PinPoint Risk Assessment Resources

General Liability for Special Events

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Chubb Risk Consulting

Contents

Quick Start Guide

When to Do a Risk Assessment

Risk assessment is not a one-time event, but an ongoing business process.

Baseline risk assessments can be conducted for all business operations, not just special events, including:

- To enable a company to develop a profile of its risks. Those risks can then be prioritized and mitigated based upon the company criteria for acceptable risk.
- To study a special event which is of particular interest or concern to event managers. Scenarios with the potential for severe hazards or high-level exposure are prime candidates, including concerts, athletic events, political forums, parades, or other large gatherings.
- Whenever an operation is undergoing a change. Serious loss events are more likely to occur during such times.
- During an incident investigation or root-cause analysis after a loss event or potential loss event has occurred. The risk assessment can be particularly helpful in identifying corrective actions that will minimize related operational risks in the future.
- When evaluating or implementing a new type of special event. There may be little past experience to help those involved understand and identify potential hazards, and a risk assessment can be useful in determining if unacceptable risks are present. In such cases, the assessment can identify control techniques that will provide adequate protections until all aspects of the new special event are fully understood.
- To be performed as part of the planning process for special events. This should include events that are reoccurring to ensure that risks have not changed, or apply new information, experience, or technologies to raise the level of control on existing hazards.

Best Practices for Risk Assessments

Obtain management commitment to the process. Management must show a commitment to the importance of identifying and reducing excessive risk in the organization's special events in order to reduce injuries, disruptions to the event, or negative publicity.

Identify a Potentially High-Risk Scenario

Select a high risk or high value special event to perform the risk assessment. Activities or conditions generally targeted for assessment can include events that:

- Have been previously identified as presenting unknown or unusual hazards
- Have previously resulted in an accident or incident
- Are undergoing change
- Involve large crowds
- Involve construction activities such as building a stage or seating
- May draw protests
- Have large media presence or high public profile
- Have high level public participation and awareness

Select the Risk Assessment Team

The team should include an event manager, security manager, representative of local emergency services, contractors, engineering staff, safety and health specialists, risk managers, and an employee knowledgeable with the event. An additional person - consider maintenance or other staff function - is useful to ensure that no details are overlooked.

For less-complicated scenarios, it might be possible for one individual to conduct the risk assessment, but generally this should be discouraged. Much of the value of the risk assessment is derived from the dialogue among team members. Therefore, the more input and discussion during the assessment process, the fuller the understanding of the risk factors and the more accurate the determination of the loss severity and potential.

Appoint a knowledgeable facilitator in conducting risk assessments. Use a trained in-house person, or have the entire team trained directly in conducting the risk assessments. The limits of the risk assessment approach should be discussed with the team members. They should understand that the risk assessment technique is not a precise calculation of risk. The resultant risk rating is a relative versus an absolute rating of the amount of risk a specific hazard presents. The value of the risk assessment process comes from fully exploring the hazards of the event being studied and developing strategies to eliminate or reduce the risk, ideally by implementing a higher level of hazard control.

Conduct a simple risk assessment first. In order to build understanding of the risk assessment process, the team should perform a risk assessment on a simple task or operation. It is important that all team members understand how the risk assessment process is designed to work and their role in making the risk assessment successful.

Identify the hazards. The start of the risk assessment involves identifying all the hazards associated with the special event being reviewed. Use the PinPoint Safety Hazards Checklist as a guide to identify all possible hazards associated with the activity being studied.

Assess the severity and probability and occurrence. Use the PinPoint Probability of Occurrence Rating Scale and the PinPoint Severity of Occurrence Rating Scale to evaluate each possible loss event. The risk rating is the product of the probability and severity (Risk = Probability x Severity). Once again it is important to recognize that an estimate of relative risk (comparing one type of hazard to another) is being developed versus a precise calculation of the actual risk.

Arrive at risk rating as a team. Risk assessors should develop independent assessments of the probability and severity of loss. After independently arriving at initial risk ratings, members should dialog about individual perceptions and judgments to fully explore all factors determining the risk associated with each hazard assessed.

Prioritize management actions according to the organization's risk tolerance. Once the overall risk is calculated, the resulting rating for each risk can be compared to the PinPoint Risk Rating Matrix to determine the appropriate management actions. The risk should also be rank-ordered with the higher-valued risks assigned the highest priority for abatement. Management and team members should understand that the PinPoint Risk Rating Matrix is a guide for management action and can be adjusted according to the circumstance unique to each organization.

