



GAA
RISK MANAGEMENT POLICY
April 2022

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1. PURPOSE

The purpose of this policy is to provide guidance for conducting and facilitating the risk assessment process and for documenting the risk mitigation actions implemented across the Association in order to give reasonable assurance that the strategic objectives and priorities of the GAA will be achieved.

The Risk Management Policy (RMP) sets, in effect, the framework in which risks (threats and opportunities) will be managed.

2. DEFINITION OF TERMS

2.1 RISK

Risk is defined as ‘The effect of uncertainty on objective’ and the effects can be positive and/or negative. Risk may be considered as uncertainties that could result in the organisation suffering loss, damage or disadvantage, not benefiting from opportunities available or not achieving its objectives due to unwanted or uncertain internal or external events or actions. Risks, by their very nature, may or may not occur and from our organisational perspective, they could be categorised as strategic, reputational, financial, technology, personnel/talent, operational etc.

2.2 RISK MANAGEMENT

Risk Management is a systematic approach to setting the best course of action under uncertainty. It involves:

- Identifying, understanding, evaluating acting on and communicating on risks; and
- Making two decisions that contribute to the achievement of the business’s objectives, whether to and how to treat a risk.

The key focus of this Risk Management Policy is to:

- Formalise and communicate the approach laid out by the GAA and oversight to the management of the risks;
- Advise on the responsibilities of all parties in relation to Risk Management;
- Instruct and provide guidance when defining risks as part of the risk assessment process and reporting; and
- Provide appropriate Risk Management contacts within the GAA.

3. RISK GOVERNANCE STRUCTURE: ROLES & RESPONSIBILITIES

3.1 MANAGEMENT COMMITTEE

The role of the Management Committee is to provide leadership and direction within a framework of prudent and effective controls that enables risk to be assessed and managed. The Management Committee is responsible for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives and priorities. The Management Committee is responsible for maintaining sound risk management and internal control systems within the organisation.

The Management Committee, in conjunction with the Ard Stiúrthóir and the executive team is responsible for establishing and maintaining a sound system of internal control that supports the achievement of policies, aims and objectives. The system of internal control is designed to respond to and manage the whole range of risks that the association faces. The Management Committee is responsible for approving the risk management framework, and monitoring its effectiveness, regularly reviewing the corporate risk register as well as approving the risk appetite statement.

3.2 AUDIT & RISK COMMITTEE

The Audit & Risk Committee will support the Management Committee. In addition, the Management Committee, through its Committee, shall require an external review of the effectiveness of the Risk Management Framework and its governance periodically.

Other key elements of the Committee's oversight on risk management include:

- Keep under review the adequacy and effectiveness of the Association's risk management system;
- Satisfy itself, from an oversight perspective, that the Risk Register is maintained, updated and acted upon;
- Review the risk register on an annual basis and ensure that any emerging risks have been identified and discussed;
- Approval of the Risk Register to be carried out on an annual basis;
- Making risk management a standing item on the Management meeting agenda;
- Reviewing management reporting on risk management and noting/approving actions as appropriate;
- Ensuring risk management experience/expertise in the competencies of at least one Management Committee member. Where the composition of the Management Committee does not allow for this, expert advice should be sought externally; and
- Confirmation in the annual report that the Management Committee has carried out an assessment of the principal risks, including a description of these risk, where appropriate, and associated mitigation measures or strategies.

3.3 ARD STIÚRTHÓIR

The Ard Stiúrthóir has overall responsibility for ensuring that procedures and processes are in place to enable adherence to this Risk Management Policy. Additionally, he will:

- Ensure the implementation of the Risk Management Policy across the association;
- Encourage a risk management culture throughout the organisation so that risk awareness is embedded as part of the association's decision making and operations;
- Identify and monitor corporate level risks that could impact on the achievement of the strategic objectives and outline to Audit and Risk Committee (ARC) / Board where a new corporate level risk arises or where there are significant changes in circumstances surrounding an existing one; and
- Manage the implementation of all aspects of the risk function, including the implementation of process, tools and systems to identify, assess, measure, manage, monitor and report risks.

3.4 INTERNAL AUDITOR & RISK MANAGEMENT

Internal Auditor & Risk Management function is responsible for:

- Monitoring and reporting on developments which may impact on the GAA's risk appetite and tolerance;
- Supporting and coordinating the implementation of all aspects of the risk assessment process, including the implementation of processes, tools and systems to identify, assess, measure, manage and report risks;
- Assist in the development of and management of processes to identify and evaluate business areas' risks;
- Co-ordinate the corporate risk reporting and review process and manage and maintain infrastructure elements (e.g management reporting, including reporting to committees);
- Ensure the provision of adequate training and awareness of risk management; and
- Ensure the communication of the key elements of the Risk Management Framework.

