

 <p><b>BAY OF PLENTY DISTRICT HEALTH BOARD HAUORA A TOI</b></p> <p><b>RISK MANAGEMENT PROTOCOL</b></p>	<p><b>RISK MANAGEMENT - FRAMEWORK</b></p>	<p><b>Policy 2.1.1 Protocol 1</b></p>
---	---	---

## OBJECTIVE

To outline the Bay of Plenty District Health Board (BOPDHB) framework for risk management

## STANDARD

All employees are responsible for ongoing identification of risk.

Risk management at BOPDHB is integral to all organisational processes within the organisation.

## STANDARDS TO BE MET

### 1. Key Principles of risk management

- 1.1 Risk management is a key function of best management practice, at the strategic, corporate and operational levels of the organisation
- 1.2 The risk management process is in accordance with the Ministry of Health's Operational Policy Framework
- 1.3 Current best practice for risk management is the implementation of the organisation wide risk model. This model integrates risk management across all aspects of the DHB's accountabilities and responsibilities, such as planning, funding, purchasing, project management, and service delivery. It includes clinical and non-clinical risk management
- 1.4 Risk management is integral to good governance and requires regular risk reporting to the Executive Management team and the Board
- 1.5 Monitoring and learning is central to risk management, which makes it an important component of the overall quality system and quality improvement
- 1.6 The risk management process is also closely related to the reportable events and complaints processes, which may indicate new or emerging risks
- 1.7 The BOPDHB risk management framework introduces a consistent and systematic process for managing risks. The risk management process will help to achieve better patient outcomes, support decision making in an area of high exposure and provide ongoing assurance on the quality of services provided.

### 2. Organisation wide risk management

Examples of systems and decision-making processes that incorporate a focus for risk identification and management include:

- 2.1 Strategic, business and operational planning
- 2.2 Delivery of patient care
- 2.3 DHB wide-planning and funding
- 2.4 Research and development
- 2.5 Business interruption and continuity planning
- 2.6 Change - new technology, systems and processes
- 2.7 Employment practices
- 2.8 Health and safety

<p>Issue Date: Jan 2015 Review Date: Jan 2017</p>	<p>Page 1 of 5 Version No: 4</p>	<p>NOTE: The electronic version of this document is the most current. Any printed copy cannot be assumed to be the current version.</p>
<p>Protocol Steward: Manager, Quality &amp; Patient Safety</p>	<p>Authorised by: GM Governance &amp; Quality</p>	

2.9 Incident management

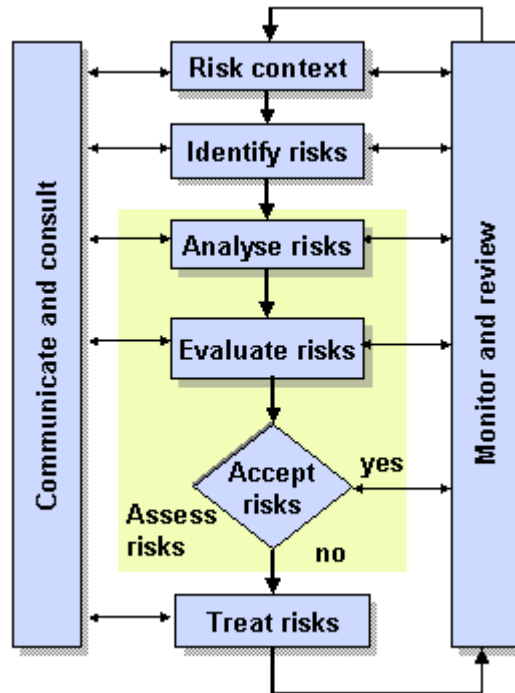


Figure — Risk management process

**3. Roles and responsibilities for risk management**

**3.1 All employees will:**

- a) Have the ability to identify risks
- b) Consider risk as part of the decision-making process and recording the rationale behind such decisions
- c) Take prompt action to manage imminent risks where the remedies are within their authority and capability to do so
- d) Communicate any unacceptable risks in accordance with established escalation to their manager

