



# RISK

## MANAGEMENT

A RISK MANAGEMENT  
PROGRAM FOR PARISHES

MAXIMISING MINISTRY BY MINIMISING HARM



# RISK MANAGEMENT

## A Risk Management Program for Parishes

The way that we care for our ministry team, our volunteers, our congregations and our visitors, is an essential expression of the Gospel of our Lord Jesus Christ.

When people come into contact with us, including coming onto our property, they need to be confident that they are in a safe and caring environment. We demonstrate our care by planning for and addressing those issues which may cause harm to them and ultimately to the ministry of the Gospel.

The term 'risk management' is widely recognised in the world around us. However as we seek to grow the Kingdom of God, we see it also as love in action.

## Risk Management Overview

What is Risk Management? Risk management is a management methodology we can use every day to ensure that we are providing a safe environment, that we are protecting the assets and reputation of the church and that we are complying with our legal obligations.

What are the benefits if we do this? Key benefits that will be realised from implementing an effective Risk Management program include:

- Reduction in the likelihood and consequence of adverse risk events such as injuries to people, property damage, breaches of law and damage to reputation
- Increased ministry effectiveness
- Reduction in insurance premiums including workers compensation, public liability, building contents and directors and officers
- Protection of individuals from personal liability/prosecution

*"...we, hopefully, seek to manage the risks so that we can avoid or at least minimise any damaging consequences."*

Why should we be concerned about it? So that you can support Gospel ministry; indeed it is an expression of love for others.

Every day, we each encounter different types of risks. In fact life itself is risky. For example, if we drive a car, there is the risk of an accident.

So in driving the car, we accept that there are risks involved and we, hopefully, seek to manage the risks so that we can

avoid or at least minimise any damaging consequences. We have the car in good mechanical condition; we try to be rested before we begin; we drive carefully, being aware of traffic around us. We seek to minimise the possibility of an accident.

We also wear a seat belt, so that if we do have an accident, we are somewhat protected against injury. We seek to minimise the consequences of an accident.

We insure our car so that, in the event of an accident, an insurance company will come up with the money to repair or replace it. We transfer all or most of the financial risk.

Or we could stay at home and avoid those risks.

## Should we apply risk management concepts to our Parish life?

Certainly we should! Why? Because good risk management supports Gospel ministry and is an expression of our love for people - poor risk management can drastically harm Gospel ministry.

As illustrated above, while we instinctively apply risk management practices in our everyday lives we must ensure these practices don't stop once we enter the parish site.

## What sort of risks are we talking about?

Things such as:

- Injury to people moving around our property
- Poor electrical wiring and appliances
- Fire
- Injury due to lifting, carrying and climbing
- Bad or unhygienic handling or keeping of food
- Financial mismanagement

*“Because good risk management supports Gospel ministry and is an expression of our love for people.”*

These are just a few of the issues to be considered.

## What does the Bible have to say?

While risk management makes good commercial sense, there are more fundamental reasons why we need to be intentional about identifying, assessing and managing risk in our churches.

There are several Biblical principles which call us to action.

First, Jesus commands us to love our neighbour as ourselves (Mark 12:31). One way we show love for our neighbours is to be concerned for their safety and wellbeing. In particular, we need to ensure that people are safe when dealing with the Church and those who minister in our name. We also need to ensure that people are not exposed to injury or loss when they come onto or use our property. When injury or loss occurs on church property, it can reflect a lack of love for our neighbour.

*“...we are called upon to be wise stewards of that which God has given*

Secondly, we are called upon to be wise stewards of that which God has given us (Matthew 25:14–30). Our stewardship responsibilities mean we need to ensure, for example, the protection of the property of the Church from damage, destruction, theft or other loss.

Thirdly, we are called on to submit to authorities instituted among men (1 Peter 2:13-14). One way we can submit to this authority is to comply with the laws of our country. So, for example, we need to be vigilant in ensuring that we comply with laws that apply to the Church. A failure to so do can reflect a lack of willingness to submit to authority.

