

**Community Risk Management
NZRA National Conference 2001**

Rob Greenaway
Rob Greenaway & Associates
PO Box 358, Nelson 7040

Ph/Fax 03 539 4335
rob@greenaway.co.nz

Summary

The management of risk is a big part of a leisure manager's job. But which risks? Our first thoughts normally go to health and safety. However, all we seem to achieve when managing safety is to limit what we can do. Rob suggests that the management of risk should actually be a significant justification for all leisure services. Consider the risks that your community is currently exposed to and what local government can do to reduce those risks.

In the current asset management / best value / efficiency and effectiveness environment, engineers use risk analysis to justify major expenditure on the maintenance and development of structures – or infrastructure. The word 'infrastructure' is defined in the New Oxford Dictionary as: 'the basic physical and organisational structures and facilities (e.g. buildings, roads, power supplies) needed for the operation of a society or enterprise'. This definition could happily apply to leisure services since there is no doubt that they are needed for the 'operation of a society or enterprise'. Sadly, we shy away from using the term, and thereby drop leisure down a few rungs in local government's spending priority. Audit NZ frequently implies that parks and community facility Asset Management Plans are of lower significance because they do not concern 'infrastructural assets'. Rob argues that we've missed the boat and that risk management is an excellent way of getting back on board. He shows the importance of studying benefits and risks as one and the same. For example, what is the risk of not having cohesive communities, a healthy society or a sustainable economy based on a clean, green environment?

Community Risk Management

I'll cover three main points in this paper.

The first is the identification of the risks that leisure managers currently manage – the sort of thing you'd expect to see in an asset management plan or risk management policy statement.

The second is a look at mechanisms that encourage consultative groups to think in the long-term.

The third is the consideration of risks that leisure managers might limit via the provision of open space and leisure services – and how we can use the analysis of these risks to raise the profile of our roles as community risk managers.

These are just some broad concepts that you might wish to expand in justifying the provision of leisure services.

Why am I giving this paper?

First – as a consultant I infrequently have the opportunity to be an advocate for open space. Generally, I merely analyse and report. These conferences are one of my few chances to be an advocate for leisure provision. As a result I rarely get to test various approaches and hypotheses in front of an informed and critical-thinking audience. So this is my testing ground and I want you feel free to agree or disagree with me.

I do a lot of asset management plans (AMPs) and open space strategies, and in presenting these plans to Council (that is, the elected representatives) – or in fact discussing the plans with non-leisure managers – engineers – and Audit NZ – I frequently get the message that Parks and Reserves and Community Facility AMPs are at the bottom of the priority list. They are not infrastructural assets and their 'failure' (whatever that means) doesn't pose as much risk to the functioning of a community as does the failure of, say, a sewer.

I should say that I get asked to work with a lot of engineers and they are lovely people. However, I see it as my job to enlighten them about the importance of managing for communities and natural resources, not just for gravity.

The engineers are advocating for their position using terms like 'critical asset' and 'catastrophic asset failure', and they are often very effective at scaring communities and elected representatives into adopting quite long-term views towards investing in their so-called 'infrastructural assets'.

The word 'infrastructure' is defined in the New Oxford Dictionary as: 'the basic physical and organisational structures and facilities (e.g. buildings, roads, power supplies) needed for the operation of a society or enterprise'. Remember that definition.

Now – don't get me wrong. Engineers are of course right. Infrastructural assets are terribly important – all of them. Floods are bad things. Floods of sewage are really bad things. Reducing the risk of being exposed to floods of sewage is a really good thing.

But so is creating a cohesive and safe community. And how do you create a cohesive community that can survive the inevitable flood? Not just by effectively pumping sewage.

A couple of stories to give you some perspective. These are just examples of short-termism in the management of open space and other leisure services.

A Council receives an AMP for parks. It has a set of capital development proposals over a ten-year period. Council will not accept those developments – and they're nothing serious – in the AMP since it makes it look like they have been formally adopted. Council does not want the un-adopted ten-year proposals appearing in the Long Term Financial Strategy (LTFS) – which is fair. They say, raise those proposals through another forum. So the park manager does. And the reply from Council: 'you can't do those, they're not in the LTFS'.

Perhaps that problem could have been solved by better consultation in the development of the AMP, so the development proposals might have been lost from the word go.

Another story. This is representative of several experiences in discussions with various people involved in long-term planning. The conversation goes thus: "I see we have to look out ten or twenty years in that plan. But that's all pie in the sky stuff. Who knows what's going to happen out there."

