

12 RISK MANAGEMENT

12.1 Managing Asset Risks

12.1.1 Purpose of Risk Management

The risk assessment and management procedure ensures that a balanced and proactive approach is in place to provide a balanced and consistent approach to the identification of H&S risks.

Risk Assessments are required to be undertaken for all work activities, the Risk Assessment should identify the risks arising from or in connection with work. The level of details in a risk assessment should be directly proportionate to the risk.

Risk arises due to limited knowledge, experience, information or uncertainty about the future. All decisions have associated risks and the actions taken depend upon these risks. Risk management is making decisions with awareness and understanding these risks. Risky management is making decisions with no knowledge of the effect that decision will have in the future.

Risk management provides a structured approach to identify, document, track and treat risks. This sequence of well-defined steps allows the analysis and the implementation of appropriate responses to the risk.

The AMP is a corporate approach to managing assets. Risk management supports the asset lifecycle approach by identifying and treating the risks at each lifecycle phase.

Risk Management

Acquire Asset - Utilize - Maintain - Renew or Disposal

Risk Assessments that remain in use are to be reviewed annually unless they are reviewed more frequently for any other reason. Risk Assessments may be reviewed between annual reviews for any reason but shall always be reviewed in the event of the following:

- a) The nature of the activity changes significantly
- b) If there is any reason to suspect the assessment is no longer valid.
- c) Any incidents occur whilst carrying out the activity.

12.1.2 Asset Risk Analysis

The need to promote Levels of Service compliance, cost effective management, and consistency in decision making and to ultimately insure against business continuity risk, requires a well-defined risk management strategy. In addition to developing the risk approach to be adopted by the DMAT in the compilation of the management of their existing and emerging asset base, appropriate risk management tools and techniques should be established.

One of the first steps of risk management is to get a good understanding of the level of risk that is to be managed out of the business against the level of risk that is to be retained within the business. In particular, risks have to be managed on a key