

 <p>BAY OF PLENTY DISTRICT HEALTH BOARD HAUORA A TOI</p> <p>RISK MANAGEMENT PROTOCOL</p>	<p>RISK MANAGEMENT - STANDARDS</p>	<p>Policy 2.1.1 Protocol 2</p>
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OBJECTIVE

To describe how 'risks' are identified and managed by Bay of Plenty District Health Board (BOPDHB).

STANDARD

Risks will be identified and managed in accordance with the ISO 31000:2009 Risk Management Principles and Guidelines

STANDARDS TO BE MET

1. Risk Identification

- 1.1. Risks can be identified by any individual employee and will be reported to a line manager or Quality & Patient Safety Co-ordinator for validation. The validation process will ensure there has been sufficient analysis and evaluation of evidence to support the adoption of the risk. Risk workshops can also assist with identification of risk for a department
- 1.2. The aim is to identify and categorise health care risks regardless of whether they are within the control of the organisation. The process ensures there is selection and categorisation of key risks and resources are directed at essential mitigation.
- 1.3. The following table lists possible sources for identifying both clinical and non-clinical risks

Reportable events, including serious incident reviews and restraint minimisation	Complaints, reports from HDC, ministerial or OIA request data, compliments	Annual strategic, business planning process and financial reports
Reviewing the strength of controls, policies, guidelines and statutory requirements	Exit interviews	Patient satisfaction surveys, staff questionnaires
Audits and reviews (external and internal)	Liaising with local Maori representatives	Examination of local, national or international experience from media
Risk management reviews, risk workshops and training	Occupational health and safety reports / hazard reports	Clinical and non-clinical performance indicators, peer review

2. Acceptance of risks

- 2.1 During the assessment of risk a cross road exists where a risk is considered as being either acceptable or needing treatment / mitigation.
- 2.2 The acceptance of risk is driven by BOPDHB's and the relevant manager's appetite for risk and is accepted via an appropriately authorised person or body within the DHB.
- 2.3 Whether a risk is acceptable or not is based on factors such as:
 - a) Authority,
 - b) benefit,
 - c) capacity,
 - d) cost,
 - e) ethics,

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- f) expectations,
- g) loss,
- h) priorities,
- i) safety, and
- j) values

3. Establish the context

3.1 Decisions about risk need to be made within the context of the organisation’s internal and external environment. Consultation and communication are essential components of risk discussion and risk identification. The context is about identifying the parameters related to the risk such as:

- a) BOPDHB Annual Plan and objectives
- b) Legal obligations and compliance
- c) Timeframes and strategic directions stipulated by the Ministry of Health
- d) Occupational health and safety requirements
- e) Political and reputational drivers and trends having an impact on BOPDHB objectives
- f) Funding availability and / or restrictions placed on the use of funding
- g) Union requirements and those of the regulatory bodies
- h) Capabilities and resources available

4. Documenting the risk

4.1 The Health and Disability Sector Standards - Standard 2.2 Quality and Risk Management Systems states:

“The organization has an established, documented and maintained quality and risk management system that reflects continuous quality improvement principles”

4.2 BOPDHB has an in house on-line Risk Register system. The on-line system allows users to electronically manage risks, reportable events and hazards. A link on the intranet enables employees to enter data related to risks and hazards directly into the system.

5. The risk description

5.1 Consistency is required in the way that risks are described when they are entered into the Risk Register and this assists with analysis, gives clarity and supports how the risk can be effectively mitigated. Imagine when describing a risk that someone who doesn’t know the business is reading the description.

5.2 There are three (3) components to documenting and presenting risk:

- a) Stating what the risk activity relates to (activity)
- b) The possible shortfall (shortfall)
- c) And the possible harm / consequences anticipated (consequences)

Clinical risk example:

Continuing industrial action (*activity*) has resulted in a **significant waiting list for CAT scans** (*shortfall*) leading to **delays in diagnosis and treatment** (*consequences*)

5.3 The three (3) categories of risk are Clinical, Operational and Strategic. A summary of these are located on the intranet risk management page.

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6. Risk Analysis

- 6.1 The Risk Assessment Code or RAC Score gives an indication to the potential seriousness of a risk, and assists in prioritising risks and resources.
- 6.2 The RAC Score uses the risks potential consequence x the likelihood of occurrence mapped on to a risk matrix to give the risk a score. The consequence and likelihood have a standard set of definitions that the DHB uses, this is similar to the one that as is used for the Severity Assessment Code Score used in the Reportable Event process.

7. Who should own an identified risk?

If the risk affects	Managed by
A single department	<ul style="list-style-type: none"> Department Manager who will do initial evaluation then notify Service Quality & Patient Safety Co-ordinator
A whole Service / Division	<ul style="list-style-type: none"> Business, Medical, Nursing / Midwifery Leader
The whole provider arm	<ul style="list-style-type: none"> COO
The whole DHB	<ul style="list-style-type: none"> COO for provider arm, GM for other Division
Hazard that may cause harm	<ul style="list-style-type: none"> Department / Ward Managers supported by their OHS Rep

- 7.1 Any person can identify a risk. Once the risk has been accepted by the organisation there needs to be an identified owner of the risk whom will ensure the risk actions and mitigation strategies are managed.

8. Treatment of Risk

- 8.1 Risk treatment involves selecting one of more options for modifying risks and implementing these and could include:
- Controlled document (policy, protocol or associated form) development
 - Funding or budget review
 - Contracting building reviews
 - Meeting with stakeholders to discuss issues
 - Education for employees
- 8.2 The risk treatment or actions for response are added to the BOPDHB [Risk Register](#).
- Documentation of each step of the risk treatment steps taken will be at an appropriate level to demonstrate a proper level of diligence has been exercised during the decision making process
 - Part of this information will be used for benchmarking purposes and to support the sharing of risk information between DHBs
 - Reports are generated periodically to the committees responsible for monitoring risk for the organisation
 - The risk management activities are traceable and assist with continuous learning for the organisation as well as assisting with identifying emerging risks

9. What is acceptable “risk”?

- 9.1 It is not possible to eliminate all risk completely. Once a risk has achieved a level of being as low as reasonably practicable it will become an acceptable risk. This will occur when one or more of the following conditions have been satisfied:
- The level of risk is assessed as minor.

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- b) Reasonable steps have been taken to reduce the consequences or likelihood of the risk occurring and further reduction is not practicable.
- c) The cost of risk reduction is disproportionate to the improvement that would be gained.
- d) The opportunities presented outweigh the threats to such a degree that the risk is justified.

9.2 Risk below the tolerance level is deemed acceptable for the organisation, as this is considered normal for the type of services provided.

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 1 Risk Management - Framework
- Risk Matrix
- Risk Categories and Examples
- Risk Management Glossary of Terms and Definitions
- Risk Assessment Code

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