MOTORCYCLING AUSTRALIA POLICY

Title:	**Risk Management Policy and Statement**
Last Review Date:	27 August 2026
Next Review Date:	August 2028
Responsible Persons:	Motorcycling Australia Board
Authority:	This Policy is made under clause 21 of the MA Constitution. It is binding on all Members of MA and volunteers, and all employees of MA and its State Controlling Bodies and is to be interpreted in accordance with the MA Constitution.

1. INTRODUCTION

1.1 The purpose of this risk management policy is to provide a framework for managing MA's potential liability exposure.

1.2 MA's risk management framework is designed to assist in the risk management process.

1.3 The intent of the framework is not to create another level of compliance but to educate and to create a culture of risk awareness in day-to-day activities in a convenient and cost beneficial manner.

1.4 To this end, MA has developed the following:

1.4.1 This Risk Management Policy which contains:

(a) information on the general concept of risk and its application; and

(b) roles and responsibilities regarding the implementation and ongoing facilitation of the framework.

1.4.2 A Risk Management Plan which contains:

(a) procedures, principles, techniques and tools to be applied in all areas of risk exposure with special emphasis on safety and environmental risks which may affect MA in meeting goals and objectives; and

(b) an outline of how the risk management process is to be conducted on a day-to-day basis while performing usual duties.

1.4.3 A Risk Register to:

(a) record the findings of internal risk assessments undertaken;

(b) potential risks identified; and

(c) current controls in place to mitigate risks and/or suggested improvements on controls.

1.4.4 MA recognises that risk is inherent in the Sport it administers and that everyone in the Sport manages risk. MA promotes the adoption of a culture which embraces a strategic and formal approach to risk management which improves decision-making and enhances outcomes and accountability.

2. DEFINITIONS AND INTERPRETATION

2.1 **Event** means the organised competitive or recreational activity described in a permit issued by an RCB.

2.2 **MA** means Motorcycling Australia Ltd.

2.3 **Member** has the meaning given to it by the MA Constitution.

2.4 **FRAC** means the MA Finance, Risk and Audit Committee

2.5 **Organiser** means the club, promoter or other recreational event operator that holds an MA permit to organise and conduct an Event

2.6 **RCB** means the Relevant Controlling Body being State Controlling Body in the state or territory where the Event is to be held, or MA in the case of interstate or national Events, responsible for the administration of these guidelines.

2.7 **SCB** means a state controlling body affiliated to and/or recognised by MA as a Member and as its delegate within that SCB's state or territory borders.

2.8 **Sport** means the sport or recreational activity of motorcycling.

2.9 Headings are for convenience only and do not affect interpretation and unless the context indicates a contrary intention.

2.10 "Includes" in any form is not a word of limitation.

2.11 A reference to "month" is to a calendar month.

2.12 A reference to "risk" is to the definition within the Standard being "*the effect of uncertainty on objectives". "Risk is usually expressed in terms of risk sources, potential events, their consequences and their likelihood"*.

2.13 A reference to "$" or "dollar" is to Australian currency.

3. REGULATORY REQUIREMENTS

3.1 There is legislation in place for the management of specific risks, etc. Risk management does not relieve MA of its responsibility to comply with legislation such as relating to Workplace Health and Safety, Equal Opportunity, Environmental Sustainability or similar obligations.

4. RESPONSIBILITIES

4.1 All employees, volunteers and Members are responsible for minimising risks to themselves, to others and to MA

4.2 The MA Board, with the assistance of the FRAC Chair, has the ultimate responsibility for successful risk management, with the CEO taking day-to-day responsibility for the process.

