

Enterprise Risk Management (Risk Assessment)

Utilising the parameters below as a guide and the excel template provided a risk assessment relating to the site/ premises must be completed, considering the operations intended for the site/ premises, also identifying risk with site/ premises decommissioning or termination of the lease.

1. Provide a Risk Assessment relating to site/ premises establishment and Site decommissioning i.e. consideration of risks arising from the activities etc. for the setup of operational readiness of the site and risks relating to the decommissioning of the site/ premises.
2. Provide a Risk Assessment relating to Operational risks once the site/ premises has been established and operations commence.
3. The Risk Assessment must provide at minimum risks in the following types, i.e. Environment, Community, Reputation and Brand, Health and Safety, Legal and Compliance.
4. A defined Risk Assessment methodology utilising a basic 5 x 5 table is provided on how the Risk Consequence or Severity and the Risk Likelihood or Probability is determined and the resultant Risk Rating as the residual risk rating, after the effectiveness of the controls have been considered.
5. A clear ranking of the risks from Highest to Lowest ranking risks be provided in the risk assessment and plotted on the Risk Heat Map.
6. Risk mitigating actions must be specific, clear and defined with a start and completion date.
7. All risk responsibility on the risk assessment, i.e. name of the risk owner, name of the control owner and name of the risk mitigation owners must be provided.
8. All risk assessments must be signed off by the risk assessor.

Risk Assessment Guideline

How to utilise the Risk Assessment Template provided. Below is a high level step by step guide to assist with the completion of the risk assessment template.

It is recommended that the risk assessment not be undertaken by only the Risk Assessor but rather in a Risk Workshop with representation from the Organisations Subject Matter Experts, were possible.

Proof of the risk workshop in the form of an attendance register along with other supporting documents might be requested as part of the adjudication process of the risk assessment.

The Risk Assessment Template is provided as an Excel Workbook with three (3) Excel Worksheets namely "1. Risk Register", "2. Risk Rating Criteria", "3. Risk Heat Map". Worksheets that need input for completion of the risk register is "1. Risk Register" and "3. Risk Heat Map".

Worksheet “2. Risk Rating Criteria” is a guidance document that contains three (3) guidance Tables to assist the risk rating determination of Table 1 - Consequence / Severity; Table 2 - Likelihood/ Probability and Table 3 - Risk Control Effectiveness Rating.

Table 1 - Consequence/ Severity provides a score from 1 (Insignificant) to 5 (Critical) with descriptors across these levels for Financial, Health and Safety, Environment, Community, Legal & Compliance and Reputation & Brand, to aid the selection of the consequence.

Table 2 - Likelihood/ Probability provides a score from 1 (Rare) to 5 (Almost certain) with a descriptor for each level.

Table 3 - Risk Control Effectiveness Rating (RCE) provides a RCE rating and guide for “None”, “Unsatisfactory”, “Requires Improvement” and “Satisfactory”.

Worksheet “3. Risk Heat Map”, provides a reference heat map of the risk rating scores when the risk consequence and likelihood ratings are multiplied and aids identification of High, Medium and Low Risks when plotted on the Heat Map and listed in the summary table below.

How to complete the risk assessment template:-

1. Fill in the risk assessment description information i.e. Name of Risk Assessment, Date the risk assessment was undertaken and Name of the Risk Assessor.
2. Column A. Provide a sequential number from one (1) to the risk to be assessed.
3. Column B. Indicate the Type of Risk this is e.g. Financial or Health and Safety etc.
4. Column C. Provide a full Risk Name that describes the risk being assessed and the impact of the risk should it materialise.
5. Column D. Risk Owner, provide the name of the person who is responsible to ensure the risk controls are maintained (as in Column F and G) and the risk actions are implemented (as defined in Columns L, M, N and O).
6. Column E. Risk Cause/s, Identify and note the cause/s that give rise to the risk.
7. Column F. Control Name, Identify and note existing controls that address the cause/s as captured in Column E. The control and risk causes should be paired such that any risk cause/s without an assigned control is easily identified and if determined to have a significant impact be addressed with a Risk action/ task under Column L.
8. Column G. Control Effectiveness. Utilising the guide (Table 3 - Risk Control Effectiveness Rating) provided in the excel template under worksheet “2. Risk Rating Criteria”, assign a corresponding rating for each control as in Column F.
9. Column H. Control Owner. Provide the name of the person whom is responsible to ensure that the identified control as in Column F, operates in its most effective manner.
10. Column I. Risk Rating Consequence. Utilising the guide (Table 1 - Consequence / Severity) provided in the excel template under worksheet “2. Risk Rating Criteria”, assign a corresponding consequence for the risk considering the following (a) which risk category is impacted by the risk i.e. Finance, Health and Safety, Environment, Community, Legal & Compliance, Reputation and Brand, (b) consequence level from 1 to 5, considering the basket of controls (all controls for the risk in Column F) and the assigned control effectiveness (for all the controls in Column G), i.e. if there are 3 controls and 2 of the

controls have a unsatisfactory control effectiveness rating, err on the side of caution and consider the risk consequence to be higher.

