



POLICY

# RISK MANAGEMENT POLICY

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## 1. Executive Summary

Bowls Tasmania Inc. is the peak body for the sport of lawn bowls in Tasmania

Bowls Tasmania Inc. Inc. was formed in 2004 following the full unification of the Tasmanian Women's Bowls Association and the Tasmanian Bowls Council...

Bowls Tasmania Inc. is managed by a Board elected by the membership. It is the Board's responsibility to set policies for the management of the sport in Tasmania.

Bowls Tasmania Inc. is committed to the delivery of superior service through a continued focus on Bowls Tasmania Inc. core values.

### 1.1 Why have a Risk Management Policy?

The Board has developed this document in order to identify the policies, procedures, processes and controls that comprise their risk management systems. These systems address the material risks (financial and non-financial) that may be faced by Bowls Tasmania Inc...

It is Bowls Tasmania Inc.'s opinion that a system of effective risk management and control is critical to the safety and soundness of the operations of the organisation.

The purpose for preparing this Risk Management Policy is to:

- Identify the key risks facing Bowls Tasmania Inc. and provide an understanding of each risk individually.
- Quantify the risk in terms of its impact and probability of occurring.
- Assess the adequacy of risk mitigation strategies and controls that are in place.
- Develop a framework for strategic risk management that interfaces with the business planning process.
- Provide assurance to the Board and other authorities that significant risks are being identified and managed.
- Combining this risk assessment process with the internal and external audit work performed.
- Implementing a risk monitoring and control process to ensure that actions outstanding are monitored, the risk probability and impact remain up-to-date, any risks that no longer apply are removed and new risks are identified.

### 1.2 Risks defined

A risk is defined in this plan as something that may happen and, if it does, will have an adverse impact on Bowls Tasmania Inc. meeting its role as the peak body for bowls in Tasmania and its objectives generally. To this end, risks are measured in terms of their probability and impact

**1.3 This plan is structured in line with accepted practices but may be altered as required.**

### 1.4 How Bowls Tasmania Inc. manages risk

Bowls Tasmania Inc. has developed policies, charters, agreements and procedures in order to manage risk inherent in the sport and recreation industry. Bowls Tasmania Inc. places a high importance on risk reduction by either reducing the impact or probability of the risk event occurring.

Risk is something that is considered on a daily basis by the Bowls Tasmania Inc. Board, Committees and Administration. The necessary supporting documents such as policies, procedures, guidelines and best practice papers are utilised by Bowls Tasmania Inc. in order to assess the risk and implement procedures to reduce the risk. Bowls Tasmania Inc. further ensure that its relationship with service providers remains open and honest to ensure that risk reduction procedures are implemented efficiently and timely.

## **1.5 Review**

This Risk Management Policy should be reviewed on an ongoing basis at least annually by the Audit & Risk Committee and referred to the Board for adoption.

## **2. Risk Management Overview**

Bowls Tasmania Inc. is of the belief that good governance is imperative to ensure that the association completely complies with its obligations as a not-for profit sporting organisation whilst meeting its objectives.

Risk awareness and risk management form part of a sound corporate governance plan. Bowls Tasmania Inc. considers that to be effective, risk awareness and the management of risk must be driven by the Board, and form part of the Board's strategic planning process.

The Risk Management Policy encompasses information from various plans and policies developed by Bowls Tasmania Inc. including:

- Strategic plan
- Code of Conduct and Ethics
- Delegations of Authority
- Corporate Governance Policy

## **3. Risk Management Plan**

The Board of Bowls Tasmania Inc. have the responsibility to instil a strong risk control culture throughout Bowls Tasmania Inc. to ensure that material risks and potential problems that emerge can be identified, managed and promptly resolved in the normal course of business operations.

By defining and addressing risks, this plan aims to enhance the Board's ability to meet its risk objective.

Bowls Tasmania Inc. will also aim to ensure that its administration is empowered with appropriate decision-making skills to ensure that they are comfortable in making

decisions that include an element of risk. It is important that the Bowls Tasmania Inc. administrators understand the risk framework Bowls Tasmania Inc. adheres to in order for them to make effective decisions with an understood level of risk on behalf of the association.