I've heard that comment so many times in consultative processes that I now have a stock reply. I ask, "Who here has children?" Generally half the team raise their hands. "How quickly did they become five-year-olds?" Most mutter that it took a matter of seconds. I then ask, "And were they very old when they were ten, and did you think very often about what they would be doing in ten years time?" They all agree that ten years is in fact a very short planning horizon.

I also often ask if anyone has ever planted a tree. We discuss that if they didn't adopt at least a twenty-year planning horizon when they did that, they'd probably be renting a chainsaw sooner than they think.

Last story. A Council has an adopted 10-year development programme for parks and reserves, which is in both their AMP and LTFS. This is also the basis of their reserve contribution requirement in the District Plan and is quite a good document. It has, let's say, \$5 million in expenditure over ten years, \$1 million of which is not targeted. Within three years, all of that \$1 million is gone – spent on *ad hoc* projects - and a negligible amount of the remaining \$4 million has been spent, and Council has missed – forever – many land acquisition opportunities that would provide vital open space in the medium to long-term.

The interesting thing is, I don't see that much slippage in engineering AMPs. I'm not just talking about how hard it is for an engineer to gain adoption of long-term capital development investment – just how much slippage occurs once the plan is adopted.

Open space acquisition is a really hard one. How do you budget for purchasing land that might be available in one, ten or twenty years time and could be in any one of a number of locations?

I'm therefore interested in looking for mechanisms which encourage planners and communities to look at leisure services in ways that create an easy acceptance of long-term planning. And to understand (speaking as an advocate) that leisure

services are a basic ingredient in the creation of sustainable communities. Risk management is one good mechanism – and is often effectively used by engineers. It's a high art, in fact.

In open space and facility management we generally concentrate on managing three areas of risk:

Compliance with statute and national standards (health and safety)

A range of national standards and statutes apply to most asset groups. Failure to comply exposes Councils to legal action and increases the health and safety risks posed to asset users and staff.

Safer communities

This refers to the physical, cultural and emotional well-being of community members when they use or pass by community service assets. A lack of lighting in car parks, the placement of toilets and playgrounds in areas with poor surveillance and the presence of threatening graffiti reduce the real and perceived safety of community members.

Environmental and heritage protection

Reserves generally support many ecosystems and heritage assets. The loss of regional – and possibly national – biodiversity is a risk that should be minimised.

Now – what makes us perceive that a risk exists and then assess its level of impact?

Here's a wonderful list from an article in the Institute of Chemical Engineers' publication *Trans IChemE* (Petts, J. 2000. Sustainable Communication: Implications for Industry, in *Trans IChemE*, Vol 78, Part B, July 2000 pp270 – 278.)

Factors that are important in perception and evaluation of risk:

Factor	Conditions leading to increased concern
Catastrophic potential	Potential for large numbers of deaths and/or serious injuries in a population
Reversibility	Effects of an accident or event are not reversible
Dread	Effects are dreaded – eg, death, cancer
Effects on children	Children are particularly at risk
Effects on future generations	Risks delayed and felt in future
Accident history	Major and minor accidents or examples of the effects have occurred in the past
Media attention	Major and minor accidents or examples of the effects have received media attention
Cause	Caused by humans rather than by nature or 'act of god'
Uncertainty	Nature and likelihood of harm scientifically uncertain
Understanding	Scientific and expert knowledge about how the risks might arise is poor
Personal control	No control available to the individual
Voluntariness	Exposure is not voluntary
Familiarity	Events and effects are unfamiliar
Equity	Inequitable distribution of risks and benefits
Benefits	Benefits of the activity [that poses the risk] are not clear
Trust	Trust in the responsible organisation is low

When looking at that list, and thinking of the assets you manage, what is your immediate focus?

Who thinks 'physical risk'? Or, 'by managing my assets in a particular way, can I reduce my client's exposure to physical harm'? *I assume that's the majority.*

Who thinks 'I wonder what my community will be like in twenty-years time? *I assume none of us, but that's what I'm interested in.*

It is, in fact, the whole basis for our approach to the provision of leisure services. They create healthy, cohesive and safe communities. That is, communities:

- That welcome and look after their residents,
- That residents feel safe in,
- Where tolerance of many different lifestyles is high,
- Where the community is so strong it can withstand economic and environmental degradation. We seem to do very well with disasters – they bring communities together very effectively. It's slow insidious decline that we have trouble with.

