



# Risk Management Policy

## Introduction

The aim of this policy is not to eliminate all risks, but to identify and manage known risks to the Brisbane Paralympic Football Program (BFPF).

BFPF has sought to foster a strong focus, on providing a safe environment for all members, families, volunteers and stakeholders involved with the organisation. All persons involved with the BFPF are required to consistently adhere to this Risk Management Policy. Non-compliance with this requirement by any person shall be treated as serious misconduct.

The focus of good risk management is the identification and effective management of risks. Risk management's objective is to add maximum sustainable value to all the activities of the BFPF by documenting the understanding of the potential upside and downside of all factors that can negatively affect the BFPF.

Risk management increases the probability of organisational success, and reduces both the probability of failure and the uncertainty of achieving the organisation's overall objectives. It is a continuous and developing process which is part of the BFPF's culture and is led by the program's management team. Every volunteer involved in the BFPF is responsible for the management of risk as part of their job description.

Risk management protects and adds value to the organisation and its stakeholders through supporting the BFPF's objectives by:

- Providing a framework for the BFPF that enables future activity to take place in a consistent and controlled manner
- Improving decision making, planning and prioritisation
- Contributing to more efficient use/allocation of capital and resources within the organisation
- Protecting and enhancing assets and image
- Developing and supporting people and the organisation's knowledge base
- Optimising operational efficiency

## Governance

The identification, assessment, mitigation and monitoring of risks provides relevant information to the BFPF Management Team to enable decisions regarding the future direction of the BFPF to be made based on an understanding of opportunities and threats. A transparent reporting framework supports the accuracy, completeness and timeliness of risk information.

The BFPF Management Team is responsible for reviewing and approving the Risk Management Policy, the Risk Appetite, providing management with the appropriate direction and maintaining a sound risk management framework based on this policy. Particularly risk management evaluation is made on the effect of decisions with reference to financial, reputational and regulatory risk.



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## Football Federation Australia's "Safe Football" Risk Management Plan

As an FFA Club, the BFPF is also a part of the "Safe Football" Plan, developed by Gow-Gates Insurance in conjunction with FFA and FFA's Member Federations. "Safe Football" provides a uniform approach to assist the Football Community in assessing and managing the risks associated with the management of football clubs.

Under 'Safe Football', BFPF provides a pro-active approach in 'Raising the Awareness' of risks through the provision of a practical framework that helps the BFPF to minimise or manage exposures.

The plan is based on the general principles underlying a club's 'duty of care' responsibilities to the football community and the general public such as;

- providing a safe place for recreation/Football;
- providing a safe system of rules;
- providing safe and adequate equipment;
- providing the participant with competent fellow participants, and
- providing adequate instructions and supervision

### Risk Appetite

The risk appetite is the level and type of risk the BFPF is able and willing to assume in its exposures and business activities, given its business objectives and obligations to stakeholders.

The risk appetite is implicitly included within the BFPF Risk register. The register maintains various risks and control assessment scores which are constructed through multiplying the likelihood and impact to allow a comparison of the relative levels of different risks and their mitigating outcomes.

The tolerance levels of BFPF vary dependent upon the nature of the risk and this stretches from risk averse to risk acceptance. As a result a single risk appetite statement alone will not be as beneficial as recognising and understanding the organisations tolerance levels across each identified risk which has been assessed in the Risk Management document register.

In determining the Risk Appetite the BFPF Management Team may consider:

- Current financial situation of the BFPF
- Management experience
- Stakeholder expectations
- Return on investment
- The culture of the organisation
- Longer term strategic priorities
- The effectiveness of the control environment

The determination of the Risk Appetite is reviewed and approved by the BFPF Management Team at least annually.

### Risk Classifications

The BFPF Risk Management Policy has been developed considering the Australian Standards, Industry good practice, policies and procedures.



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Operational risks are acceptable within the business if they are known, registered, managed and monitored.

## Internal Reporting and Communication

The communication of risks and reporting of risks forms an integral part of the risk management framework. Different levels within the BFPF need different information from the risk management process.

The BFPF Management Team need to:

- Know about the most significant risks facing the organisation
- Know the possible effects on stakeholder value of deviations to expected performance ranges
- Ensure appropriate levels of awareness throughout the organisation
- Know how the organisation will manage a crisis
- Know how to manage communications with the community where applicable
- Be assured that the risk management process is working effectively
- Publish a clear risk management policy covering risk management philosophy and responsibilities

BFPF Volunteers need to:

- Understand their accountability for individual risks
- Understand how they can enable continuous improvement of risk management response
- Understand that risk management and risk awareness are a key part of the organisation's culture
- Report systematically and promptly to the Management Team any potential new risks or failures of existing control measures.

## Risk Management Framework

Risk management takes place in the context of the wider goals, objectives and strategies of the BFPF and drills down to basic processes and procedures. The objective of the Framework is to facilitate the identification, assessment, mitigation and monitoring of risks across the organisation, ensuring enterprise wide risk management is achieved.

The management of risk is an integral part of the BFPF's management process. Risk management is a multifaceted process, the aspects of which are often best carried out by a multi-disciplinary team utilising the various skills available across the organisation.