These examples are not a comprehensive statement of the Biblical principles relevant to the issue of risk in the Church. However, they illustrate that if we are not intentional about identifying, assessing and managing risk, we are open to the accusation that we merely listen to God's word but do not do what it says (James 1:22).

Such an accusation inevitably impacts on our mission.

## Isn't risk management an interruption to ministry?

It is easy to think of this whole subject of risk management being an interruption to parish ministry. It

*“In reality, the lack of proper risk management can result in a far greater interruption and threat to ministry.”*

involves energy, thought, procedures, time and paperwork.

Yet, in reality, the lack of proper risk management can result in a far greater interruption and threat to ministry. To give a simple example: suppose a child slips on muddy and slippery pavement around the church or hall and suffers a severe head injury. Suppose also that the parents of the child are non-Christians who you have been trying to reach. Consider the trauma to the family; the concern in the congregation; the fires of anger that will need to be put out; the pastoral energies exercised; the potential legal claim to be faced by the Church. How can we demonstrate that we care for these people when it seems we do not care enough to properly clean our pathways?

Of course, the Holy Spirit can use negative circumstances for the glory of God, but all of us would surely agree that this is not an excuse for poor stewardship.

In the long run, good risk management can save a huge amount of time and effort.

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How does risk management support ministry?

Good risk management shows that we care for people! It is necessary that when people encounter us or come onto our property they are safe and they know they are safe. When people work with us in a paid or voluntary capacity, they need to have confidence that they are in a safe, caring environment. We need to look after the hidden things, as well as the obvious things.

Keeping the grounds neat and tidy takes time and effort, but supports our impact on people. In the same way, managing the natural risks that are inevitably part of community life supports our impact and underpins our integrity.

*“...people need to have confidence that they are in a safe, caring environment.”*

## Isn't this more work for us?

Yes and No. By putting systems in place to prevent adverse risk events occurring your time will be spent on preventing problems rather than trying to fix them once they have occurred. After a while you will find that you will have more time to focus on ministry.

In addition, Parish Support Services are trying to make it as simple and easy as possible for you to develop and implement an effective Risk Management program by including some practical tools and checklists in the material.

So, what do we actually have to do now?

## Step 1 Gain active support from the Minister and Parish Council

The minister and parish council must support your risk management program and 'lead from the front', as your program will only ever be good as the level of support and effort that it is afforded by them. This can be evidenced, for example, by the support provided to the risk management coordinator, regular communication and enforcement of safe practices to the wider parish, following through on reported risks and the provision of funding to address identified risks.

*It is strongly recommended that risk management be a standing agenda item at all parish council meetings.*

## Step 2 Review the contents of the material you have received

The next step in the process is to undertake a high level review of the Parish Risk Management Program material, get familiar with it and watch the introductory DVD.

## Step 3 Nominate an individual or group of individuals to take responsibility for your Risk Management program

As with any ministry program, its success will be dependent on allocating responsibility to an individual or group of individuals within the parish. They will need a thorough understanding of the contents of the Parish Risk Management Program and then be given the resources and authority to implement it. They should not be left to do all the work themselves but they should be responsible for coordinating risk management activities in the parish and reporting back to the parish council on a regular basis.

## Step 4 Clarify any issues you don't understand

While Parish Support Services has attempted to make the material in the Parish Risk Management Program self explanatory, it is likely that you may have many questions that have not been addressed directly.

As you go through the materials keep a note of your queries. If at the end of your review you have any pressing questions, please email them to Parish Support Services at: [riskmanagement@sydney.anglican.asn.au](mailto:riskmanagement@sydney.anglican.asn.au)

## Step 5 Start developing your Parish Risk Management plan

To assist you in this process Parish Support Services has published another document – ‘[Developing a Risk Management Plan](#)’, which is in the material provided. The Plan will lead you through the risk assessment process in detail.

## Controlling Risk

### What are some of the steps for dealing with risk?

There is no “magic pill” for treating identified risks but the steps that can and should be taken will vary with different risks and your specific parish context. For example, your parish’s emergency evacuation plan will need to be customised to your parish situation. That is, by considering the age and mobility of those regularly attending, your physical location and the types of services and activities undertaken.