5. THE RISK MANAGEMENT PROCESS

5.1 In line with the Standard, MA's approach to risk management requires a number of key steps:

5.1.1 establish the scope, context and criteria

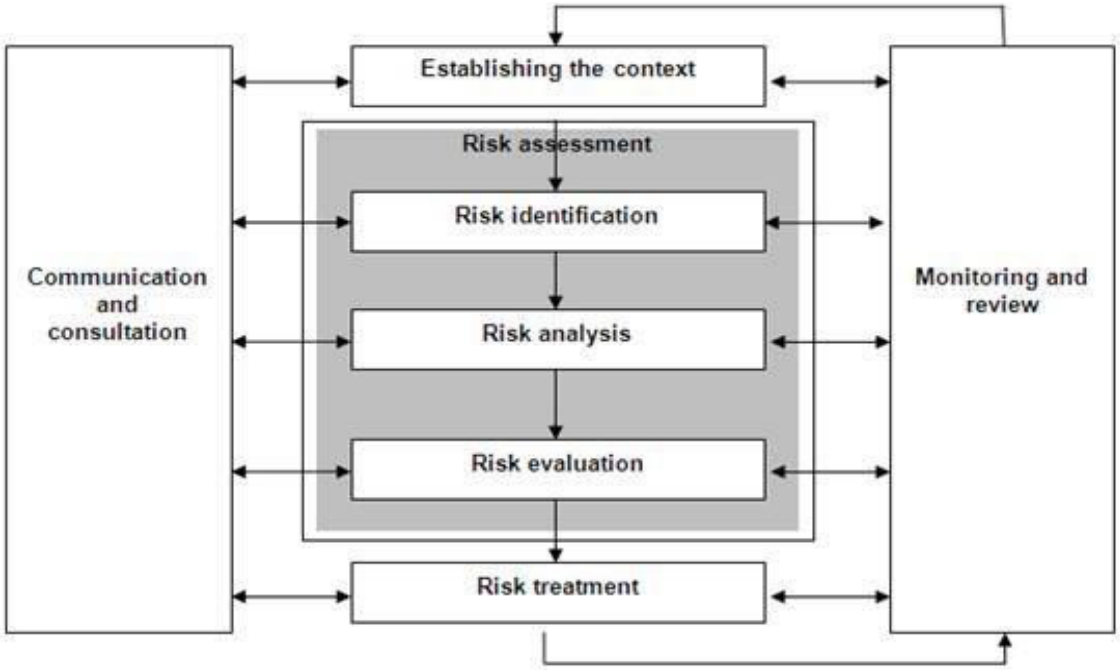
5.1.2 identify risks

5.1.3 analyse risks

5.1.4 evaluate risks and

5.1.5 treat risks.

This risk management process includes communicating and consulting with stakeholders, and the continuous monitoring and review of risks. The process adopted by MA is depicted below:



5.2 Communicate and Consult

5.2.1 MA will communicate and consult with relevant internal and external stakeholders as appropriate at each stage of the risk management process and for the process as a whole.

5.3 Establishing the context

5.3.1 Types of risk

(a) Risks can be classified into 5 types:

(i) **Strategic Risks** - protection of intellectual property, loss of a major account, competitor coming into the market, pursuing or not pursuing a new opportunity.

(ii) **Operational Risks** – breakdown of procedures or technology causing service delays, data security, theft, fire, dealing with WHS risks, key employee leaving.

(iii) **Financial Risks** - increase in interest rates, non-payment by a customer, foreign exchange movement, managing bad debts.

(iv) **Compliance** – failure to comply with a regulation or standard, breach of contract, responding to the introduction of new legislation.

(v) **Environmental** - external risks that Motorcycling Australia has little control over such as major storms or natural disasters, global financial crisis, changes in government legislation or policies.

(b) Note: Risks can fit more than one type. For example, a change in government policies may impact environmental as well as compliance risks.

5.3.2 Categories of Risk

(a) The following risk categories should be considered one by one, with identified risks assessed against the following sources:

(i) **Compliance/Legal:** includes compliance with legal requirements such as legislation, regulations, standards, codes of practice and contractual requirements. This category also extends to insurance and compliance with additional rules such as policies, procedures or expectations, which may be set by contracts, members, the SCBs or the social environment.