3.5 EXECUTIVE STAFF

Individual executive staff members have a key part to play in managing risk by:

- Being aware of the nature of risks in their day-to-day work as well as being aware of risks within the corporate risk register;
- Monitoring the effectiveness of management procedures created to mitigate those risks identified;
- Being responsive to the changing nature of the threats and opportunities faced by the organisation;
- Proactively identifying and mitigating, where possible, significant risks and bringing these to the attention of colleagues;
- Completing the annual risks assessment and discussing the results with the Internal Audit and Risk team;
- Managing risk effectively within their own work and area of authority;
- Escalation of risk events or 'near miss incidents when they occur; and
- Supporting the Ard Stiúrthóir/ Risk Officer on risk in the implementation of the Risk Management Policy.

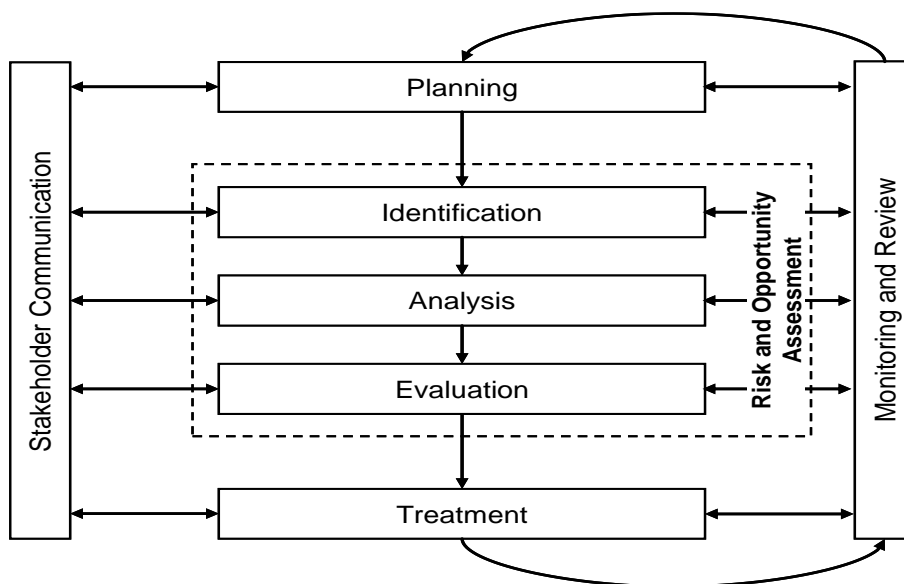
3.6 STAFF

All staff have a part to play in managing risk by:

- Being aware of the nature of risks in their day-to-day work;
- Ensuring the internal controls in place are adhered to;
- Monitoring the effectiveness of management procedures created to mitigate those risks identified;
- Being responsive to the changing nature of the risks faced by the association; and
- Communicating any incidents or issues that arise which may give rise to risks materialising in a timely manner.

4. RISK MANAGEMENT PROCESS

Risk Management is a permanent process that is continually carried. The focus of Risk Management is the assessment of significant risks and the implementation of suitable Risk Management strategies. The assessment process consists of several steps, as outlined below:



The identification, analysis and evaluation are the main body of the assessment process while the other steps noted above are important in the effective management of risks and opportunities.

4.1 RISK IDENTIFICATION

This establishes the risks that the GAA are exposed to. The process requires significant knowledge of the Association and all environments that the GAA exist along with the strategic and operational objectives to be considered.

The process is driven by the Heads of each department who are best placed to identify significant ongoing and emerging risks facing the business. The risks identified may fall broadly into the following categories: strategic, reputational, financial, technology, personnel/talent, operational.

4.2 RISK ANALYSIS

Risk analysis is the process of determining how a risk can affect the GAA. Each risk should be identified, assess the impact, likelihood and velocity of the risk in order to assess the level of exposure that the GAA have against each of the risks.

Impact Classification

Impact	Description
1	Little or no impact
2	Minor impact to some users
3	Minor impact to all users
4	Significant impact to some or all users
5	All services unavailable to all users

Likelihood Classification

The risk likelihood sets out the probability of occurrence of the risks materialising.

Probability	Description
1	Highly unlikely to occur
2	Unlikely to occur
3	Possible to occur
4	Likely to occur
5	Nearly certain to occur

4.3 RISK SCORING

Scoring of risks allows Management to determine which risks pose the most immediate threat to the Association and will assist in prioritising risks for action by Management. Additionally, this can be used as a key management tool in decision making processes. The below chart outlines where risks will fall based on the impact and likelihoods agreed by Management.

Risk Categorisation						
	Probability					
		Highly Unlikely (1)	Unlikely (2)	Possible (3)	Likely (4)	Nearly Certain (5)
Impact	Little (1)	1	2	3	4	5
	Minor (2)	2	4	6	8	10
	Moderate (3)	3	6	9	12	15
	Significant (4)	4	8	12	16	20
	Extreme (5)	5	10	15	20	25

4.4 RISK EVALUATION

This defines what the risk means to the people concerned and effected by the risk identified. Its purpose is to make decisions based on the risk analysis stage of the Risk Management about which risks need treatment, treatment type and their priorities.

