



1. Purpose

Vital Anaesthesia Simulation Training (VAST) is subject to certain risks that affect its ability to operate, serve stakeholders and protect assets. These include risks to reputation, risks to employees, volunteers, visitors, and beneficiaries, liability to others, risk of financial abuse and risks to property. Controlling these risks through a risk management program is necessary for the wellbeing of the organisation and everyone in it.

2. Objective

This document sets out to:

- identify potential risks associated with VAST's activities
- establish a methodology for assessing risk
- develop processes to manage these risks, including how to bring them to relevant people's attention
- establish processes for mitigating or minimise those risks.

This is a dynamic document and will constantly require developing and updating as experience grows.

3. Guiding principles

VAST recognises that risk is inherent to delivery of its activities; effective management of risk is integral to making informed decisions and achievement of its strategic objectives. VAST's representatives are invariably adults or if under 18 years are specifically under the supervision of a parent. Therefore, VAST's standard of care and approach to risk management acknowledges adults' rights to choose and their responsibility to act and behave in a mature manner, take responsibility for their own actions and inform themselves before making decisions.

VAST has adopted a practical approach to risk management, covering three core steps:

STEPS	KEY QUESTIONS
<i>Establish context</i>	<ul style="list-style-type: none">- What is the proposed activity?- Who are the implicated stakeholders?
<i>Complete a risk assessment</i>	<ul style="list-style-type: none">- What are the potential risks? (<i>Appendix 1</i>)- What is their potential impact and likelihood? (<i>Appendix 2</i>)- Where do they fall in regards to the Risk Escalation and Retention Guidelines (<i>Appendix 3</i>)
<i>Institute risk management</i>	<ul style="list-style-type: none">- What are the options for risk management?- How will incidents be reported and acted on?

RISK MANAGEMENT

Approved by the Board: October 2020

Scheduled for review: October 2023

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4. Scope

This document relates to VAST's operations in Australia and overseas.

5. Dictionary

Term	Meaning
Risk	The probability or threat of damage, injury, liability, loss, or any other negative occurrence that may have an impact on objectives
Risk management	The culture, processes, and structures that are directed towards the effective management of potential opportunities and adverse effects
Representative	VAST office bearers, staff and volunteers associated with VAST
Stakeholders	Any person/s associated with a given activity, including, but not limited to VAST: <ul style="list-style-type: none">- directors- staff and volunteers- donors and supporters- beneficiaries of its activities

6. Policy

VAST aims to use the best practice in risk management to support and enhance its activities. VAST will ensure that risk management is integrated with its decision-making processes. It will use a structured risk management process to minimise reasonably foreseeable disruptions to operations including the areas of anti-fraud, financial abuse and business risks, harm to people, including the protection of children and vulnerable people, and damage to the environment and property. VAST will always attempt to identify and take advantage of opportunities whilst minimising adverse effects. VAST will train its staff to implement risk management effectively and will strive to continually improve its risk management practices.

7. Procedure

VAST has established a systematic approach to managing risk:

- all potential projects presented to the Board must have an integrated risk assessment completed in their proposals
- the VAST Risk Assessment Tool (Appendix 4), will assist with assessing and managing risk for each project
- all medium/high risks that are retained will be recorded in the VAST Risk and Incident Register (Appendix 5)
- all medium/high risks that are retained must have a dedicated risk treatment plan. Refer to the VAST Risk Treatment Plan Template (Appendix 6)
- where appropriate, stakeholders will be briefed on the risks associated with their particular interaction with the work of VAST
- where an incident has occurred, the details and actions taken are to be documented in the VAST Risk and Incident Register (Appendix 5).

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8. Related and supporting documents

- Appendix 1 – Potential Risk Areas
- Appendix 2 – Risk Likelihood and Severity Classification
- Appendix 3 – Risk Escalation and Retention Guidelines
- Appendix 4 – VAST Risk Assessment Tool
- Appendix 5 – VAST Risk and Incident Register
- Appendix 6 – VAST Risk Treatment Plan Template
- VAST Code of Conduct
- VAST Anti-bribery, Fraud and Corruption Policy
- VAST Financial Control Framework
- VAST Conflicts of Interest Policy
- VAST Counter Terrorism Financing Policy

