

# Canberra Health Services

## Managing Risk for Exceptional Care

Risk Management Framework 2020–2023



# Contents

<b>Why?</b>	<b>4</b>
Our Risk Management Framework	5
<b>What?</b>	<b>6</b>
Our risk management goal	6
Our risk management principles	7
<b>How?</b>	<b>8</b>
Our foundations for risk management	8
Risk governance	8
Risk strategy	10
Risk management process	12
Risk appetite and tolerance	14
Measuring our progress	14
Performance of risk treatment action plans	14
Performance of risk controls	16
Performance of Risk Management Framework and policy	16
<b>Who?</b>	<b>17</b>
Your role	17



## Accessibility (how to get this information in other ways)

**If you want to receive this information:**



• in larger print



• or hear it on audio

**please telephone (02) 5124 0000.**



**If you need the translating and interpreting service**

**– please telephone 131 450.**

**National Relay Service phone 133 677 then ask for 133 427.**

**For further accessibility information, visit: [www.canberrahealthservices.act.gov.au/accessibility](http://www.canberrahealthservices.act.gov.au/accessibility)**

**The ACT Government is committed to making its information, services, events and venues, accessible to as many people as possible.**

---

**[www.canberrahealthservices.act.gov.au](http://www.canberrahealthservices.act.gov.au) | Phone: 132281 | Publication No 22/2025**

**© Australian Capital Territory, Canberra May 2022**

Version 2 – Amended to reflect CHS Governance Committee Review

Version 1 – Endorsed by Canberra Health Services Governance Committee on 24 March 2021

To be reviewed in July 2023

Managing  
risk for  
exceptional  
care.



Canberra Health Services



# Why?

At Canberra Health Services (CHS) we want the health care we provide to be exceptional. Every member of the CHS team has a role to play in providing exceptional care to our consumers.

**Our Vision is 'creating exceptional health care together'.**

This means:

Together we are a caring team.

We will be successful when:

- people say, every day, 'I trust you to look after me when I am at my most vulnerable'
- carers and family members say, every day, 'I feel safe to leave my loved one in your care'
- staff and health care partners say, every day, 'I have pride in my work, and I want to help us all improve'.

We celebrate our successes as one community, and we create a world where people flourish in their best health.

This is our promise to each other, our consumers, their families and carers and our community.

To achieve this vision, we need to have a shared understanding of what exceptional care looks like for our consumers, their families and carers, our community and each of us. We need to translate this into our everyday actions.

**To receive exceptional care, it is important to our consumers that their care is:**



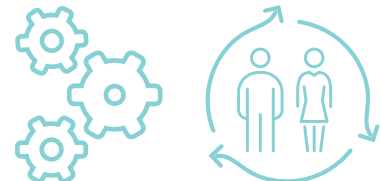
## Personal

I am seen and treated as a respected person



## Effective

My care helps me to feel better



## Connected and accessible

Everyone is on the same page about my care



## Safe

I feel safe



## Well-led

I have confidence and trust in those caring for me

This shared understanding and ownership of exceptional care, by all members of the CHS team, makes it possible to keep our promise to our consumers, their families and carers, our community and each other to create exceptional health care together.

# Our Risk Management Framework

Our Risk Management Framework supports the implementation of the Exceptional Care Framework, which defines what we mean by exceptional health care, how we will deliver it and what your role is in achieving our vision. Risk management is a critical part of our approach to clinical governance.