Bowls Tasmania Inc. aims to implement a Risk Management System encompassing:

- This Risk Management Policy which is to be reviewed by the Audit & Risk Committee and approved by the Board annually;
- Sound risk management policies and procedures in place to identify, manage, monitor and report on the key risks of the association;
- A strategic plan in place and monitored;
- Regular reporting from committees.

The Board considers that an effective risk management system identifies, manages, monitors and continually assesses the material risks that could adversely affect the operations of the association.

### **3.1 Control Assessment**

Control activities are the policies and procedures carried out on behalf of the Board to ensure that the Board directives are carried out.

Bowls Tasmania Inc. carries out the following control activities:

- Reviews conducted by the Board;
- Reviews conducted on behalf of the Board;
- Key performance indicators set by the Board;
- Establishment of operational limits;
- Verification and reconciliations;
- Segregation of duties; and
- A system of approvals and authorisations.

### **3.2 Information and Communication**

Pertinent information is identified, captured and communicated in a form and time frame that will enable the responsibilities of the Board to be met. The association's administration system is capable of producing financial, operational and membership data. The administration system is secure and supported by adequate contingency arrangements.

Effective communication from the Bowls Tasmania Inc. Board to its members and service providers is paramount to ensure all parties fully understand and adhere to policies and procedures affecting their role and responsibilities and that information reaches the appropriate personnel.

### **3.3 Process for Monitoring Risks**

The overall effectiveness of the risk management system is monitored on an annual basis by the Audit & Risk Committee and then the resulting plan is referred to the Board for adoption.

#### **4. Bowls Tasmania Inc. Objectives**

- Create a single uniform entity through and by which Bowls can be conducted, promoted and administered at the National and International levels.
- Conduct, encourage, promote, advance, standardise and administer all forms of the Sport of Bowls in and through out Tasmania.
- Assist in the conduct, encouragement, promotion and administration of the sport of Bowls through and by various Member Regional Associations or other organisations for the mutual and collective benefit of the Members and the sport of Bowls;
- Act in good faith and loyalty to ensure the maintenance and enhancement of the Association and the sport of Bowls, its standards, quality and reputation for the collective and mutual benefit of the Members and the sport of Bowls.
- At all times operate with and promote mutual trust and confidence between the Association and the Members in pursuit of these objects
- At all times to act on behalf of, in the interests of, and in conjunction with, the Members and the sport of Bowls.
- Promote the economic and sporting success, strength and stability of the Association and each Member State and to act interdependently with each Member State in pursuit of these objects;
- Affiliate and otherwise liaise with Bowls Australia Inc. (BA) or its successors, the Australian Sports Commission and any other such organisation in the pursuit of these objects and the sport of Bowls;
- Promote compliance with the rules and regulations as amended from time to time of BA or its successors (and as are relevant or applicable for each of men's and women's Bowls)
- Ensure that a high standard of the sport of Bowls is maintained at State and National level;
- Develop a sense of sportsmanship and a high degree of proficiency in competitors and participants in the sport of Bowls;
- Enable competitors to achieve a high level of physical and mental fitness through the teaching and practice of the sport of Bowls.
- Apply the property and capacity of the Association towards the fulfilment and achievement of these objects;
- Use and protect the Intellectual Property of the Association;
- Collect and distribute and publish information in connection with the sport of Bowls and international and national Bowls tournaments and competitions;
- Promote and control national and international tournaments, competitions and championships;
- Strive for governmental, commercial and public recognition of the Association, the Member States and the sport of Bowls;
- Promulgate and endeavour to secure uniformity in such rules as may be necessary or appropriate for the management and control of the sport of Bowls and related activities in Tasmania;

