



pathways
southwest

Towards better mental health

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Risk Management Policy & Procedure

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THIS POLICY & PROCEDURE APPLIES TO: Pathways SouthWest Board of Management, Staff, Students, Volunteers, Consumers, Carers, other Stakeholders and the General Public

Risk Management

Policy & Procedure

Policy

This policy is to provide a systematic view of the risks faced in the course of all organisation activities.

Every staff member of Pathways is responsible for the effective management of risk including the identification of potential risks. Management is responsible for the development of risk mitigation plans and the implementation of risk reduction strategies. Risk management processes should be integrated with other planning processes and management activities.

There is legislation in place for the management of specific risks such as Occupational Health and Safety, Equal Opportunity and Ethics. The Risk Management policy does not relieve Pathways responsibility to comply with other legislation.

Procedure

- **Establish a Context** - This is the strategic, organisational and risk management context against which the rest of the risk management process in Pathways will take place. Criteria against which risk will be evaluated should be established and the structure of the risk analysis defined.
- **Identify Risks** - This is the identification of what, why and how events arise as the basis for further analysis.
- **Analyse Risks** - This is the determination of existing controls and the analysis of risks in terms of the consequence and likelihood in the context of those controls. The analysis should consider the range of potential consequences and how likely those consequences are to occur. Consequence and likelihood are combined to produce an estimated level of risk.
- **Evaluate Risks** - This is a comparison of estimated risk levels against pre-established criteria. This enables risks to be ranked and prioritised.
- **Treat Risks** - For higher priority risks, Pathways is required to develop and implement specific risk management plans including funding considerations. Lower priority risks may be accepted and monitored.
- **Monitor and Review** - This is the oversight and review of the risk management system and any changes that might affect it. Monitoring and reviewing occurs concurrently throughout the risk management process.
- **Communication and Consultation** - Appropriate communication and consultation with internal and external stakeholders should occur at each stage of the risk management process as well as on the process as a whole.

The Management Team is responsible for the following:

- Ongoing maintenance of the risk register;
- Ensuring compliance with risk management procedures;
- Maintaining a program for risk reassessment and a Risk Register for Pathways. Key areas will flow from the risk management plan developed;
- Provide advice on risk management matters pertaining to Pathways Insurance portfolio and to occupational health and safety and workers' compensation issues.

Identifying Sources of Risk and their areas of Impact

Generic Sources

Each generic source has numerous components, any of which can give rise to a risk. Generic sources of risk include:

- Commercial and legal relationships including but not limited to contractual risk, product liability, professional liability and public liability.
- Economic circumstances - these can include such sources as taxation and changes in fiscal policy.
- Human behaviour such as sabotage.
- Natural Events. These can include fire, water damage, earthquakes, vermin, disease and contamination.
- Political Circumstances such as legislative changes or changes in government policy that may influence other sources of risk.
- Technology and Technical Issues. Examples of this include innovation, obsolescence and reliability.
- Management Activity and Control such as poor safety management, the absence of control and inadequate security.
- Individual Activity including, misappropriation of funds, fraud, vandalism, illegal entry, information misappropriation and human error.

Areas of Impact

A source of risk may impact on one area only or on several areas. Areas of impact include:

- Asset and resource base including personnel and CDHP housing stock,
- Income and funding agreements,
- Costs both direct and indirect,
- People,
- The community,
- Performance,
- Timing and schedule of activities,
- The environment,
- Intangibles such as reputation, goodwill and the quality of life, and

- Organisational behaviour.

Sources of Risk and Risk Containment

Service Delivery

- The Service Delivery Risk Management process has been developed through the National Standards for Mental Health Services 2010

Financial Reporting

- Pathways financial statements are fully compliant with Australian Accounting Standards and are audited annually by an independent auditor.

Service Delivery Agreements and associated Funding

- Pathways has a reporting requirement under the service delivery agreement with the Mental Health Department to supply outcomes and measurements on a six monthly basis.

CDHP Housing Risk Management

- Pathways has implemented a database from Alchemy Technology called SMS, which incorporates the housing program.

Confidential Information – Destruction

- Pathways confidential information destruction is outsourced in Bunbury, who under contract to pick up, transport and destroy the information. This is stored in a locked receptacle and Pathways advise the contractor of the need for the destruction.

Actions to Reduce or Control Likelihood

These include but are not limited to:

- Review and compliance programmes;
- Contract conditions;
- Formal reviews of requirements and operations;
- Inspection and process controls;
- Preventative maintenance programmes;
- Structured training and other programmes;
- Effective governance processes;
- Strategic, operational and tactical planning processes;
- Supervision.

Procedures to Reduce or Control Consequences

These include but are not limited to:

- Contingency planning;
- Contractual arrangements;
- Contract conditions;
- Business continuity and disaster recovery plans;
- Fraud control planning;
- Minimising exposure to sources of risk;
- Separation or relocation of activities and resources;
- Succession planning.
- Insurance; and
- Public Relations.

Risk Management Documentation

To manage risk properly, appropriate documentation (see General Risk Assessment Form) is required.

The staff members conducting or accountable for the activity shall in the first instance conduct the risk assessment and complete the documentation. The risk assessment and documentation is to be reviewed and accepted by the Line Manager.

Pathways is required to maintain risk registers as a minimum, the risk register, treatment schedule and action plan will be maintained.

For each risk identified, risks register records:

- Source;
- Nature;
- Existing controls;
- Preventative action; and
- Vulnerability to external or internal factors.

All staff must complete & sign the “Staff Code of Conduct” Form.

All new consumers will have a brief risk assessment completed as a part of the intake process, upon initial acceptance into the service.

Each staff member must ensure that they read and understand the “No Response When Home Visiting” and “Home Visiting” policies & procedures prior to visiting service users.

A risk treatment and action plan documents the managerial controls to be adopted and contains the following information:

- Who has responsibility for the implementation of the plan;
- What resources are to be used;

- Budget allocations;
- Implementation timetables; and
- Details of the control mechanism; and
- Frequency of review of compliance with the treatment plan.

Related Documents:

General Risk Assessment Form

Home Visiting Policy & Procedure

No Response When Home Visiting Policy & Procedure

Staff Code of Conduct Form