4.5 RISK TREATMENT

The aim is to identify the most appropriate strategy for managing risks. The most efficient way to reduce a risk is to avoid it completely. However, this may not be possible or practicable so other methods will have to be considered. A number of options are available to reduce the risks, either by decreasing the likelihood of occurrence, the impact or both. Generally the risk treatment process includes the options to tolerate, treat, transfer or terminate the risk or activity that gives rise to the risk.

The correct level of risk identification and analysis is essential and there are a number of ways in which to treat a risk.

- **Tolerate: Risk Retention / Acceptance:** if, after controls are implemented, the residual risk is deemed acceptable by the business, the risk can be retained. However, plans should be put in place to manage / fund the consequences of the risk should it materialise
- **Treat: Reduce Likelihood:** this is reducing the likelihood of the risk materialising by investing in and implementing practices to reduce the opportunities for the risk to arise. Such practices include; audit or compliance programs, supervision, policies and procedures;
- **Treat: Reduce Impact:** this is reducing the impact of the risk, should it materialise through business continuity plans, off site backups, public relations, emergency procedures, staff training;
- **Transfer: Risk Transfer:** engaging another party to bear or share some part of the risk by the use of contracts, insurance; and
- **Terminate: Risk Avoidance:** decide not to proceed with the activity likely to generate the risk.

When deciding on how to treat a risk a decision has to be made on whether to mitigate the risk or remediate the risk. When designing mitigating controls management should ensure that preventative controls be implemented rather than detective controls which will result in catching the risk after the risk has occurred.

5. RISK REPORTING AND ANNUAL RISK ASSESSMENT PROCESS

5.1 RISK REPORTING

Risk Reporting is critical to ensure an effective Enterprise Risk Management process within the GAA. The Risk Appetite for the Association will be defined by Management Committee and the Ard Stiúrthóir and will be reviewed on an annual basis.

A Risk Appetite Statement specifies the amount of risk the organisation is willing to seek, pursue, accept or tolerate in the pursuit of our mission, our purpose, our aims and the long-term objectives. It reflects the risk management philosophy, and in turn, influences the organisation's culture and operating style. It indicates the parameters within which the organisation would want to conduct its activities.

Setting a risk appetite is not about the elimination of all risks; rather, it is about embracing risks in areas which management has the appropriate skills, knowledge and experience to take advantage if the opportunities presented, whilst limiting risks in other areas. The approach of the organisation is to engage in reasoned and reasonable risk-taking. The priority is on minimising exposure to reputational, compliance and financial and other risks, whilst accepting and encouraging an increased degree of calculated risk taking and exploiting opportunities in pursuit of its objectives and priorities. It recognises that its appetite for risk varies according to the activity undertaken, and that its acceptance of risk is subject always to ensuring that potential benefits and risks are fully understood before developments are authorised, and that sensible measures to mitigate risk are established. A balanced assessment has to be taken on threats and opportunities. The Management Committee and Ard Stiúrthóir recognise that in many cases, there are risks attached to both doing something and doing nothing.

5.2 ANNUAL RISK ASSESSMENT PROCESS

A formal risk assessment process is carried out annually within the GAA and is subsequently approved by the Management Committee and Ard Stiúrthóir.

The annual risk assessment is a bottom up assessment process complimented by a top down review. The assessments are carried out by each department and consolidated to create an overall Risk Assessment for the GAA which in turn is reviewed by the Management Committee.

5.3 RISK ASSESSMENT TEMPLATE

The process requires all departments to complete a risk register using the risk assessment template. This template is an excel based tool that is used to record the risks identified and to evaluate the impacts and likelihood of each. The template also provides the capability for documenting the controls that are in place to mitigate the identified risks.

5.4 RISK REGISTER

The risk register documents the risk identified, the impact and likelihood of the risk materialising which in turn gives you the overall risk score associated with each risk.

Where mitigating controls have been documented for risks, the Risk Management department will assess the operating effectiveness of the mitigating controls.

5.5 RISK ESCALATION

Risks can evolve quickly due to changes in the external environment, the proximity of an event or a change in risk appetite. Risk Escalation, and the provision which supports risk escalation, allows for the appropriate management of both existing and emergent risks.

The following steps should be carried out when a risk event has materialised / near miss has occurred:

- Risk owners should report immediately to the Head of Department as and when a risk has materialised / near miss has occurred. Details of this risk and impact should also be communicated; and
- The Head of Department should report these events to the Head of Internal Audit as and when they occur.

Department Meetings:

- The department risk register should be included as an item for discuss during the monthly meetings in addition to a status of all risks;
- Where risks have materialised the impact and outcome should also be reported;
- New, emerging risks should also be considered for inclusion on the risk register and actioned accordingly; and
- Updates to the risk register following the department meetings should be communicated to the Internal Audit team.

Quarterly Audit Committee Meetings:

- Departmental risk registers should be formally issued to Internal Audit in advance of each quarterly Audit Committee meeting;

- Discussions should take place between heads of departments and Internal Audit to discuss changes (if any) to the risk register;
- The Central risk register maintained by Internal Audit should be communicated to the Audit Committee on a quarterly basis; and
- Where risks have materialised, the outcome and impact should be reported to the Audit Committee.