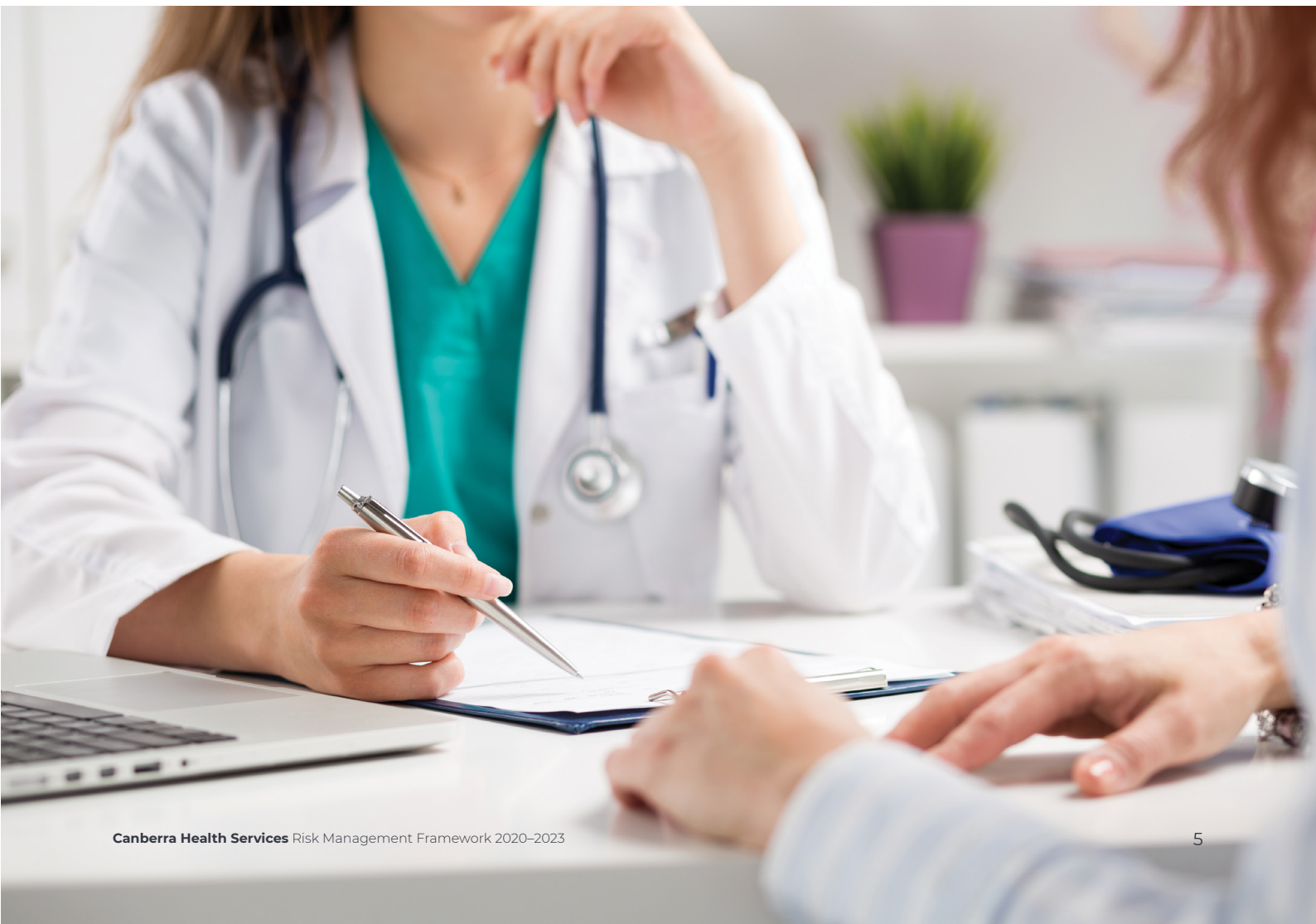
Risk is present in our daily activities. Every day there is a possibility of an event or situation occurring that has the potential to:

- impact on our ability to deliver health services
- compromise the quality of care we deliver or the privacy of consumers, their families and carers, our staff and/or visitors to CHS facilities
- impact on our ability to meet the deliverables in our Strategic Plan.

The effect of this uncertainty is risk. All team members manage risks, every day. Engaging with risk by identifying and managing it is necessary to prevent harm and identify opportunities for improvement.

This framework defines risk management and describes:

- **'why'** risk management is essential for maintaining an appropriate balance between realising opportunities to improve the way we do things, and addressing the uncertainty of not achieving what we intend to
- **'what'** process we use to ensure consistency in the way risks are managed within the organisation
- **'how'** risk management is implemented to ensure consistency
- **'who'** is responsible for managing risk so we can create, lead, and support a culture of proactive and effective risk management, this is integral to our success in creating exceptional health care.