- Further develop the association as an organised institution and, with these purposes in view, to foster, regulate, organise and manage national and international competitions, displays and another activities and to award trophies as appropriate;
- Review and/or determine any matters relating to the sport of Bowls which may arise or be referred to it by any Member Association;
- Recognise any penalty imposed by any Member Association;
- Through or in association with the Member Associations or other entities or of itself, promote the health and safety of players, coaches, umpires and officials registered with any Member Association or other recognised Bowls organisation or other entity;
- Through or in association with the Member Associations or other entities or of itself, encourage players, coaches, umpires and officials registered with any Member association or other Bowls organisation to realise their potential and athletic abilities by extending to them the opportunity of education and further participation in the sport of Bowls;
- Conduct or commission research and development for improvements in the sport of Bowls and Bowls equipment generally;
- Pursue through itself or others such commercial arrangements, including sponsorship and marketing opportunities, as are appropriate to further the objects of the Association and the sport of Bowls;
- Act as final arbiter on all matters pertaining to the conduct of the sport of Bowls in Tasmania, including disciplinary matters when requested to do so by a member state;
- Formulate or adopt and implement appropriate policies, including in relation to sexual harassment, equal opportunity, equity, drugs in sport, health, safety, junior and senior programs, infectious diseases and such other matters as arise from time to time as issues to be addressed in the sport of Bowls;
- Represent the interests of its members and the sport of Bowls generally in any appropriate forum;
- Have regard to the public interest in its operation;
- Do all that is reasonably necessary to enable these objects to be achieved and to enable the Members to receive the benefits which these objects are intended to achieve;
- Encourage and promote performance-enhancing drug free competition; and
- Undertake and or do all things or activities which are necessary, incidental or conducive to the advancement of these objects.

## **5. Risk Identification**

Identifying risks points out the potential limitations on Bowls Tasmania Inc. achieving its stated objectives. The risk categories experienced by Bowls Tasmania Inc. are:

- Financial Risk
- Insurance Risk
- Competing Activities Risk
- Governance Risk
- Legislation Risk
- Management/Operational Risk

- Technology Risk

The following sections discuss the management of the abovementioned risks in detail.

## 5.1 Financial Risk

| <b>Risks</b>                       | <b>Action taken (mitigation of risk)</b>                                                                                                                                                                                   |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Financial budgeting and management | Bowls Tasmania Inc. has established an Audit & Risk Committee which monitors the ongoing and adherence to financial policies of the association. The Secretary/Treasurer prepares the budget documents for Board approval. |
| Reduced government funding/support | Bowls Tasmania Inc. maintains membership of the Sports Federation of Australia and has close ties to other national sporting organisations to ensure effective lobbying of Commonwealth Government departments.            |
| Reduced sponsorship income         | Bowls Tasmania Inc. seeks to maintain and enhance relationships with existing sponsors and actively pursues additional corporate partners.                                                                                 |
| Reduced membership                 | Bowls Tasmania Inc. seeks to source alternative income streams to complement income from membership.                                                                                                                       |
| Fraud                              | Bowls Tasmania Inc. has implemented effective financial controls via detailed policies, supervision and review procedures.                                                                                                 |
| Reduction in sponsorship revenue   | Bowls Tasmania Inc. makes regular reviews of revenue to service the needs of the organisation. .                                                                                                                           |
| Taxation (PAYG/GST)                | Bowls Tasmania Inc. ensures compliance with the various government acts as amended from time-to-time and that relevant staff receive on-going training to ensure compliance.                                               |
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## 5.2 Insurance Risk

| <b>Risks</b>              | <b>Action taken (mitigation of risk)</b>                                                                                                                                                      |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Increased insurance costs | Bowls Tasmania Inc. negotiates annually with insurance providers to achieve best possible rates. Through its various policies and procedures Bowls Tasmania Inc. constantly seeks to minimise |

|                                                 |                                                                                                                                                                        |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                 | exposure to risk.                                                                                                                                                      |
| Ability to provide insurance cover              | Bowls Tasmania Inc. maintains a close working relationship with its insurance brokers.                                                                                 |
| Maintaining adequate cover                      | Bowls Tasmania Inc. and the Audit & Risk Committee holds an annual review of the insurance needs of the association with recommendations being presented to the Board. |
| Ability to meet insurance needs of organisation | In formulating annual budgets the Board considers the insurance needs of the association and ensures adequate funds are allocated to meet these needs.                 |

### 5.3 Competing Activities Risk

| <b>Risks</b>                                             | <b>Action taken (mitigation of risk)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Loss of current bowlers to other sports/leisure pursuits | Bowls Tasmania Inc. assists its member Associations in maintaining current membership levels through providing feedback on issues impacting on the sport.<br>Bowls Tasmania Inc. promotes Get on the Green Promotion and the Perfect Delivery manual to assist clubs to increase participation and membership of bowling clubs Tasmania wide. Bowls Tasmania Inc. actively promotes the various government funding programs to assist members/clubs in membership promotions. |
| False image of sport                                     | Bowls Tasmania Inc. seeks to utilise its high profile players at every opportunity to promote the sport, highlighting the involvement of players of all ages and physical ability. Bowls Tasmania Inc. also seeks to promote the various activities to the general public.                                                                                                                                                                                                    |
| Change of lifestyle                                      | Bowls Tasmania Inc. actively encourages members to introduce programs better suited to the changing needs of the general public, specifically working partners and juniors.                                                                                                                                                                                                                                                                                                   |

