

## CLAN RISK MANAGEMENT POLICY

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### 1. Introduction

CLAN is a not for profit, non-government incorporated association (NGO) and its vision, mission and goals are based on the health and well-being needs of children in resource-poor countries. CLAN recognises that risks may originate from organisational decisions and/or the external environment, including both local and international situations.

### 2. Purpose

This policy provides a framework for structures and processes required to manage risks. CLAN recognises that it essential to identify and manage potential risks in order for CLAN to achieve its vision and mission effectively. Risk management is essential as it provides support for CLAN to:

- 1) Be compliant with legislation, regulations and contracts
- 2) Improve and protect operational planning and resources for projects and activities
- 3) Improve the protection, safety and security for workers and the people with who CLAN works
- 4) Protect CLAN when making financial decisions
- 5) Protect relationships with the people and organisations with who CLAN works
- 6) Protect the environment in which CLAN works
- 7) Add value to its reputation as an NGO.

The CLAN Committee has overarching responsibility or risk management. A Risk Management Report, as a standing agenda item, is provided to the Committee at every meeting of the CLAN Association and Annual General Meeting. Any adjustments required to the risk management processes will be approved by the Committee for continual improvement. The Committee, recognising the requirement for effective risk management approved the establishment of the Risk & Audit Sub Committee. Risk management training and information is provided as required and refresher information provided as needed.

The Risk & Audit Sub Committee provides governance advice and oversight to ensure efficient, effective and ethical financial management and financial and related risk management for CLAN in its work overall and for specific projects as required. Also, to ensure effective due diligence in relation to partnerships and other arrangements involving external parties.

### 2. Scope

This policy applies to all workers and other key groups. Worker refers to: full time, part time, international and national and also those engaged on short term contracts such as: consultancies, researchers, photographers etc. 'Others' refers to: visitors, volunteers, committee members, trustees, staff/volunteers in partnership agencies, and any other individuals or groups that have a responsibility with respect to CLANs programs.

### 3. Definitions

Risk	The effect of uncertainty of objectives. A potential threat of damage, injury, liability, loss or other negative effect due to internal or external factors, and that could be avoided through effective risk management strategies. Risks may include threats to project outcomes, safety and security of personnel, child protection, finance, resources, compliance, trust and integrity.
Risk management	Risk management involves coordinated activities to direct and control an organisation, with regard to risk. It is 'the systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analysing, evaluating, treating, monitoring and reviewing risk.' (AS/NZS 31000:2009)
Dynamic risk assessment	The continuous process of identifying hazards, assessing risk, taking action to eliminate or reduce risk, monitoring and reviewing, in rapidly changing circumstances
Risk register	A document that records all of the organisation's or specific project's identified risks, the likelihood and consequences of a risk occurring, the actions you are taking to reduce those risks and who is responsible for managing them.
Likelihood	The chance that something might happen. Likelihood can be defined, determined or measured qualitatively or quantitatively (using mathematics)
Consequences	Is the outcome of an event and has an effect on objectives
Level or risk rating	Using a risk matrix, the level or rating of a risk is determined from where determined likelihood and determined consequences intersect
Risk mitigation or control measures	Control measures include actions that can be taken to reduce the potential of exposure to the hazard, or the control measure could be to remove the hazard or to reduce the likelihood of the risk of the exposure to that hazard being realised.
Hierarchy of controls	Is a system for controlling risks in the workplace. The hierarchy of control is a step-by-step approach to eliminating or reducing risks and it ranks risk controls from the highest level of protection and reliability through to the lowest and least reliable protection. The hierarchy of controls is: <ol style="list-style-type: none"> <li>1) Elimination</li> <li>2) Substitution</li> <li>3) Isolation</li> <li>4) Engineering controls</li> <li>5) Administrative controls</li> <li>6) Personal Protective Equipment (PPE)</li> </ol>

### 4. Policy

CLAN is committed to implementation of the AS/NZ ISO 3100:2018 Risk Management Guidelines. This policy outlines CLAN's processes to manage risks through the Risk Management Framework. Where CLAN works with partners on a program or project, partners will be involved in developing the risk management plan for that project. Partners will also be required to show evidence for compliance with CLAN's policies that are relevant to each specific project. Risk management is an integral part of all project design, proposals and reports to the Committee.

CLAN maintains a current Risk Management Register that is reviewed through the Risk & Audit Sub Committee process and as required, for example, an incident or near miss occurs or a new event is planned or change is emerging.