# What?

## Our risk management goal

Our Risk Management Framework helps us integrate risk management into CHS governance, strategy and planning, management, reporting processes, policies, values and culture. This makes sure it is understood by all and assists in the efficient and effective management of risk within our organisation.

This framework supports a multidisciplinary approach to risk management. It relies on staff at all levels working together to proactively identify and respond to risks.

# Our risk management principles

Table 1 outlines how we adopt the principles of risk management into everyday work practices:

Principle	Description
<p><b>There is a mandate and commitment from the CHS executive and senior management for risk management.</b></p> <p>(Principle in the risk management (RM) standard: human and cultural factors)</p>	<p>➤ This is demonstrated by strong leadership in risk management, an ability to articulate governance processes and the availability of support and training opportunities within areas of responsibility.</p>
<p><b>There is linkage between risk management and the achievement of CHS priorities outlined in our Strategic Plan.</b></p> <p>(Principle in the RM standard: customised)</p>	<p>➤ Risks are linked to strategic objectives, risk management information is used to support decision making and strategic audits are focused on identified areas of risk.</p>
<p><b>There are clear roles and responsibilities for risk management throughout CHS.</b></p> <p>(Principle in the RM standard: inclusive)</p>	<p>➤ There is a clear governance structure for risk management. Executives are identified as strategic risk leaders who are responsible for the management of risk within their realm of responsibility.</p>
<p><b>There is integration of risk management into decision making processes.</b></p> <p>(Principle in the RM standard: integrated)</p>	<p>➤ Risk management information is used to inform decision making within legislative and regulatory frameworks.</p>
<p><b>There is a structured approach to the robust assessment of risk, that considers best available information from relevant data and stakeholders.</b></p> <p>(Principles in the RM standard: structured and comprehensive, best available information, inclusive)</p>	<p>➤ There is a structured and consistent approach to risk assessment, that uses CHS approved tools and templates. Risk assessments consider relevant information sources such as historical data, expert stakeholder experience and opinions and direct observation.</p>
<p><b>There is responsiveness to change when internal or external factors impact on risk management and/or the management of risks.</b></p> <p>(Principle in the RM standard: dynamic)</p>	<p>➤ Risk management is a part of everyday business processes. Risk assessments are considered in a timely way to address uncertainty. There is ongoing review of our CHS Risk Management Framework.</p>
<p><b>There is continual improvement to risk management and the management of risk, and, conversely, risk management facilitates improvements within CHS.</b></p> <p>(Principle in the RM standard: continual improvement)</p>	<p>➤ Risks are discussed and communicated as opportunities for improvement. Risk treatment actions plans are considered improvement initiatives and are recorded as quality improvement activities as appropriate.</p>

**Table 1: CHS risk management principles**

# How?

## Our foundations for risk management

### Risk governance

The CHS risk governance structure provides direction and oversight of risk management activities. It supports a consistent and transparent approach. Everyone in the organisation is responsible for managing risks within their scope of delegated authority and area of responsibility.

Risks are monitored across multiple levels of the organisation as outlined below:

<b>Risk management system oversight</b>	>	is the responsibility of CHS Governance Committee
<b>Risk oversight</b>	>	is the responsibility of the Executive Committee
<b>Risk management</b>	>	is everyone's responsibility
<b>Risk assurance</b>	>	is the responsibility of the Internal Audit function within Finance and Business Intelligence (FBI), with oversight by the Audit and Risk Management Committee (ARMC) and other executive and specialist committees as appropriate.

The CHS governance structure, on page 9, includes specialist committees such as the Clinical Review Committee, divisional safety and quality governance committees, Clinical Review Committee and divisional safety and quality committees.

These specialist committees undertake an important role, they:

- undertake risk activities
- coordinate and manage information related to risks and risk treatment activities
- are an expert, consultative body for risks.

The committee structure within CHS seeks to ensure that safety, quality and risk management are embedded in our organisation's daily business. A committee's responsibility in the risk management process will be outlined in its Terms of Reference.

