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Authorised by:		<i>DRAFT Jan-09</i>

1 POLICY

The Community Health Service is committed to Risk Management (RM) across all levels of the organisation. Risk has dimensions that include strategic, operational, property, financial, and clinical. RM can be defined as the coordinated activities to direct and control an organisation to provide a reasonable assurance that the organisation's objectives will be reached within an acceptable degree of risk. Adoption of a formal approach to RM, in conjunction with other quality improvement activities will improve decision-making, performance, accountability and enhance outcomes at x community health.

2 PURPOSE AND SCOPE

The purpose of this policy is to outline the structured approach to risk management across the organisation. Systems have been developed that will ensure that potential risks, strategic, operational and clinical, are identified, analysed, evaluated and subsequently managed. Both managers and clinical staff are involved in this process.

3 REFERENCES

- o ISO 31000
- o VHA Managing Clinical Risk in Primary Health Care, 2009
- o VMIA Risk Management in the Victorian Public Sector, July 2008
- o VMIA Risk Management Guide for Community Services Organisation, January 2009

4 DEFINITIONS

RISK The effect of uncertainty on objectives. The concept of risk has two elements: the likelihood of something happening and the consequences if it.

RISK ANALYSIS Risk analysis is the systematic process to comprehend the nature of risk and to deduce the level of risk

RISK ASSESSMENT The overall process of risk identification, risk analysis and risk evaluation to determine risk management priorities by evaluating and comparing the level of risk against organisational standards, predetermined target risk levels or other criteria.

RISK IDENTIFICATION The process of finding, recognising and describing risks

RISK Coordinated activities to direct and control an organisation

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- MANAGEMENT with regard to risk
- RISK PROFILE A summary of key risks existing across the organisation which provides a reporting framework
- RISK TREATMENT The development and implementation of measures to modify risk.

Risk Governance Framework

X Community Health will apply RM to each organisational level: strategic, operational, team, and individual. Both bottom-up and top-down approaches will be employed to facilitate a comprehensive RM program. The governance structure for integrated risk management at x community health is as represented below



Roles and Responsibilities

The roles and responsibilities for risk management throughout the organisation are outlined below:

Board

The board provides direction and oversight of risk management across the

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organisation. The board's key risk management responsibilities may include:

- approving the organisation's risk management documentation including the strategic risk profile, risk appetite and tolerance, risk management policy and risk management procedure
- setting the standards and expectations of the organisation with respect to conduct and behaviour, and ensuring that effective risk management is enforced through an effective performance management system
- monitoring the management of high and significant risks, and the effectiveness of associated controls through the review and discussion of regular risk management reports
- satisfying itself that risks with lower ratings are effectively managed, with appropriate controls in place and effective reporting structures
- approving major decisions affecting the organisation's risk profile or exposure.

CEO

- reviewing key risk information, identifying key risk trends and assessing the impact for the organisation as a whole
- monitoring the management of high and significant risks and the effectiveness of associated controls through the review and discussion of regular risk management reports
- ensuring that adequate processes are being followed in relation to lower level risks
- promoting a strong risk management culture

Risk Committee

- Oversight of the risk management framework, including the consideration and review of risk management policies and procedures on an annual basis.
- Establishing policies and reviewing the effectiveness of the organisation's approach to risk management including the status of major business risks.
- Reports to the Board advising of its activities, findings and recommendations, including risk management policies.
- Assist the board in discharging its responsibilities to exercise due care, diligence and skill in relation to business operations and to advice on any matters of financial or regulatory significance which may be referred to it from time to time.

Risk Manager

- develop, enhance and implement appropriate risk management policies, procedures and systems
- co-ordinate and monitor the implementation of risk management initiatives within an organisation
- work with risk owners to ensure that the risk management processes are implemented in accordance with agreed risk management policy and strategy
- collate and review all risk registers for consistency and completeness

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- provide advice and tools to staff, management, the Executive and Board on risk management issues within the organisation, including facilitating workshops in risk identification
- promote understanding of and support for risk management

Managers and Team leaders

- manage the risk they have accountability for
- Ensure the identification and analysis of risk in risk registers at each program /team level
- review the risk on a regular basis
- identify where current control deficiencies may exist;
- update risk information pertaining to the risk
- escalate the risk where the risk is increasing in likelihood or consequence
- provide information about the risk when it is requested.

Staff and Contractors

- Identifying risks and reporting these to the relevant person
- Involvement in the management of risks where appropriate

5 RELATED ORGANISATIONAL DOCUMENTS

Risk Management Procedure

Community Health Service Policies

- Governance Policy
- OHS Policy
- Other relevant policies

6 HISTORY

DATE	Initial Issue
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