In most of the open space strategies I see – and in fact assist with – we base our levels of provision of leisure services on a set of goals which summarise the types of statements above – healthy, safe, sustainable communities. These are often so broad, you can almost justify anything using them and they can be found in almost any 'Vision 2020' type document. The problem is, they rarely have a call to action – there is little urgency about the outcomes proposed.

In our risk analysis, we don't assess the degree to which our actions – or lack of action – increase the risk that those goals **won't** be achieved. We worry about slipping on the tiles at the local pool.

Which is why engineers generally keep on getting paid more than leisure service managers. In reality, they pump water and leisure managers are trying to save the world.

And, considering that chemical engineers' list, how are we saving the world? Generally by defining our communities and securing their futures.

A key element of that secure future is the provision of choice. **A community member who can exercise choice is exercising power over their own life.** I am convinced that as the next fifty years progress, and as resources become more limited (including time, space, quiet and movement), leisure time (as opposed to employment and education) will become one of the few areas where we will be able to exercise true free choice. If we remove the ability to make those choices, we remove one of the few opportunities for self-definition, for the gaining of intrinsic personal benefits and for the exercising of personal power. Remove all sense of personal power and we have a community in self-destruct mode.

A basic example is our choice of transport mode. I'm a traffic wimp and without decent cycle lanes, I feel my choice to cycle has been removed. That's a piece of power over my own life that has gone. To rectify the situation I either need to move from a large busy city to a small one with less traffic, or alter my surroundings. I could reduce my fear level, but I wouldn't be reducing my exposure to risk.

You'll note that 'personal control' is a feature in the chemical engineers' list of factors that lead to increased concern about exposure to risk. There's a fear factor that we as leisure managers need to address and use to justify our work.

What are the other key 'fear factors' that leisure managers can deal with? All of them:

Factor	Do leisure managers reduce the risk of each factor?
Catastrophic potential	Definitely. All that maintains a community is its inter-relationships. If all relationships are formalised (through work, education and limited leisure choices) then the community is at immense risk of catastrophic failure.
Reversibility	I believe this applies heavily to long-term planning, and especially the procurement of open space for future generations. Once key units of land are subdivided they are often gone forever. Ditto heritage, landscape, ecological and many cultural assets. Their loss is irreversible and their retention is a 'critical' activity (using engineering speak). It is also very difficult to reverse decline, be it environmental, economic or social. It is far easier to prevent that decline from ever starting.
Dread	I certainly dread a future with no choice and dysfunctional communities.
Effects on children	This needs no comment.
Effects on future generations	Ditto. And add all the health benefits leisure services provide.
Accident history	Although this applies mainly to health and safety issues, I would love to see an analysis of the causes of decline of ancient civilisations. 'Sustainability' wasn't probably a word that the Mesopotamians used very frequently. And the Romans did have great sewers.
Media attention	We <i>are</i> talking about elected Councils.
Cause	Community degradation is an avoidable phenomenon.
Uncertainty	The future is a different planet. You can be sure, however, that leisure will be a major part of it.
Understanding	I don't think we really understand the role of leisure in maintaining healthy communities. Otherwise I wouldn't be giving this paper and Community Service Managers would be paid more than local authority engineers.
Personal control	As I've already said.
Voluntariness	Goes with the whole 'personal power' thing. If communities feel they have no ability to influence their surroundings (their predicament is involuntary), then they have no choice, no power and will not support their local community or environment.
Familiarity	We do need to retain the familiar. If the experiences that made us feel good when we were young are removed, or if we cannot introduce our children to the things we hold dear, then we are poorer for it. The future will bring new and exciting developments (like computer games), but the tried and true basics of fresh air, a clean, functioning environment, open space and positive interactions, will remain cornerstones of a healthy community.
Equity	A very basic value that leisure service managers are able to provide – especially when it comes to the availability of choice.
Benefits	The chemical engineers' list considers 'benefits' a risk when the benefits of a development are not clear. With leisure services we need to make the benefits clear – both the positive (if we do this the world will be a better place) and the 'community risk management' factors (if we don't do this, we risk losing many things).

Trust	Trust that in a changing world, leisure activities and the quality of the environment will remain the cornerstones of sustainable communities. Although sewers will still be important.
-------	---

I'd like to close on one key point that I've already covered. Communities do really well in the face of disasters. Floods bring out the best in people. We can see them happening and we can do stuff. We can run and we can sandbank. And afterwards, we can pitch in and clean up. And then we can thank the engineers if they did their job well.

Disasters aren't really a problem. It is slow decline that kills communities. Leisure managers can help create communities that can withstand – better – the vagaries of economic and social change. We do that by maintaining a community's core values.

Don't do that at your peril.