## Risk Analysis & Evaluation

Analysis of risks will be based on a combination of the impact on the organisation (consequences) and the likelihood of those consequences occurring. This will be considered in context with the activity, the organisation, and any existing controls or other factors that may modify the consequences or likelihood.



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## Consequence Ratings

A risk consequence is defined as the outcome or impact of an event expressed qualitatively or quantitatively. The below table provides broad descriptions used to support risk consequence ratings:

	Consequence				
	1	2	3	4	5
<b>Financial</b>	\$0	\$100	\$500	\$1000	\$10,000
	\$99	\$199	\$999	\$9,999	+
	<b>Insignificant</b>	<b>Minor</b>	<b>Moderate</b>	<b>Major</b>	<b>Catastrophic</b>
<b>Regulatory</b>	Little or no impact	Routine regulatory finding	Targeted regulatory scrutiny or investigation	Sustained regulatory scrutiny and/or significant fines and/or formal undertaking	Suspension or loss of business
<b>Reputation</b>	Unsubstantiated, low impact, low profile or no news item	Substantiated, low impact, low news profile Item of profile to BFPF stakeholders	Substantiated, public embarrassment, moderate impact, moderate news profile	Substantiated, public embarrassment, high impact, high news profile, third party actions	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions

## Likelihood Ratings

The table below provides broad descriptions used to support risk likelihood ratings:

Likelihood	Description	Rating
More than once per month	The event is expected to occur in most circumstances	5
Once a quarter	The event will probably occur in some circumstances	4
Once a year	The event will is likely to occur at some time	3
Once every 5 years	The event could occur at some time	2
Once every 10 years	The event may occur in exceptional circumstances	1



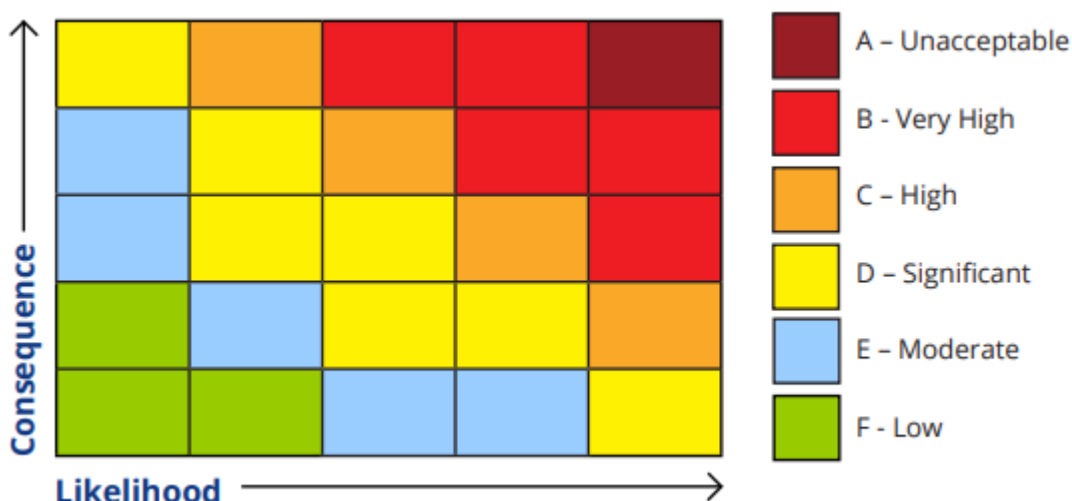
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## Mitigating Practices and Controls

Mitigating practices and controls include the existing policies, procedures, practices and processes which aim to provide reasonable assurance over the management of BFPF's activities. Following evaluation, these practices and controls may reduce the likelihood or consequence of a risk. Where mitigating practices and controls exist, but are not being followed or monitored, adequate control does not exist.

## Level of Risk

The level of risk that remains after consideration of all existing mitigating practices and controls is the agreed risk rating and determines the level of management action and treatment required. The diagram below indicates how the combination of risk likelihood and risk consequence ratings are used to establish the level of risk and subsequent management actions and treatment required.



## Management Action and Treatment

<b>Low</b>	<b>Acceptable</b> –systems and processes managing the risks are adequate. Consider excess or redundant controls.
<b>Moderate</b>	<b>Periodic Monitoring</b> – options to improve controls should be considered, risk consequence should be monitored to ensure it does not increase over time.
<b>Significant</b>	<b>Continuous Review</b> – continued monitoring to ensure controls remain adequate
<b>High</b>	<b>Active Management/Periodic Review</b> – requires active management and periodic review
<b>Very High</b>	<b>Active Management</b> –treatment options require immediate implementation, active review and management on an ongoing basis
<b>Unacceptable</b>	<b>Unacceptable</b> - An informed decision should be made not to become involved in the risk situation

## Effective Management of Risks

Effective risk treatment involves identifying the range of options for effectively managing the risk, evaluating those options, preparing the risk treatment plans and implementing those plans in accordance with the Risk Register. It is about considering the options for effective management and selecting the most appropriate method to achieve the desired outcome.



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## Monitoring and Review

Few risks remain static. Factors that may affect the likelihood and consequences of an outcome may change, as may the factors that affect the suitability or cost of the various treatment options. Review is an integral part of the risk management plan.

Periodic review of the BFPF Risk Register is to be managed by the BFPF Management Team.

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