Management follow-through to implement improvements. Management must understand that the risks identified and ranked present the thoughtful analysis of individuals trying to minimize the threats to the organization. To that end, management must develop a plan to mitigate the highest risks as business priorities and budgets allow. However, for those risks that are deemed unacceptable, immediate actions to correct or at least manage those risks must be implemented.

Risk Assessment Process

	**1** Define the scenario
	**2** Assemble the risk assessment team
	**3** Identify all of the hazards
	**4** Evaluate controls in place to mitigate hazards
	**5** Access the severity of the occurrence
	**6** Assess the probability of the occurrence
	**7** Calculate the risk rating
	**8** Prioritize the management actions
	**9** Initiate the mitigation plan
	**10** Repeat the risk assessment worksheet

Conducting a Risk Assessment

A Step-by-step Guide

A. Identify the event to be analyzed. The risk assessment scenarios for the event should be subdivided into smaller tasks or subcommittees or steps to manage the factors and process better.

B. Assemble the risk assessment team. Experience has shown that a team approach in conducting risk assessment is the most productive method of identifying and assessing the risks. The size of the team will depend on the type of organization, the complexity of the scenario being assessed, and the nature of the hazards involved. Risk assessment teams can include the following: event manager, representative of local emergency services, contractors, engineering and maintenance staff, safety and health specialists, risk managers, and employees. The size of the team will vary depending on the scope of the risk assessment being conducted, but the key to success is to ensure the individuals with full and current knowledge of the event and the associated hazards be included. Key participants familiar with a specific task or scenario usually know the most about the hazards and controls, and they should be involved whenever possible.

C. Identify all the hazards associated with the scenario being reviewed. Use the PinPoint Special Event Sample Checklist as a guide to identifying all possible hazards associated with the scenario.

D. Evaluate the controls in place to mitigate the hazards associated with the scenario being reviewed. Use the PinPoint Risk Assessment Worksheet to document the controls.

E. Assess the severity of occurrence using the PinPoint Severity of Occurrence Rating Scale to evaluate each possible loss event. For each hazard being assessed, determine the risk category that is most closely aligned with the most serious possible consequence. It is very important that the potential loss severity of the hazard be evaluated independently of the probability of loss. When the potential severity of a hazard falls between two risk categories, the higher category should be selected. The severity of the hazard should consider the hazard control measures in effect at the time of the rating.

F. Assess the probability of occurrence using the PinPoint Probability of Occurrence Rating Scale to evaluate each possible loss event. For each hazard, the probability of occurrence must be assessed. Generally, determining the probability of an adverse incident occurring is a highly subjective and imprecise estimate. As a result, the risk assessment team should estimate how likely an incident will occur by evaluating:

- Past incident experience
- Guest exposure (defined as total number of guests times the frequency of their exposure)
- The installation and effectiveness of hazard controls

In general, a history of past incidents, a higher exposure level, and non-existent or ineffective controls would indicate a higher probability of an incident occurrence.

G. Calculate the risk rating through team member dialogue. The product of the probability and severity yields the overall risk rating (Risk = Probability x Severity). It is important to recognize that an estimate of relative risk (comparing one type of hazard to another) is being developed rather than a precise calculation of the actual risk. Risk Assessors should develop independent assessments of the probability and severity of occurrence. After independently arriving at initial risk ratings, members should discuss individual perceptions and judgments so as to fully explore all factors determining the risk associated with each hazard assessed.

H. Prioritize appropriate management actions. Once the overall risk is calculated, the resulting rating for each risk can be compared to the PinPoint Risk Rating Matrix to determine the appropriate management actions. The risk should also be rank-ordered, with the higher-valued risks assigned the highest priority for abatement. Management and team members should understand that the PinPoint Risk Rating Matrix is a guide for management action that can be adjusted according to the risk tolerance and management strategy of an organization.

I. Initiate a mitigation plan. Management must develop a plan to mitigate the highest risks as business priorities and budgets allow. However, for those risks that are deemed unacceptable, immediate actions to eliminate or acceptably reduce those risks must be implemented.

J. Repeat the risk assessment worksheet with post-mitigation controls to measure risk reduction. Based on the risk assessment of the current state, reconsider the severity and probability using higher or more effective controls. Describe the recommended controls in the PinPoint Risk Assessment Worksheet. Indicate the severity and probability scored that would be achieved with the implementation of those controls and the overall risk score for each hazard. Compare them to the overall risk scores of the current state to demonstrate the level of risk reduction that will be achieved.

PinPoint Special Event Sample Checklist

Scenario: _____

Date of Assessment: _____

Potentially Higher Risk Activities That Impact Severity

The following activities have been identified as factors that can significantly contribute to the severity of a loss, regardless of probability or loss experience. These activities need to be given more focus in the risk assessment process.