(ii) **Financial:** includes cash flow, budgetary requirements, tax obligations, creditor and debtor management, remuneration and other general account management concerns.

(iii) **Health & Safety:** includes the safety of MA staff. This extends from individual safety to staff workplace safety, public safety and to the safety and appropriateness of products or services delivered by the MA.

(iv) **Reputation:** entails the threat to the reputation of MA due to the conduct of the entity as a whole, the viability of product or service, or the conduct of employees or other individuals associated with MA.

(v) **Strategic:** includes the planning, scoping and resourcing requirements for the establishment, sustaining and/or growth of the business.

(vi) **Operational:** includes the management of equipment, resources (including people), technology, timeframes and people associated with the management of MA.

(vii) **Service delivery:** relates to the delivery of services, including the quality and appropriateness of service provided, or the manner in which a service is delivered, including Member, promoter and SCB interaction.

(viii) **Security:** includes the overall security of the business premises, assets and people, and extends to security of information, intellectual property, and technology.

(ix) **Product:** extends to the operations and conduct of motorcycle sport. It includes the general operations, appropriateness, business development, training and development of officials, volunteer management, venues, licencing, accreditation, enforcement and technical standards.

(x) **Technology:** includes the implementation, management, maintenance and upgrades associated with technology. This extends to recognising the need for and the cost benefit associated with technology as part of a business development strategy.

5.4 Identifying Risks

5.4.1 Risk identification involves asking and answering the following questions:

(a) What can happen, where and when?

(b) How and why might it happen?

By asking these questions, risk identification is a simple process requiring a systematic approach to identifying risks.

5.4.2 Identification Methods

(a) Both retrospective and prospective risks need to be considered.

(b) Retrospective risks are seen as incidents or accidents that have occurred in the past. Retrospective risk identification is the most common way to identify risk and the easiest. A risk is easier to understand if its impact has already been experienced. It is also easier to quantify its impact and to evaluate the damage. There are many sources of information about retrospective risks including:

(i) hazard or incident logs or audit reports

(ii) complaints

(iii) accreditation documents and reports

(iv) staff or officials / member surveys

(v) newspapers or professional media, such as journals and websites.

(c) Prospective risks are harder to identify. These are things that have not yet happened but might happen in the future. Identification should cover all risks, whether or not they are currently managed. The plan will be to record all significant risks and monitor the effectiveness of their treatment.

(d) Methods for identifying prospective risks include:

(i) brainstorming with employees and external stakeholders

(ii) researching the economic, political, legislative and operating environment

(iii) interviewing employees and officials / members to identify potential problems

(iv) flow charting a process

(v) reviewing system design or preparing system analysis.

(e) Risk Categories will help break down the process for prospective risk identification.

(f) MA will implement a top-down bottom-up approach to identifying and prioritising risk:

(i) **"Bottom Up" system:** The objective is to ensure a comprehensive identification and prioritising of all important risks, define and implement risk policies and processes that control daily decision making throughout MA, and ensure a robust risk culture throughout the organisation.

(ii) **"Top down" system:** The objective is to provide the CEO and Board with the top 5 to 10 most important risks which shape the company performance to ensure a risk dialogue among the management team. It will enable proper risk oversight by the Board.

5.5 Analysing risks

5.5.1 This step in the process involves analysing the likelihood and consequences of each identified risk, to determine its severity, and ensure that relevant actions can then be implemented. The analysis, generally, utilises a qualitative approach, however from time to time a quantitative approach may be possible based on data available.

5.5.2 To assist the analysis process, a five by five rating scale will be used. Through use of the rating scale, a clear picture of the risk degrees associated with each risk can be identified allowing the Association to prioritize resource usage to manage the most critical risks.

5.5.3 Within the Risk Register, each identified risk is assigned a level for both Likelihood and Consequence, in line with the five-point descriptive rating scales detailed below. These figures are then multiplied together to provide a Risk Rating.

