 11/04/14; expected completion 19/04/14; planned trip to TCK on 17/04/14	10/04/14	FW	Complete
<b>20</b>	All 31 CLC affected vehicles repaired	04/05/14	FW	Yes
<b>21</b>	All staff notified that vehicles can return to normal operations	06/05/14	FW	Yes

# In conclusion

I hope I have given you an appreciation of:

- CLC's risk management **process/framework**?
- How did CLC prepare a **risk profile**?
- How did CLC assess its **risk appetite**?
- How to assess and act on a **new risks**?
- and ...**opportunities** from engaging with risk?



# Questions

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Dr Nigel Graves is the General Manager of the Central Land Council (since 2010). Prior to 2010 he spent 8 years as a consultant advising the South African National Treasury (7 years) and the Solomon Islands' Ministry of Finance & Treasury, and previously had 25 years public sector senior management experience, mainly in Local Government and a large Government Business Enterprise. He has extensive experience in organisational performance measurement and co-wrote a manual, and advised pilot national departments on its application, for the South African Government on the implementation of performance information measurement. His qualifications include a Bachelor of Business (Accountancy), MBA, Graduate Certificate in Business Research and a PhD. He is a long standing Fellow of CPA Australia.