- ☐ Use of pyrotechnics
- ☐ Large gatherings
- ☐ Stunts
- ☐ Temporary stages, grandstand seating, or bleacher seating
- ☐ Use of weapons in demonstrations
- ☐ Controversial exhibits or presentations
- ☐ Political Forums
- ☐ Sporting activities such as 5K races, youth tournaments, extreme sports, golf tournaments, etc.
- ☐ Special amusements, fairs, or carnivals
- ☐ Animal rides or acts
- ☐ Contests or events involving extreme physical activity
- ☐ Carnival rides or rides in either motorized or non-motorized vehicles
- ☐ Concerts
- ☐ Water related or themed events

Risks by Type

Equipment or Rides

- ☐ Moving parts
- ☐ Sharp edges
- ☐ Releases (sparks, chips, fume, dust)
- ☐ Stored energy
- ☐ Overturning machine or object
- ☐ Other

Transport

- ☐ Aircraft/watercraft
- ☐ Forklift/pallet jack
- ☐ Overhead crane
- ☐ Golf cart
- ☐ Horseback riding
- ☐ Water recreation (jet ski, kayak, etc.)
- ☐ Housekeeping carts
- ☐ Other

Fire and Explosion

- ☐ Flammable gas
- ☐ Flammable liquid
- ☐ Combustible dust or solid
- ☐ Chemical reactions
- ☐ Reactive chemical
- ☐ Hot work, flame, or sparks
- ☐ Other

Electrical

- ☐ Exposed conductors
- ☐ High voltage
- ☐ Arc flash
- ☐ Defective
- ☐ Plugs or wires
- ☐ Overloaded sockets or circuits
- ☐ Other

Vendor Management

- ☐ No oversite of vendors
- ☐ No safety rules provided to contractors
- ☐ No review of job safety requirements
- ☐ No insurance requirements
- ☐ Subcontracting by vendor
- ☐ Other

Security

- ☐ Absence of CCTV and recording
- ☐ No on-site security
- ☐ Armed private security
- ☐ No law enforcement coordination
- ☐ No threat assessment
- ☐ No access control/screening/credentialing
- ☐ No cyber security controls
- ☐ No controls for money handling
- ☐ Other

Slip, Trip and Fall

- ☐ Exposure not considered in risk assessment
- ☐ No inspection program for temporary operations
- ☐ No inspection program for ongoing operation
- ☐ Lack of program to respond to spills
- ☐ Lack of contracts for risk transfer
- ☐ Other

Contract Management

- ☐ Lack of master service agreement
- ☐ Lack of insurance/contract tracking program
- ☐ Lack of legal review
- ☐ Other

Risks by Type

Miscellaneous

- ☐ Animal bites, kicks and stings
- ☐ Structure, stage, or equipment collapse
- ☐ Other

Hazardous Agents

- ☐ Pathological organisms
- ☐ Biological fluids
- ☐ Legionella bacteria
- ☐ Community acquired disease (H1N1, COVID, SARS, Ebola)
- ☐ Emerging technologies with limited knowledge of hazards
- ☐ Other

Life Safety

- ☐ Obstructions of regular and temporary means of egress
- ☐ Temporary life safety plans not properly displayed and not updated based on occupancy load
- ☐ No safety training developed for employees and contractors
- ☐ Fire protection systems not properly designed and not correctly installed
- ☐ Fire protection systems not periodically inspected, tested or maintained
- ☐ Fire alarm notifications not signaled-off to a central monitoring station
- ☐ Use of non-fire rated materials or open flames for decorative purposes
- ☐ Other

Parking

- ☐ Inadequacy and/or lack of visibility of the signage in place (ground clearance, pedestrians not to use ramps, speed limit, mirrors, no trespassing, etc.)
- ☐ Absence of speed bumps before intersection and blind turns
- ☐ No audio and visual alarms installed to protect pedestrians from vehicles
- ☐ Absence of valet parking
- ☐ Landscaping not properly maintained
- ☐ Inadequate lighting of the parking garage
- ☐ Lack of CCTV cameras covering the car park areas
- ☐ No regular safety and security inspections conducted
- ☐ No carbon monoxide detectors (with automatic fans) installed
- ☐ Other

Weather

- ☐ High speed winds or gusts
- ☐ Lightning
- ☐ Precipitation such as rain, hail, or snow
- ☐ Tornadoes
- ☐ Other

Alcohol and Food Service

- ☐ No program to prevent over serving of alcohol or sale to minors
- ☐ No alcohol service training for staff
- ☐ Not in compliance with health codes and liquor licenses
- ☐ Fire exposure created by food service operations
- ☐ Lack of barriers to prevent visitors from interacting with hot surfaces or objects used for food prep.
- ☐ Use of non-glass containers when possible
- ☐ Other

