



## Football BC Risk Management Policy

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## 1. Policy Objective

1.1 The purpose of this policy is to outline a consistent approach to risk management of the governance, strategic and operational practices of Football British Columbia (Football BC) and to detail the transparent approach to the identification, communication, evaluation, and management of risk.

## 2. Policy Statement

2.1 It is the policy of Football BC to:

- (a) embed risk management into the governance and operations of Football BC;
- (b) integrate risk management into strategic, operational, and financial planning;
- (c) manage risk and leverage opportunities in accordance with best practices and Football BC's risk tolerance;
- (d) regularly re-assess Football BC's risk profile and the effectiveness of risk practices; and
- (e) anticipate and respond to changing social, environmental, and legislative requirements.

## 3. Applicability

3.1 This policy applies to all plans, activities, organization processes, policies, procedures, individuals, and property that comprise Football BC, in accordance with Football BC Bylaws.

## 4. Accountability

4.1 Board of Directors: Responsible for the oversight of the Risk Management Policy to ensure that the policy is used to develop and achieve the strategic objectives of Football BC, and to forecast potential risk events or conditions beyond the duration of the strategic plan.

4.2 Treasurer: Responsible to ensure that the Risk Management Policy is integrated into the financial management and forecasting of Football BC.

4.3 Executive Director: Responsible to ensure that the Risk Management Policy is integrated into the development of strategic plans and operational decisions, and to report on Football BC's risk profile to the Board of Directors semi-annually.

4.4 All employees: Responsible for effectively managing risk in their area of responsibility and identifying and advising their line manager of potential risks.

## 5. Supporting Policies

5.1 This policy is supported by the following Football BC Internal policies:

- (a) Football BC Code of Conduct
- (b) Football BC Bylaws

5.2 This policy is supported by the following external documents:

- (a) Risk Register
- (b) Risk Assessment

## 6. Policy Implementation

6.1 Identification of Risks: Football BC will explore all potential risks to the organization and the sport of Football in British Columbia across the following vital areas:

- (a) Strategic
- (b) Operational
- (c) Infrastructure (Financial and physical)
- (d) Legal, Safety and Security
- (e) Reputation and Trust

6.2 Analysis of Risks: Football BC will analyze all identified risks on the probability and the potential impact of that risk event or condition occurring, as detailed in appendix 1, and make a record of the analysis of each risk in the Risk Register.

6.3 Tolerance of Risks: Football BC will determine the tolerance of risk based on the Risk Level Score of each risk, as detailed in appendix 2, and make a record of the Risk Level Score of each risk in the Risk Register and corresponding Risk Assessment.

6.4 Control Measures of Risks: Football BC will consider and decide upon one, or a combination, of four control measures for each risk, as detailed in appendix 3, and make a record of this in the Risk Assessment document.

6.5 Communication of Risks: Football BC will maintain a Risk Register and Risk Assessment that is readily available and proactively shared with all Board of Directors and Football BC staff.

6.6 Owner of Risk: Football BC will allocate a Risk Owner to all identified risks who will be responsible for the management of the control measure detailed for the risk, and a record of the risk owner will be recorded in the Risk Register and Risk Assessment.

## 7. Appendix

7.1 A risk score is developed by assessing two variables:

1. The probability or likelihood of the risk event or condition occurring; and
2. The impact of consequences of that event or condition occurring.

7.2 Assisted by the following two tables, the risk owner estimates the probability on a scale from 'rare' to 'almost certain' and estimates the consequences from 'insignificant' to 'extreme', then determines the overall level of risk by multiplying the numerical scores of probability and impact for a total risk score.

### 1. Measure of Probability

Score	Probability	Descriptor	Detail
1	Very low	Rare	Has not occurred at any amateur sport organization in the last 10 years
2	Low	Unlikely	Has not occurred at a Canadian amateur sport organization within the last 10 years
3	Medium	Moderate	Similar events have occurred at BC amateur sport organisations within the last 10 years
4	High	Likely	Similar events have occurred at BC amateur sport organisations within the last 5 years
5	Very high	Almost certain	Similar events have occurred within the last 2 years

## 2. Measure of Impact

Score	Impact	Cost	Football BC Objectives	Detail
1	Insignificant	\$1 - \$10,000	Exactly meets objectives	Impact is primarily operational, local and mediated within the current fiscal quarter
2	Minor	\$10k - \$50k	Significantly meets objectives	Negative/positive outcomes from risk event or occurrence unlikely to have permanent or significant effect on reputation or performance
3	Moderate	\$50k - \$100k	Meets 50% of objectives	Negative/positive outcomes from risk event or occurrence that will have impact can be managed effectively in the medium term
4	Major	\$100k - \$500k	Partially meets objectives	Negative/positive outcomes from risk event or occurrence require major effort to manage or resolve in medium term but do not threaten organisation's existence
5	Extreme	Over \$500k	Does not meet objectives	Negative/positive outcomes from risk event or occurrence if not resolved in medium term threatened existence of organisation

7.3 The numerical scores of probability and impact are multiplied to determine a total risk score. If the risk falls into several categories, it is always the category with the highest risk level.

1. Probability of Impact

Probability Impact	1	2	3	4	5
1	1	2	3	4	5
2	2	4	6	8	10
3	3	6	9	12	15
4	4	8	12	16	20
5	5	10	15	20	25

Low (score 1 to 3)

A low (green) risk generally requires no additional control measures. The risk should be analysed to determine whether it is being over managed where control measures can be relaxed in order to redeploy resources.

Medium (score 4 to 7)

A medium (yellow) risk will be accepted as long as it is reduced to a lower level of risk in the long-term using low resource options. The risk should be analysed to determine whether it is being over managed where the control measures could be relaxed in order to redeploy resources.

High (score 8 to 12)

A high (orange) risk will be accepted as long as it is reduced to a lower level of risk in the midterm through reasonable and practicable control measures.

Extreme (score 13 and over)



An extreme (red) risk will not be accepted without additional control measures unless analysed and approved by the Board of Directors. Control measures must be implemented immediately to reduce the risk to a high score or below before the event can proceed.

7.4 To effectively control a risk, the underlying causes and factors contributing to the risk must be considered and individually approached. Football BC will consider each risk in respect to the risk being able to either negatively or positively affect Football BC's strategic goals and deploy one of the following actions to effectively control the risk:

1. Acceptance - Mainly for low impact and low probability risks, Football BC may be prepared to accept the risk due to the cost and/or effort required to further reduce or eliminate the risk exceeds the benefits of removing the risk.
2. Transfer - For medium to extreme risks, Football BC may transfer the risk in whole or in part to relevant third parties, through contracts and risk financing arrangements such as insurance.
3. Treatment - For medium to extreme risks, Football BC will design effective treatments to eliminate or reduce the probability and/or impact of each risk requiring treatment. Treating a risk means that Football BC wishes to continue with the event or condition giving rise to the risk and will task the risk owner to manage the risk in a cost-effective manner.
4. Avoidance - In the event that a high to extreme risk cannot be transferred or treated, Football BC should explore how best to avoid the risk event or condition altogether.