When considering risk treatment options consider “What would a reasonable person do?” Generally, we can do a number of things:

### Eliminate the risk

When conducting any parish activity with risks attached look to eliminate the risk first. This may take many forms such as ceasing the activity, or as simple as removing an obstacle to ensure safe access or egress.

**Remember:** Even the most important task is not worth doing if it can’t be done safely. The higher the risk the shorter the exposure must be to the risk - **DON’T BE A HERO!**

### Avoid or substitute alternatives.

This could mean directing people another way to avoid a risk such as slippery stairs or looking for another way to carry out the task.

### Reduce or minimize the risk

For example, there may be glass doors. By placing “presence of glass” decals across the centre of the door we can minimise the likelihood of people walking into the glass door.

*“...placing a warning sign may not mean that we have fulfilled our responsibility.”*

As another example, we have a pathway that tends to become slippery, we can regularly clean it; we can put up warning signs; we can provide hand rails etc. This way we can minimise the risk. However, placing a warning sign may not mean that we have fulfilled our responsibility. It does mean that we are aware of the risk and should be working towards a permanent solution.

In addition, there is a dedicated Parish Risk Management web site which can be accessed by clicking [HERE](#) or at [www.sds.asn.au](http://www.sds.asn.au), then ‘For Wardens & Parish Councillors’ then on ‘Risk Management’.

Parish Support Services has included on that web site a few warning sign examples together with ‘soft’ copies of all the module materials released. If you have any difficulty accessing the signs or other material on the web site please contact Parish Support Services.

### Training and administration

Make sure people know how to perform a task correctly and safely. This applies particularly to the use of machinery and other equipment (e.g. when undertaking working bees). Provide specific training as required and supervise them.

*“It is far better to eliminate, avoid and minimise.”*

### Use protective equipment

Supply the appropriate protective equipment and ensure that it is used properly.

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## **Transfer the risk**

We may be able to transfer the risk to another party (e.g. a licensed builder) through a contract. We can transfer the potential financial consequences of the risk by taking out insurance. For example, the Public Liability insurance taken out by the Diocese is intended to cover a negligence claim against ministers, staff, wardens and parish councillors. However our goal is that this situation never occurs as it is far better to eliminate, avoid and minimise.

## **Retain the risk**

We can choose to retain the risk. That is, knowing the likelihood and the potential consequences of the risk, we can decide to accept the risk. In some situations, this may be the best solution.

However, we are also retaining the risk if:

1. we have not identified the risk
2. we have not taken adequate steps to avoid, minimise, eliminate or transfer the risk

Ignorance or inaction does not mean that the risk does not exist or that it has gone away. Rather, it means that we have retained the risk and we are fully carrying the potential consequences.

For example, local children may use parts of the parish to ride their skateboards on late at night. While the parish may be unable to prevent access, knowing this is how the property is used the parish must still ensure the property is as safe as reasonably possible.

*“Ignorance or inaction does not mean that the risk does not exist or that it has gone away.”*

## **Do we have legal obligations and who is responsible?**

While good risk management is essential in our love and care for people, it is also a legal requirement. *The Work Health and Safety Act 2011 (NSW) (the “Act”)*, among other legislation, sets out certain health and safety requirements that apply to our activities.

The Act regulates ‘businesses or undertakings’. This is a broad concept and includes churches. However a church will not be conducting a business or undertaking unless it employs at least one employee to carry out work. If your church does not have any employees (and licensed clergy are generally not employees) it would not be regulated under the Act.

The obligations in the Act apply in relation to the ‘workplaces’. A workplace is a place where work is carried out for a business or undertaking and includes any place where a worker goes, or is likely to be, while at work. Our church sites are workplaces. If workers undertake work while at home, those areas of the home used for this purpose would also be workplaces when they are in use for work purposes. Other locations, such as schools, retirement villages, cemeteries and so forth, where parish ministry is undertaken are also workplaces.