Crowd Control

- ☐ Lack of plan to manage flow of pedestrians and vehicles and to prevent bottlenecks
- ☐ Lack of plan to manage larger than expected crowds
- ☐ No plan to manage emergency evacuations
- ☐ No public-address system to communicate emergency situations
- ☐ Other

Emergency Planning

Plan Does Not Address:

- ☐ Medical emergency
- ☐ Missing person/children
- ☐ Natural disasters
- ☐ Active shooter
- ☐ Release of hazardous materials
- ☐ Access for emergency vehicles
- ☐ Bomb threat
- ☐ Fire emergency
- ☐ Civil unrest/disturbances
- ☐ Emergency response plan does not use incident command system
- ☐ Multiagency coordination (law enforcement)
- ☐ Other

Severity of Occurrence Rating Scale

For each hazard assessed, assign the risk rating that is most closely aligned with the most serious possible consequence. The severity of the hazard should consider the hazard control measures in effect at the time of the rating. When the potential severity of a hazard falls between two risk ratings, the higher category should be selected.

Score	Rating	Description of Hazards
1	Negligible	•Minor injury potential to limited number of guests •Minor damage to third party property that may require repairs •Negligible impact on organization's reputation
2	Marginal	• Moderate injury potential to guests which could involve medical treatment •Minor damage to third party property requiring repairs •Potential impact on organization's reputation
3	Substantial	•Serious injury potential to guests which could involve being admitted to a medical facility •Damage to third party property requiring repairs and temporary loss of use Compliance violation (Building Code, Life Safety, etc.) •Impact on organization's reputation •Loss of revenue
4	Critical	•Potential for fatality and injury of multiple participants •Damage to third party property resulting in significant impairment or long-term loss of use of property •Serious compliance violation (Building Code, Life Safety, etc.) •Significant impact on organization's reputation •Loss of revenue
5	Catastrophic	•Fatality or injury of multiple participants •Total loss of use of third-party property •Repeat willful compliance violation (Building Code, Life Safety, etc.) •Organization requires crisis management team to repair reputation •Total loss of revenue

Probability of Occurrence Rating Scale

For each hazard assessed, determine the probability or likelihood of occurrence. Estimate how likely an adverse incident will occur by evaluating:

- Past incident experience
- Guest exposure (defined as total number of guest times the frequency of their exposure)
- Implementation and effectiveness of hazard controls

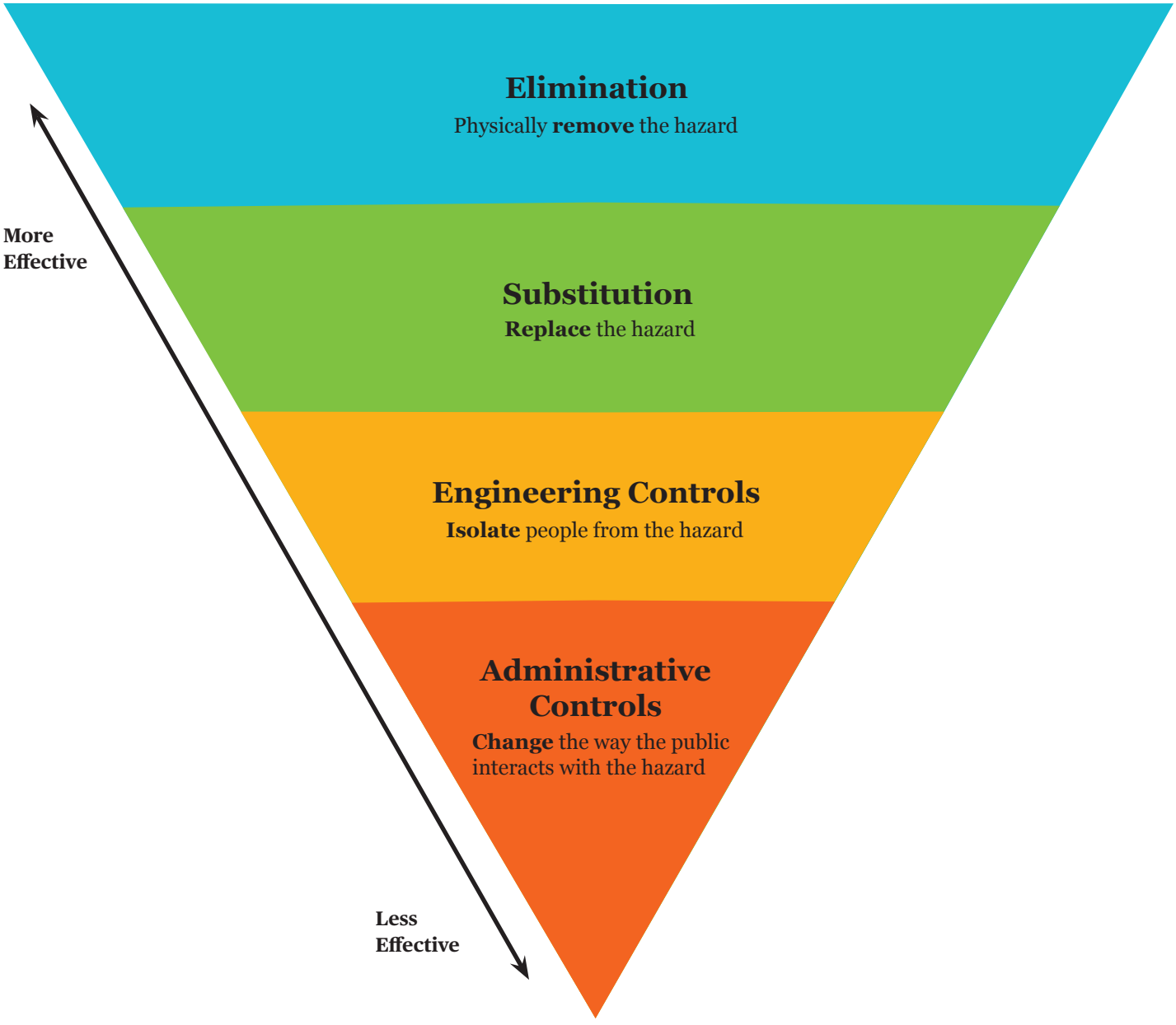
In general, a history of past incidents, a higher exposure level, and nonexistent or ineffective controls indicate a higher probability of incident occurrence.