9. Document revisions

Version	Date approved	Summary of changes
v1.0	24 October 2020	



POTENTIAL RISK AREAS

	RISK CATEGORY	DESCRIPTION
INTERNAL	Program delivery	Reduced quality of program delivery resulting in potential loss of reputation
	Financial	Failure to effectively manage the financial resources of the organisation which may result in financial loss or breach VAST's policies in relation to non-development, counter terrorism financing, anti-bribery, fraud and corruption
	Compliance	Inadequate governance systems in place which may result in failure to meet regulatory standards and may lead to fines and or penalties from the regulator
	Operational	Disruption in the day-to-day running of the organisation due to system failures, human resource factors or poor program management
EXTERNAL	Security	In-country factors leading to security threat
	Health	In-country factors leading to potential injury or other health concerns
	Funding	Changes in the political and economic landscape resulting in possible loss of funding or program support
	Conduct	Inadequate processes establishing expected standards of behaviour for VAST representatives and or breaching of VAST's policies in relation to child protection, safeguarding vulnerable people and upholding of the Code of Conduct
	Asset protection	Inadequate safeguards to protect and maintain VAST's resources, including but not limited to material resources and intellectual property



a) Risk likelihood assessment:

Likelihood	Description	Probability
Certain	Could occur on more than one occasion during the project	>95%
Likely	Likely to arise on one occasion during the project	70-95%
Possible	May arise during the project, but equal likelihood of event not occurring	30-70%
Unlikely	Plausible, but event will probably not occur	5-30%
Rare	Very unlikely, but not impossible	<5%

b) Risk severity assessment:

		Example risk categories and potential impact			
		Financial	Operational	Health	Compliance
SEVERITY	Catastrophic	Loss, error or omission of >15% of project budget	An event so severe it could lead to the restructure of the organisation	Death of a VAST representative	Legal action and police involvement
	Major	Loss, error or omission of 10-15% of project budget	An event that with proper management can be endured with some changes	Permanent physical or psychological injury of a VAST representative	Potential legal action and police involvement
	Moderate	Loss, error or omission of 5-10% of project budget	An event that can be managed under normal circumstances with reallocation of resources	Possible visit to the hospital or to a doctor	An event that can be effectively managed by existing internal controls with close oversight of the Board
	Minor	Loss, error or omission of 1-5% of project budget	An event that can be absorbed with small changes	Remedied by simple treatment measures	An event that can be managed by existing controls without the need for notification of the board
	Negligible	Loss, error or omission of <1% of project budget	An event that can be absorbed with business as usual	Minor impact on level of function	An event that can be managed at point of contact without further escalation

c) Determining risk priority:

		LIKELIHOOD				
		<i>Rare</i>	<i>Unlikely</i>	<i>Possible</i>	<i>Likely</i>	<i>Certain</i>
SEVERITY	<i>Negligible</i>	Low	Low	low	Low	Medium
	<i>Minor</i>	Low	Low	Medium	Medium	Medium
	<i>Moderate</i>	Low	Medium	Medium	Medium	High
	<i>Major</i>	Medium	Medium	Medium	High	High
	<i>Catastrophic</i>	Medium	High	High	High	High

APPENDIX 3 – RISK ESCALATION AND RETENTION GUIDELINE

Risk Priority	Escalation and retention guidelines
High	<p>Immediate action required to actively manage risk</p> <p>Escalate to the Board</p> <p>Risks generally not accepted nor retained</p>
Medium	<p>In depth cost/benefit analysis required</p> <p>Specific risk management strategies may need to be employed</p> <p>Regular monitoring required to ensure risk exposure is managed effectively</p> <p>Risks may be retained and managed at an operational level</p>
Low	<p>Effectively managed through routine procedures and internal controls</p> <p>Monitored and managed at an operational level</p> <p>Risks are usually retained</p>



CONTEXT	
Proposed activity	
Stakeholders	

RISK ASSESSMENT				RISK MANAGEMENT			
<i>Risk category</i>	<i>Details</i>	<i>Likelihood</i>	<i>Severity</i>	<i>Existing controls</i>	<i>Control gaps</i>	<i>Actions required</i>	<i>Owner ???</i>
Financial	Counter-terrorism*						

* Note – as per VAST's Counter Terrorism Financing Policy, all new projects must have a risk assessment regarding risk of terrorism financing

Risk assessment completed by:

Completed on:

Signed _____



Project			
Risk category		Risk level	
Treatment plan creator		Date logged	
Treatment plan reviewer		Date for review	

Treatment Plan	
Proposed actions	
Resources required	
Responsibilities	
Timing for implementation	
Monitoring (timing / mechanism)	