**3.2 Risk Owners**

Risk owners will be the custodian of the risk information and have responsibility for its overall management and ongoing monitoring

**3.3 Quality & Patient Safety Co-ordinators will:**

- a) Facilitate the risk management process in their allocated area
- b) Feedback to the Quality and Patient Safety Manager on risk mitigation
- c) Incorporate risk mitigation into quality improvement plans
- d) Ensure there is maintenance and management of the Risk Register related to their area of responsibility
- e) Liaise and assist teams to identify and manage risks

 <p><b>BAY OF PLENTY</b> DISTRICT HEALTH BOARD HAUORA A TOI</p> <p><b>RISK MANAGEMENT</b> <b>PROTOCOL</b></p>	<p><b>RISK MANAGEMENT - FRAMEWORK</b></p>	<p><b>Policy 2.1.1</b> <b>Protocol 1</b></p>
--	---	--

**3.4 Line Managers / Clinical Leaders / Department Managers will:**

- a) Ensure that risks within their area are identified, understood, consistently assessed, recorded and appropriately managed.
- b) Establish effective lines of escalation, communication and feedback about risks and issues
- c) Provide appropriate resources to operate risk management processes and respond to key risks and issues
- d) Carry out identified risk actions and record when completed

**3.5 Service Leaders / General Managers (GMs) will:**

- a) Establish and maintain an effective control environment and provide assurance in the form of a "sign off" on the effectiveness of the risk management process and key controls within their area.
- b) Take any action necessary to respond to risk in their operational areas
- c) Identify, evaluate and manage service / area risks
- d) Evaluate departmental risks for acceptance on the Risk Register
- e) Ensure any actions identified are carried out and updated on the Risk Register
- f) Ensure employees within their span of control are appropriately trained in the policy and processes of risk identification, management, reporting and monitoring

**3.6 GM Governance & Quality will:**

- a) Ensure the Risk Register is maintained for the organisation
- b) Ensure reports on the organisation risks are available for Audit, Finance & Risk Management Committee (AFRM), Performance & Environment Committee (P&E), Executive Council Committee and the Board
- c) Communicate directly to the Chief Operating Officer (COO) or Chief Executive Officer (CEO) of serious or emerging risk
- d) Ensure information and support is provided to all senior management with regard to the organisation wide risk management strategy

**3.7 AFRM / P&E and Executive Council Committees will:**

- a) Advise the Board on risk management
- b) Establish policies for approval by the Board
- c) Assess the effectiveness of risk management, including the status of major risks, and the overall systems of internal control
- d) Effectively monitor the risk reports received and establish an effective risk control environment

**3.8 CEO will:**

- a) Establish effective mechanisms to gain assurance that major risks are anticipated, understood, assessed and that appropriate management strategies are in place to address such risks
- b) Provide assurance to the Board on the effectiveness of major risks on their impact on the organisation's strategic objectives as identified in the Annual Plan
- c) Retain an overview of strategic risks and ensure that appropriate actions are implemented
- d) Ensure there is a monthly report through AFRM on the effectiveness of the risk management process and the overall system of internal control
- e) The Board will be informed of major risks to the organisation via a monthly report. The Board will monitor and review the management of major risks.

**3.9 Internal Audit**

Internal Audit will provide assurance of the effectiveness of the risk management framework with assurance audit.