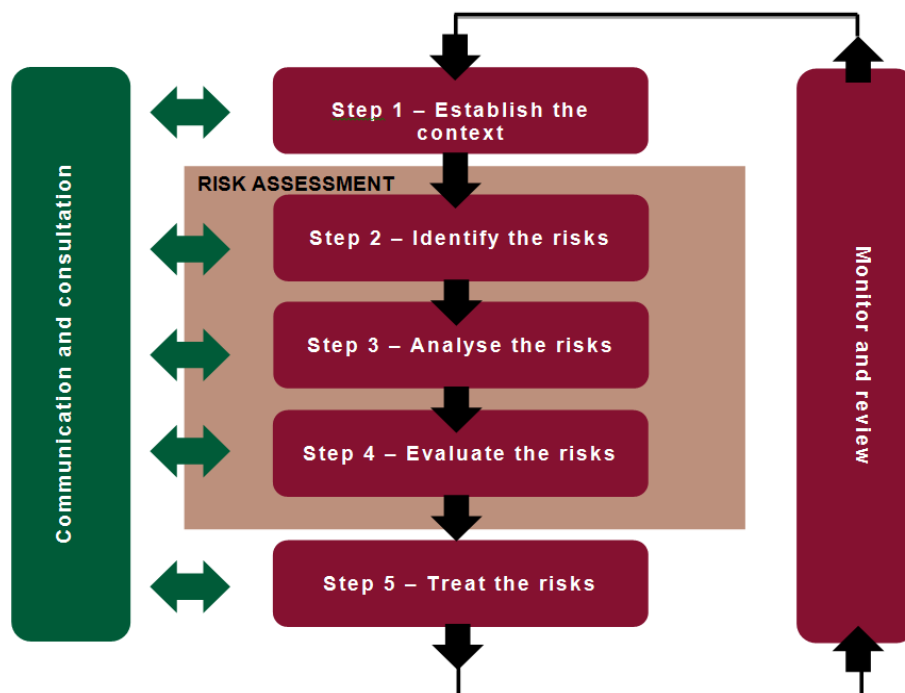
The Committee will review each risk management plan prior to acceptance of a proposal for a program, project, other activity, or an Agreement or MOU with a proposed partner. The evaluation for each activity will be reported to the Committee including outcomes of the risk management process implemented.

The process of risk management is everyone's responsibility.

## 5. Risk management framework

Risk management is about avoiding known risks, minimising risks, and managing risks in CLAN activities to achieve CLAN's objectives. Risk management also includes addressing potential risks in order to protect and safeguard people, resources and activities. CLAN refers to the Hierarchy of Controls when managing identified risks.

CLAN undertakes the following approach to risk assessment for its activities:



CLAN will document and report to the Committee on risk management undertakings and reports. Should a situation occur where risks have been realised and resulted in harm or other damage, a report will be given to CLAN executive for management purposes.

## 6. Risk management matrix

Use the risk matrix to determine the level or rating from where determined likelihood and determined consequences intersect.

### 6.1 Likelihood

Likelihood	Descriptor
Almost certain	Will probably occur, could occur several times per year
Likely	High probability, likely to arise once per year
Possible	May arise over a five year period
Unlikely	Could occur over a five to ten year period
Rare	Very unlikely but possible over a ten year period

### 6.2 Consequences

Consequences	Descriptor
Catastrophic	Most if not all objectives may not be achieved, or extremely severely affected
Major	Most objectives threatened or one severely or extremely affected
Moderate	Some objectives affected, considerable effort to rectify
Minor	Effort to rectify objectives can be achieved
Insignificant	Very small, negligent impact, rectified by normal processes

### 6.3 Risk matrix

Likelihood	Insignificant consequences	Minor consequences	Moderate consequences	Major consequences	Catastrophic consequences
Almost certain	Medium	High	High	Extreme	Extreme
Likely	Medium	Medium	High	Extreme	Extreme
possible	Low	Medium	Medium	High	Extreme
Unlikely	Low	Low	Medium	High	High
rare	Low	Low	Low	Medium	High

## 7. Policy review

This policy will be reviewed bi-annually.

## 8. References

Government of E=Western Australia, Clinical Risk Management, 2019  
([https://ww2.health.wa.gov.au/Articles/A\\_E/Clinical-risk-management](https://ww2.health.wa.gov.au/Articles/A_E/Clinical-risk-management))

## **9. Associated CLAN documents**

CLAN Safety & Security Policy  
CLAN Work Health & Safety Policy  
CLAN Code of Ethics and Professional Conduct Policy  
CLAN Child Safeguarding Policy  
CLAN Prevention of Sexual Exploitation and Harassment Policy  
CLAN Complaints Management Policy  
CLAN Whistleblower Policy  
CLAN Financial Management Policy  
CLAN Fundraising Policy  
CLAN Overseas Transaction and Transfers Policy  
CLAN Financial Impropriety Risk Management Policy  
CLAN Procurement Policy and Authorisations Delegation  
CLAN Risk Management Register  
AS/NZ ISO 3100:2018 Risk Management Guidelines

## **10. Attachments**

CLAN Risk Incident/Near Miss Report

## CLAN Risk Incident/Near Miss Report

This form can be used to report to the CLAN Committee when a near miss or an incident causing harm to person/s, facilities, property, resources, or the environment has occurred.

A record of the near miss or incident is maintained in the Risk Management register.

No.	Item	Details
1	CLAN Program/ project/ activity	
2	Name/s if person/s affected	
3	Incident/near miss (short title)	
4	Location	
5	Date, time	
6	Details of the incident	
7	Person/s notified and when	
8	Cause/s of the incident/near miss	
9	Result of the incident/near miss	
10	Other objects affected by a risk being realised or potentially realised	
11	Actions taken/to be taken	
12	Report submitted by, date	
13	Report received by, date	
14	Decisions, who, date	
15	Person responsible for actions arising	