Score	Rating	Description of Hazards
1	Improbable	•May assume it will not happen •Few if any people are exposed less than once a month •Control measures have eliminated hazards •Unintended consequences are very unlikely
2	Remote	•Exposing activity happens infrequently •Could expect minimal impact on third parties •Only minimal public exposure •Hazard controls, if needed, are highly effective
3	Occasional	•Exposing activity happens regularly or without warning •Could expect an incident during each special event •Public infrequently exposed •Effectiveness of hazard controls vary due to utilization, maintenance, etc.
4	Probable	•Exposing activity happens frequently •Could expect multiple incidents during each special event •Public is frequently exposed •Hazard controls are reliant on administrative procedures
5	Frequent	•Public is continuously exposed during the event •Incident likely to happen at any moment •Minimal or no hazard controls •Occurrence of unintended consequences are difficult to predict

Risk Rating Matrix

Risk Rating		Severity of Occurrence				
		Catastrophic (5)	**Critical** (4)	**Substantial** (3)	**Marginal** (2)	**Negligible** (1)
Probability of Occurrence	**Frequent** (5)	**High** Risk reduction necessary	**High** Risk reduction necessary	**High** Risk reduction necessary	**Serious** Risk reduction recommended	**Medium** Management review needed
	Probable (4)	**High** Risk reduction necessary	**High** Risk reduction necessary	**High** Risk reduction necessary	**Medium** Management review needed	**Medium** Management review needed
	Occasional (3)	**High** Risk reduction necessary	**Serious** Risk reduction recommended	**Serious** Risk reduction recommended	**Medium** Management review needed	**Low** Acceptable risk
	Remote (2)	**Serious** Risk reduction recommended	**Serious** Risk reduction recommended	**Medium** Management review needed	**Medium** Management review needed	**Low** Acceptable risk
	Improbable (1)	**Medium** Management review needed	**Medium** Management review needed	**Low** Acceptable risk	**Low** Acceptable risk	**Low** Acceptable risk

Hierarchy of Controls



Risk Assessment Worksheet

Hazard/Risk	Statement of Exposure	Current State-Description of Controls

Control
A. Elimination
B. Substitution
C. Engineering Controls
D. Administrative Controls
E. Personal Protective Equipment
F. No Controls

Severity Risk Rating
1. Negligible
2. Marginal
3. Substantial
4. Critical
5. Catastrophic

Probability Risk Rating
1. Improbable
2. Remote
3. Occasional
4. Probable
5. Frequent

Control	Severity	Probability	Overall Risk	Post-Mitigation-Description of Controls	Control	Severity	Probability	Overall Risk

Overall Risk Rating

1 - 3 Low
4 - 8 Medium
8 - 12 Serious
12 - 25 High

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