5.5.4 Risk analysis involves asking and answering the following questions:

(a) What is the likelihood of the risk happening?

(b) What will be the consequence if the risk occurs? The rating scales are detailed as follows:

Qualitative measures of Likelihood			
Level	Descriptor	Example Detail Description	Frequency
1	Rare	The event may occur only in exceptional circumstances	Less than once in 5 years
2	Unlikely	The event could occur but only rarely	At least once in 5 years
3	Possible	The event could happen occasionally	At least once in 3 years
4	Likely	The event will probably occur in most circumstances	At least once per 1 year
5	Almost certain	The event is expected to occur in most circumstances	More than once per year

Qualitative Measures of Consequence					
Level	Descriptor	Financial	Safety	Property	Operational Efficiency
1	Insignificant	Less than $1000	Minor injuries requiring first aid or near miss.	No Damage	Some insignificant delays or change to service. Less than 1 hour.
2	Minor	$1000 - $10,000	First aid treatment.	Internal Repair	Some minor delays in some services. 1 hr – 1 day.
3	Moderate	$10,000 – 50,000	Medical treatment required.	External Repair	Management effort required to re-direct resources to avoid delays in achieving performance. 1 day – 1 week.
4	Major	$50,000 - $150,000	Serious or extensive injuries	Extensive external repair	Major delays. Significantly reduced ability to achieve objectives / key deliverables. 1 week - 1 month
5	Catastrophic	More than $150,000	Death or multiple severe permanent disablement.	Un-repairable / replace	Failure to achieve one or more key deliverables resulting in major flow on effects for external stakeholders. More than 1 month.

Note the Qualitative measures of consequence list is a sample only.

Risk Calculator	**LIKELIHOOD 2.** ***How likely is it to happen?***				
CONSEQUENCE 1. ***How severely could it hurt someone (riders, officials or public)? And what impact will it have?***	**Almost certain**	**Likely**	**Possible**	**Unlikely**	**Rare**
Catastrophic	**Extreme**	**Extreme**	**Extreme**	**High**	**High**
Major	**Extreme**	**Extreme**	**High**	**High**	**Medium**
Moderate	**High**	**High**	**High**	**Medium**	**Low**
Minor	**High**	**Medium**	**Medium**	**Low**	**Low**
Insignificant	**Medium**	**Low**	**Low**	**Low**	**Low**

Risk rating	
Extreme	Extreme risks that are likely to arise and have potentially serious consequences requiring urgent attention
High	Major risks that are likely to arise and have potentially serious consequences requiring urgent attention or investigation
Medium	Medium risks that are likely to arise or have serious consequences requiring attention
Low	Minor risks and low consequences that may be managed by routine procedures

5.6 Evaluating risks

5.6.1 Risk evaluation involves deciding whether the identified risk rating is acceptable, after considering:

(a) the controls already in place;

(b) the cost impact of managing the risks or leaving them untreated;

(c) benefits and opportunities presented by the risk; and

(d) the risks borne by other stakeholders.

5.6.2 During this process, the risk rating identified during the analysis step, is compared against all other risks and the known priorities and requirements of MA. Any risks that have been accorded a rating that is too high, or too low, are adjusted with a record of the adjustment being retained for tracking purposes.

5.6.3 The outcome is a list of risks, with agreed priority ratings, recorded in the Risk Register.

5.7 Treat Risks

5.7.1 Risk treatment determines what can be done in response to the risks that have been identified, with a risk rating of 10 or higher, to reduce, transfer, or eliminate the risk by implementing new controls or enhancing existing controls.

5.7.2 Treatment strategies will aim to achieve one or a combination of the following outcomes:

(a) risk elimination (avoidance or discontinuance)

(b) risk transfer

(c) risk reduction

(d) risk retention/acceptance (acceptance of risk and/or adequate controls).

5.7.3 The types of actions that may result can involve:

(a) education & training

(b) administration controls (i.e signage, policy and/or procedures)

(c) audits

(d) contingency planning

(e) risk transfer (including insurance).