11. In the event that a risk category is not provided for e.g. Security and Theft consider this in terms of its Financial consequences and record "Security and Theft" as the Risk type under Column B (Refer to number 3 above).
12. Column J. Risk Rating Likelihood. Utilising the guide (Table 2 - Likelihood/ Probability) provided in the excel template under worksheet "2. Risk Rating Criteria", assign a corresponding likelihood for the risk considering the selected consequence of the risk in Column I and the basket of controls (all controls for the risk in Column F) and the assigned control effectiveness (for all the controls in Column G).
13. The Consequence and Likelihood is determined in consideration of existing controls and its agreed effectiveness rating. It is recommend that should there be doubt about the level of consequence and likelihood that the risk assessment team, err on the side of caution and select the higher level of consequence and likelihood.
14. Column K. Risk Rating. This is the residual risk rating. The selected consequence (1 to 5) multiplied by the selected likelihood (1 to 5) returning a risk rating score from 1 to 25. This formula is automated in the template and colour coded to the appropriate risk priority rating (refer worksheet 3 "Risk Heat Map"). The residual risk rating is the risk score after consideration of the controls and its effectiveness.
15. Once the risk rating is determined the risk assessment team should assess if the risk is at an acceptable level and/ or the suitable action/ task to be taken to reduce the risk to an acceptable level. Column L, must detail the desired Risk Action/ task to be undertaken.
16. At a minimum Risk Action/ task shall be implemented for all controls with a control effectiveness rating of Unsatisfactory and lower and for all causes which have no linked control as stated in number 7 above. The Risk Action/ task be aligned in the row to the control being improved or the risk cause/s for which there are no controls. This is to ensure that an active risk mitigation programme is in place to reduce identified risks.
17. Once a Risk Action/ task is recorded Column M, Risk Action/ Task Owner must be recorded. This is the person responsible to implement the Risk Action/ Task.
18. Column N, Start date. The date the Risk Action/ Task will commence and Column O, Completion Date, The date the Risk Action/ Task with be finalised.
19. The risks shall be plotted on worksheet "3. Risk Heat Map". First complete the table below with the risk name and the numeric risk rating from the highest to the lowest risk score from worksheet "1. Risk Register." The numeric risk rating will be automatically assigned a colour of either "Red", "Yellow" or "Green" based on the score entered under risk rating. Next plot the risk numbers onto the Heat Map (the colour matrix) based on the Likelihood and Consequence ratings. This provides a visual representation of the highest to lowest risks.
20. Once the risk assessment and the populated risk register in excel is done this must be signed by the risk assessor.
21. Risks should be revised on a regular basis at time intervals not less than Bi- annually and/ or when any of the following conditions are met:- (a) occurrence of an incident; and/ or (b) change in operating procedure/ processes, change in management structures etc.; and/ or (c) completion of an assigned Risk Action/ Task.
22. Additional rows can be inserted into the Risk Register and Risk Heat Map as required.

Business Impact Analysis (BIA)

Provide evidence that a systematic process was utilised to determine and evaluate the potential negative effects of an interruption (i.e. as a result of an accident, emergency, disaster and epidemic/ pandemic – e.g. Covid-19 etc.) to critical business operations. This is an essential component of a business continuity plan, which describes the potential risks specific to the proposed scope of works.

1. The business impact analysis must identify and detail the critical processes/ activities within the leasing period (site/ premises establishment, operational and decommissioning) that would negatively impact TFR (i.e. as a result of an accident, emergency, disaster **and epidemic/ pandemic – e.g. Covid-19 etc.**);
2. The BIA must also identify and document, but not limited to, resources (i.e. financial, human etc.), infrastructure, equipment, suppliers, service providers etc. needed to support these processes/ activities.
3. The BIA to also include a rating of the criticality of an impact/ event on these processes/ activities within the project and should this impact occur, detail the recovery time objective for the critical processes/ activities. The criticality rating can be simply stated as High, Medium or Low.
4. The recovery time objective is the unit of time (either in hours, days, weeks etc.) taken for the successful resumption of the process or activity.
5. The BIA must also detail additional resources (i.e. financial, human etc.), infrastructure, equipment, suppliers, service providers etc. needed for resumption of critical processes/ activities within the specified recovery time objective.

The unpacking of the above would be deemed as the minimum for the development of recovery strategies in the BCP.

Business Continuity Plan (BCP)

Provide detailed emergency and business continuity plans, plan activation structure and contact numbers for the efficient recovery of critical processes / activities within the specified RTO.

1. Provide a detailed emergency plan to address those incidents/ events that may impeded TFR operations. The emergency plan must detail the emergency activation and escalation structure and the emergency contact names and numbers.
2. A detailed BCP be provided and include (a) the business continuity invocation process (b) a list of the business continuity role-players (inclusive of but not limited to the recovery teams, suppliers, service providers etc.) and their contact numbers, (c) detailed recovery strategies, and (d) a “battle box” with all of the above documentation or any additional resources essential to support the recovery as identified in the BIA.
3. **The BCP to contain details on how operations will be recovered or continue in the event of:**
 - (a) Declaration of national emergency or disaster,
 - (b) Declaration of an epidemic / pandemic (e.g. COVID-19),

(c) Declaration of lockdown levels/ conditions due to the above.

4. Consideration of operational, resourcing, staffing, financing, security, technical, infrastructural, outsourcing etc. recovery requirements at the various lockdown alert levels to be covered in the plan in preparation for a second wave of COVID-19 infections. The plan to also be inclusive of prevention, reporting and management within the guidelines of the Disaster Management Act of 2002 and related regulations.
5. All emergency plans and BCPs must be the latest and signed off by the relevant BCP Owners, to prove that management is aware of this plan and understand their respective roles and responsibilities in execution.