The health and safety obligations that must be discharged by individuals in, or who have responsibility for, the workplace will differ depending on the role those individuals perform in relation to the workplace.

For the purposes of the Act, there are essentially four categories of person in relation to a workplace –

1. Persons conducting a business or undertaking (PCBU)
2. Officers
3. Workers
4. Other persons

## **Person conducting a business or undertaking**

The term PCBU is not specifically defined in the Act. The employer is certainly a PCBU, but it is also a broader concept and includes others who conduct or operate the business or undertaking. There can be more than one PCBU for a workplace. In the church context it would include the wardens (as employers) and also the minister (who generally gives day to day direction to the employees). A PCBU can also be an unincorporated association, even though such an entity is not a legal person.

The parish or church is therefore also a PCBU. Throughout the Risk Management Program we will refer to the Parish as the PCBU but it needs to be remembered that the Wardens and Minister are also PCBUs and are effectively the arms and legs of the Parish.

A PCBU must ensure, so far as is reasonably practicable, the health and safety of workers while they are at work, and that the health and safety of other persons is not put at risk from work carried out at the workplace. This includes the work environment, plant and structures, systems of work, provision of facilities, training and supervision and so forth.

### **Officers**

Officers are those persons who make, or participate in making, decisions that affect the whole, or a substantial part, of the business of the entity; or those persons who have the capacity to affect significantly the entity's financial standing. The Officers of a Church or parish would be the parish councilors.

Officers must exercise due diligence to ensure that PCBUs comply with their work health and safety obligations.

"Due diligence" includes taking reasonable steps:

- to acquire and keep up-to-date knowledge of work health and safety matters, and
- to gain an understanding of the nature of the operations of the business or undertaking of the person conducting the business or undertaking and generally of the hazards and risks associated with those operations, and
- to ensure that the person conducting the business or undertaking has available for use, and uses, appropriate resources and processes to eliminate or minimise risks to health and safety from work carried out as part of the conduct of the business or undertaking, and
- to ensure that the person conducting the business or undertaking has appropriate processes for receiving and considering information regarding incidents, hazards and risks and responding in a timely way to that information, and
- to ensure that the person conducting the business or undertaking has, and implements, processes for complying with any duty or obligation of the person conducting the business or undertaking under this Act.

### **Workers**

Workers include employees, contractors and volunteers (among others). Other persons include visitors to the work place (such as parishioners who are not undertaking work (whether paid or voluntary) while they are at the workplace). Please take note that volunteers are Workers.

Workers must take reasonable care for their own health and safety; take reasonable care that they do not adversely affect the health and safety of others and comply with reasonable instructions, and cooperate with policies and procedures, relating to work health and safety.

### **Other persons**

'Other Persons' are those who are at the workplace but are not a PCBU, officer or worker at the relevant time. Parishioners (and others) attend our activities who are not performing functions as workers in relation to those activities would be 'Other Persons'.

The duties for 'Other Persons' are the same as for workers except that 'Other Persons' are not legally required to cooperate with policies and procedures relating to work health and safety (but they must comply with reasonable instructions (e.g. to evacuate the premises or to desist from some act which is jeopardising health and safety)).

Another key difference is that PCBUs must consult with Workers about work health and safety matters but do not need to do so with Other Persons.

### **What is "reasonably practicable" in ensuring health and safety?**

"Reasonably practicable" means that which is, or was at a particular time, reasonably able to be done in relation to ensuring health and safety. In determining this, the following factors are to be taken into account:



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- a) the likelihood of the hazard or the risk concerned occurring, and
- b) the degree of harm that might result from the hazard or the risk, and
- c) what the person concerned knows, or ought reasonably to know, and
- d) the hazard or the risk, and
- e) ways of eliminating or minimising the risk, and
- f) the availability and suitability of ways to eliminate or minimise the risk, and
- g) after assessing the extent of the risk and the available ways of eliminating or minimising the risk, the cost associated with available ways of eliminating or minimising the risk, including whether the cost is grossly disproportionate to the risk.