5.7.4 Where a number of treatment options may be available, a Targeted Risk Assessment (TRA) may be utilised to record these. Treatment options are then evaluated in terms of feasibility, costs, benefits and priorities resulting in the most appropriate treatment action being adopted.

5.7.5 The following steps will be utilised to assist in the development of effective risk treatments:

(a) identification of actions, that will eliminate, reduce and/or transfer the likelihood or consequences of risks identified with a risk rating of 6 or higher

(b) determine the potential benefits and costs of each action, including the possible impact on MA if the risk occurred, the reduced level of risk if the actions were implemented and the financial impact

(c) select the best action

(d) specify the "trigger points" at which the action might be implemented for those that have the form of contingency plans

(e) identify links to related processes or activities currently within or outside of MA.

5.7.6 Treatment strategies will be recorded into MA's Risk Management Action plan. Responsibility for implementation of the Action Plan will be assigned by the Risk Manager, to the relevant Manager. Implementation will involve integration into existing procedures including budgeting, event management, development of resources, and communication systems.

6. RISK MONITORING AND REVIEW

6.1 Procedure

6.1.1 The CEO, with assistance from the FRAC Chair, will periodically assess the effectiveness of risk treatment measures. The Board will undertake periodic reviews of the framework, including an annual review as part of the Board strategic plan.

6.2 Risk Closure

6.2.1 When all recommended actions have been undertaken and the risk is either reduced to an acceptable level, eliminated altogether and/or transferred, the risk will be closed off. This process will involve the risk being updated to the status 'closed' on the Risk Register and transferred to a closed items register.

7. COMMUNICATE AND CONSULT

7.1 Communication and consultation play an integral part in MA's Risk Management framework. Using MA's established communication strategies, identified risks will be brought to the attention of relevant stakeholders. This includes:

7.1.1 email correspondence

7.1.2 annual Manual of Motorcycle Sport

(a) website

(b) board meetings

(c) media releases (where necessary).

Risk Management Policy Statement

Motorcycling Australia's (MA) vision is to contribute to creating happier, healthier and more connected communities through Motorcycling.

MA acknowledges that risks are inherent in all aspects of motorcycling. MA also acknowledges that it faces a variety of other risks related to the pursuit and delivery of its strategy and day-to-day operations. For these reasons, MA understands the importance of a structured and systematised approach to the identification and management of risks.

MA is committed to managing and minimising risk by identifying, analysing, evaluating and treating risks to ensure MA has the best prospects for achieving its strategic objectives and maintaining effective and efficient operations for the benefit of its members, volunteers and employees of MA and the SCBs.

MA will regularly monitor, review and report on the effectiveness of its approach to risk management and aims to develop and maintain a risk aware culture. It will do this by adhering to the principles reflected in ISO 31000:2018 Risk Management – Guidelines as follows:

- Risk management activities are integral to MA and will be integrated across all MA areas and activities;
- MA will ensure a structured and comprehensive approach to risk management;
- MA's approach to risk management will be customised and appropriate for the nature and scale of our organisation and the risks it faces;
- MA will be inclusive of relevant stakeholders to improve risk awareness and better inform its risk management efforts;
- MA will be dynamic in anticipating, detecting, acknowledging and responding to changing circumstances, events and the risk landscape;
- MA's risk management efforts shall utilise the best available information and inputs, spanning historical, current and predictive information from all relevant and available stakeholders;
- MA acknowledges that human and cultural factors influence all aspects of risk management and will promote a risk aware culture; and
- MA will strive for continuous improvement in its risk management performance.

MA Directors, Officers and Senior Management recognise and acknowledge their responsibilities for effective risk management. These include providing leadership and direction, allocating appropriate resources, monitoring and responding to information as it becomes available and encouraging a culture where speaking up and raising concerns is encouraged.

Peter Doyle
Chief Executive Officer
August 2026