17. Risk Management Policy and Procedure

Approval Date: 20 Jan 2020	**Review date:** 20 Jan 2021	**Version:** 1.0

Purpose

Skymac is actively working to identify, address and monitor potential risks to promote a safe environment for participants, staff and visitors and to maintain adequate and viable business operations to:

- Support effective decision-making that is guided by our mission and vision

- Ensure a consistent and effective approach to risk management

- Formalise our commitment to the principles of risk management and incorporating these into all areas of the business

- Foster and encourage a risk-aware culture, where risk management is understood to be a positive attribute of decision-making, rather than a corrective measure

- Align the Skymac planning, quality and risk management systems and integration into all areas of our operations

- Implement robust corporate governance practices to manage risk while allowing innovation and development.

Scope

Risk management is built into all areas of our operations, including service delivery and corporate governance. Risk management is the responsibility of all staff and all areas of the organisation. It's the responsibility of the Board to carry out risk management analyses for the organisation and to take appropriate measures.

Policy

Skymac recognises the importance of managing risk and ensuring that all stakeholders are aware of their role in identifying, analysing, evaluating, treating, monitoring and communicating risk in a systematic risk management approach.

Skymac understands the organisation may be at risk when:

- A well-functioning governance structure is not in place

- Management plans, policies and processes are inadequate

- Team member roles and responsibilities are unclear

- Participants are not required to sign consent forms or waivers

- Equipment and facilities are not safe for the intended use

- Implementation of a comprehensive risk management plan hasn't occurred.

- Finances are managed inappropriately resulting in inadequate financial sustainability and cash flow

- Insurance is inadequate or inappropriate

- Operations are not evaluated regularly.

Definition

Terminology	Definition
Risk	- The possibility of something occurring that will have an impact on the service's objectives. - Often risks involve constraints, failures, obstacles and losses that may arise in the future. - Risk is measured in terms of consequences and if it the risk will have a positive or negative impact.

Identification

Skymac implements processes to effectively manage risk, such as:

- Analysing hazard data

- Conducting risk assessments including environmental and equipment assessments

- Reviewing incident and accident information

- Seeking staff, participant and visitor complaints and feedback

- Maintenance of log items

- Ongoing review of all policies and procedures

- Consulting with workers

- Incorporating appropriate strategies identified during planning days, e.g. strategic and operational planning sessions

- Incorporating new information obtained through education and training into the business

- Conducting financial audits

- Conducting internal and external audits.

Planning

Skymac has established and maintained a Risk Management Plan. The plan identifies and addresses:

- **Risks to Skymac** - Including loss of funding, inability to deliver funded outcomes within budget, embezzlement of funds, lack of suitably qualified staff, extended staff illness, damage to reputation and relationships, changes in compliance requirements and eligibility, decisions by the Board and loss of data due to natural disasters.

- **Risks to Staff** - Including lack of suitably qualified staff, extended staff illness, staff injury due to WHS risks, changes in training and education compliance requirements, impacts of natural disasters and infection.

- **Risks to Participants** - Including environmental, fire, falls, transport, staff working in a participant's home, changes in the consistency of performance of activities, interruptions to service delivery and exit plans (transitioning services to another service provider).

The Risk Management Plan includes:

- Details of the risk

- Date the risk was identified

- Risk rating; possible consequence/s of the risk

- Actions required to eliminate, mitigate or control the risk

- Review dates, new controls and changes to existing controls.

The Board reviews the Risk Management Plan in response to information received via WHS, audit and continuous improvement systems.

ANALYSE
Determine the cause, reason or factors relating to the risk

PRIORITISE
Identify the level of risk ranging from insignificant to extreme; higher levels receive higher priority

TREAT
Manage the risk via elimination mitigation or control

Managing risks

Controls

Controls are strategies used to manage risk. Identified risks are balanced against the cost and inconvenience of the control to the organisation prior to implementation. Controls used by Skymac to manage risks include:

- Implementation of a Strategic Plan

- Implementation of a Risk Management Plan

- Thorough staff orientation, education and training

- Implementation of new processes identified during a risk assessment

- Effective internal and external information systems, including meetings and memos

- Strict adherence to policies, procedures and work instructions by all staff

- Utilisation of position descriptions

- Ongoing capital maintenance and setting appropriate equipment budgets and plans

- Maintaining all current registrations and insurances.

Hazard identification

Where a hazard or potential hazard is identified, staff must complete in detail a Hazard Report Form and provide this, on the same working day, to the Mangement.

When consequences of hazards are assessed as high or extreme, staff must contact Skymac immediately, or as soon as it is safe to do so. Management will take steps to address extreme or high hazards immediately.

Detailed documentation of action taken must be included in the Hazard Report Form and Risk Assessment Form and, where required, on the Continuous Improvement Plan. All Hazard Report Forms are provided to management for review.

Monitoring

Risk management processes and systems are audited regularly as part of the audit program.

Reporting

Skymac will use the data gained from the risk management process to inform decisions and plans to improve practices continuously. The analysis will be conducted to assist changes in services, policies and procedures. The analysis will include, but is not limited to:

- Complaints and feedback

- Financial risk

- Staffing issues

- Participant satisfaction

- Risks to participants and staff

- Amendments to legal or compliance requirements

- Training and education.

Consequence Rating Table

Insignificant	Minor	Moderate	Major	Extreme
The Participant				
Less than first aid injury, or brief emotional disturbance	First aid injury or emotional disturbance impacting more than two days – does not require treatment	Substantial injury resulting in medical treatment, or temporary impairment, or development/exacerbation of mental illness requiring treatment, or some cases of abuse/neglect of the person	Significant injury causing permanent impairment, or severe, long lasting, or significant exacerbation of mental illness requiring long-term treatment, or significant faults allowing significant abuse/neglect of people receiving support	Avoidable death of a person, or systemic faults allowing widespread abuse/neglect of people receiving support
Support Worker and Others				
Nil or minor first aid injury, or brief emotional disturbance	First aid injury, or psychological injury impacting more than two days– does not require treatment	Substantial injury resulting in medical treatment or temporary impairment or development /exacerbation of psychological injury requiring treatment	Significant injury causing permanent impairment or severe, long lasting or significant exacerbation of mental illness requiring long-term treatment	Preventable fatality

Related documents

- Emergency Plan

- Complaints and Feedback Policy and Procedure

- Complaints and Feedback Form

- Continuous Improvement Policy and Procedure

- Hazard Report Form

- Risk Assessment Form

- Continuous Improvement Plan

- Continuous Improvement Register

- Risk assessments

- Documentation, including meeting minutes and memos

- Policies, procedures and work instructions

- Position descriptions

- Maintenance of current registrations and insurances

References

- [Privacy Act (1988)](#)

- [NDIS Practice Standards and Quality Indicators 2020 – Version 3](#)

- [Work Health and Safety Act 2011 (QLD)](#)