### 5.4 Governance Risk

| <b>Risks</b>                                        | <b>Action taken (mitigation of risk)</b>                                                                                                                                                 |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Failure to implement and review governance policies | Bowls Tasmania Inc. has established an Audit & Risk Committee to review the operations of Bowls Tasmania Inc... The committee will report and make recommendations at each Board meeting |
| Failure of Board to comply with good governance     | Individual board members have a fiduciary duty to ensure the Board as a whole complies with its                                                                                          |

|                                           |           |
|-------------------------------------------|-----------|
| principles as set out in policy documents | policies. |
|-------------------------------------------|-----------|

## 5.5 Legislation Risk

| Risks                                     | Action taken (mitigation of risk)                                                                                                                                                                    |
|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Changes to employee awards and conditions | Bowls Tasmania Inc. will utilise the services of an employment agency to keep up to date with changes to awards and conditions and to represent the association's interest in the industrial courts. |
| Changes to government funding agreements  | Bowls Tasmania Inc. has an effective working relationship with Sport and Recreation Tasmania to keep up to date with changes to government funding.                                                  |

## 5.6 Management/Operational Risk

| Risks                                  | Action taken (mitigation of risk)                                                                                                                                                                                                                                                |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Strategic Plan                         | A rolling three year strategic plan has been formulated. Different sections are reviewed at each Board meeting. Monthly reports from Board Directors pertain to the plan.                                                                                                        |
| Loss of key personnel                  | Continued in-service training ensures staff are capable of covering all necessary tasks for the smooth operation of the association, both short and long term.                                                                                                                   |
| Inadequate or failed internal controls | Bowls Tasmania Inc., through the Board regularly reviews all operational policies of the administration ensuring adequate internal controls are maintained and policies followed. The Audit & Risk Committee makes recommendations to the Board for adoption and implementation. |
| Data management                        | Computer back-ups are made nightly with previous nights tape taken off-site for security.                                                                                                                                                                                        |
| Occupational Health and Safety         | Bowls Tasmania Inc. is to develop an Occupational Health & Safety Policy to ensure Bowls Tasmania Inc. complies with government regulations.                                                                                                                                     |
| Public relations/promotions            | Bowls Tasmania Inc. appoints a Board Director to promote the sport and the association through various outlets. To ensure a consistent message is achieved, only the President of the Board has the authority to speak on behalf of the association without prior approval.      |
| Sponsorship retention                  | Procedures have been developed to ensure maximum exposure for sponsors at all events and that sponsors attending events are recognised and professionally hosted. Regular contact with sponsors is maintained to                                                                 |

|                                          |                                                                                                                                                                                                                                         |
|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                          | ensure agreements are fulfilled.                                                                                                                                                                                                        |
| Inadequate strategic planning            | Bowls Tasmania Inc. has developed procedures to ensure the Board, and committees of Bowls Tasmania Inc. contribute to and are aware of the Board's strategic plan. Input from the administration of Bowls Tasmania Inc. is also sought. |
| Inadequate staff training                | Six monthly staff self-appraisals and reviews are conducted along with skill audits to ensure all staff are adequately trained.                                                                                                         |
| Inadequate communication with membership | Bowls Tasmania Inc. circulates regular memos, mail-outs and High on Bowls to members. Bowls Tasmania Inc. maintains its own web site.                                                                                                   |

## 5.7 Technology Risk

| <b>Risks</b>                 | <b>Action taken (mitigation of risk)</b>                                                                                                                              |
|------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Failure to upgrade systems   | Bowls Tasmania Inc. has contracted an information technology expert to ensure computer systems are maintained and upgraded where necessary.                           |
| Inadequate use of technology | Bowls Tasmania Inc. continues to investigate innovative uses of current and future technology to ensure that it keeps pace with community standards and expectations. |

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