## **Protection against prosecution for people who undertake responsibilities as volunteers**

The Work Health and Safety Act 2011 provides that a person who is acting in a voluntary capacity does not commit an offence for failure to comply with a health and safety duty except for duties that apply to them as “workers” or as “other persons at the workplace”.

This means that a volunteer who breaches a duty to ensure health and safety that applies to them in their capacity as a PCBU or Officer cannot be prosecuted by WorkCover for that breach. Of course this should not cause PCBUs and officers to have a lax attitude towards health and safety but it does mean that people can volunteer to serve in these capacities without fear of the threat of prosecution.

There are also several matters that need to be noted.

Firstly, ordained and licensed ministers, though not employees, are not volunteers.

Secondly, Workers can be prosecuted. That is, a Worker who is a volunteer can be prosecuted for failing to take reasonable care for their own and other’s safety, failing to follow reasonable instructions from the PCBU, or not cooperating with policies and procedures, on health and safety in the workplace.

Thirdly, there are some duties in the legislation that are not covered by the exception. For example, the duty to notify WorkCover about certain workplace accidents and incidents, and obligations to comply with improvement and prohibition notices issued by WorkCover. This is no different to the former law.

Fourthly, the civil law of negligence is not affected by this legislation.

## **What is involved in managing risks?**

Effective risk management starts with commitment to health and safety from those who manage the workplace. You also need involvement and cooperation of your workers, and if you show your workers that you are serious about health and safety they are more likely to follow the lead. It is about building a culture that is committed to health and safety in all that you do. You also need to implement a step-by-step risk management plan (which is detailed in *‘Developing a Risk Management Plan’*).

The most effective way to exercise that duty of care is to integrate it into normal parish planning and ministry activities. Steps in the process are:

- Develop appropriate WH&S policies and programs
- Set up a process to consult parish employees about WH&S matters
- Establish a training strategy for WH&S, harassment and bullying, and hazard identification
- Establish a hazard identification assessment and reporting process
- Develop and implement risk control strategies
- Promote, enforce, maintain and improve these strategies



## Conclusion

### **How will this essential work be made easier?**

Parish Support Services will be providing detailed support. They will answer questions such as “What should concern us most?” “What do we have to do?” and “How do we do it?” They will also research what has to be done and will provide step by step guidance on managing the various risks.

This is designed to help you to do the ‘back room stuff’ quickly and effectively, with minimal interruption to ministry.

### **How do we create an environment and culture of ‘risk management’?**

Just as good companies and organisations seek to develop a safety culture among all of their management and employees, so we need to continue to develop our culture of managing risks. We need to develop a ‘risk management mindset’ where people will be alert to potential risks and aware of how these risks can be reported and managed by the parish.

Developing a culture of risk management in your parish begins by creating a ‘new’ culture. This can be achieved by adopting, demonstrating and enforcing safe practices to the next generation of parish leaders - the youth and children of the parish. Children in particular will model their own behaviour on the cues observed in adult behaviour.

*“We need to develop a ‘risk management mindset’ where people will be alert to potential risks and aware of how these risks can be reported and managed...”*

It is a common occurrence that safe practices that are not enforced quickly become ‘optional’. For example, the parish adopts the safe practice of not allowing people to participate in working bees unless they are wearing protective clothing, like boots and long pants. Therefore, people who turn up not wearing the specified protective clothing must be turned away (gently!) and not be allowed to participate.

While ministers, wardens and parish councils carry direct responsibility for managing risk, developing and maintaining a caring environment should be the shared responsibility of each member of the congregation.

In developing this Risk Management program, Parish Support Services has been guided by Australian Risk Management Standards. These standards are used by businesses, not-for-profit organisations and government bodies throughout Australia and are internationally recognised.

Should you require any further information in regards to this standard and other related safety standards, please refer to the Standards Australia website - <http://www.standards.org.au>

Finally, remember that good risk management supports Gospel ministry. The material that follows is designed to guide you through the process and protect your people, your visitors and your ministry.

*“Good risk management supports Gospel ministry.”*