<p>Issue Date: Jan 2015 Review Date: Jan 2017</p>	<p>Page 3 of 5 Version No: 4</p>	<p>NOTE: The electronic version of this document is the most current. Any printed copy cannot be assumed to be the current version.</p>
<p>Protocol Steward: Manager, Quality &amp; Patient Safety</p>	<p>Authorised by: GM Governance &amp; Quality</p>	

 <p><b>BAY OF PLENTY DISTRICT HEALTH BOARD HAUORA A TOI</b></p> <p><b>RISK MANAGEMENT PROTOCOL</b></p>	<p><b>RISK MANAGEMENT - FRAMEWORK</b></p>	<p><b>Policy 2.1.1 Protocol 1</b></p>
---	---	---

#### 4. Communication of risks and reporting requirements

- 4.1 Communication of risk and the current treatment will be to all departments and areas of the DHB. Internal and external stakeholders will be included in the communication loop if necessary.
- 4.2 The goals of communication of the risk management process include:
- a) Providing information to improve risk awareness
  - b) Create communication routes to all parties to avoid conflict
  - c) Improving the decision making process
  - d) Providing an opportunity for all parties to voice their perception of risk
  - e) Facilitating the identification of risk
  - f) To improve outcomes from risk mitigation strategies
- 4.3 Current risk status will be reported on a regular basis across BOPDHB services and escalated through management based on the level of risk identified. The reporting requirements for each level of staff are defined within the roles and responsibilities for risk management.

#### 5. Committees receiving reports related to risk management

Type of risk	Committees
Not acceptable - Provider Arm	BOP Hospital Advisory Committee (BOPHAC) / Provider Exec
Not acceptable - DHB	AFRM / Quality Council
Top staffing, facility, process, security related hazards	Performance & Environment Committee
Clinical	Clinical Governance Committee

#### 6. Monitoring and review of the Risk Management Framework (RMF)

- 6.1 The RMF will be reviewed every two (2) years (as in the policy review cycle) or in response to an event or change in circumstances. Changes or recommendations for improvements to the RMF from internal or external audit will be actioned to ensure legal compliance and currency.
- 6.2 In order to ensure risk management is effective and continues to support BOPDHB performance the RMF will be regularly monitored and reports generated to the governance committees responsible for review.

#### 7. Management of Conflicts of Interest

- 7.1 The process of making decisions within the risk management process may result in situations where conflicts of interest need to be managed to ensure decisions are not influenced by the personal or private interests of staff and agents.
- 7.2 The BOPDHB conflict of interest policy will be followed to address any such issues.

<p>Issue Date: Jan 2015 Review Date: Jan 2017</p>	<p>Page 4 of 5 Version No: 4</p>	<p>NOTE: The electronic version of this document is the most current. Any printed copy cannot be assumed to be the current version.</p>
<p>Protocol Steward: Manager, Quality &amp; Patient Safety</p>	<p>Authorised by: GM Governance &amp; Quality</p>	

 <p>BAY OF PLENTY DISTRICT HEALTH BOARD HAUORA A TOI</p> <p><b>RISK MANAGEMENT PROTOCOL</b></p>	<p><b>RISK MANAGEMENT - FRAMEWORK</b></p>	<p><b>Policy 2.1.1 Protocol 1</b></p>
--	---	---

## 8. Relationship between Quality and Risk management

- 8.1 Quality management processes identify issues associated with patient care, collect and analyse data, make recommendations and evaluate outcomes to prevent recurrences and improve delivery of service.
- 8.2 The continuous improvement activities associated with quality management anticipate and identify procedures to avoid or manage future risk.
- 8.3 DHBs have identified many components that are required in effective quality and risk management systems in the All District Health Boards Annual Plan.
- 8.4 BOPDHB will link with the Health, Quality and Safety Commission to develop current quality work streams and report Serious Adverse Events.

### ASSOCIATED DOCUMENTS

- Bay of Plenty District Health Board policy 2.1.1 Risk Management
- Bay of Plenty District Health Board policy 2.1.1 protocol 2 Risk Management - Standards
- Bay of Plenty District Health Board policy 2.4.6 protocol 0 Interest - Conflict of Interest

<p>Issue Date: Jan 2015 Review Date: Jan 2017</p>	<p>Page 5 of 5 Version No: 4</p>	<p>NOTE: The electronic version of this document is the most current. Any printed copy cannot be assumed to be the current version.</p>
<p>Protocol Steward: Manager, Quality &amp; Patient Safety</p>	<p>Authorised by: GM Governance &amp; Quality</p>	