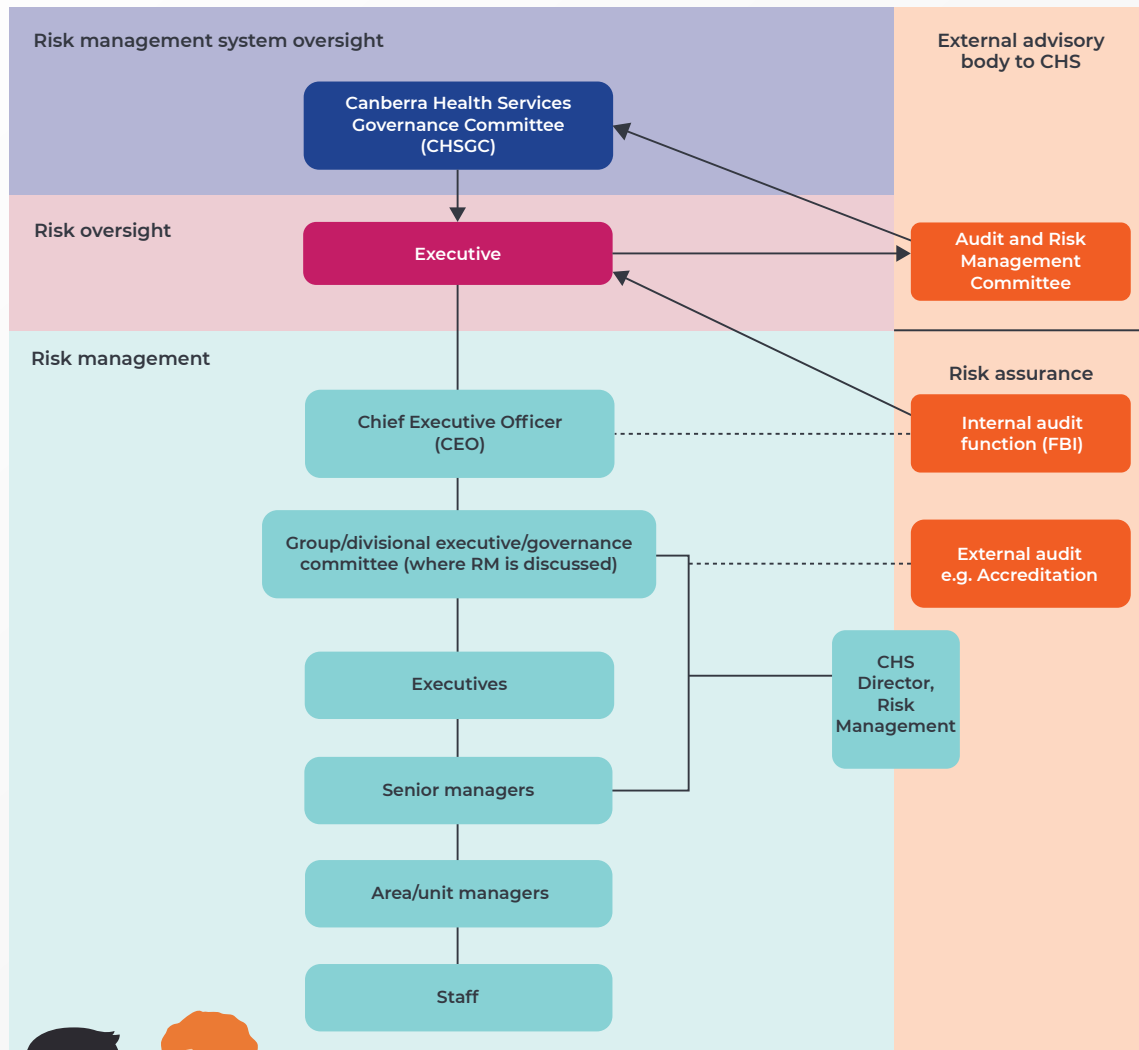
Risk Management within CHS is compliant with **ACT Government Risk Management Policy 2019 Implementation Guide**, which is based on the Risk Management Standard.

Under the **Insurance Act 2005**, the ACT Insurance Authority (ACTIA) is delegated with responsibility for driving best practice risk management across the ACT Government.

CHS completes an annual declaration to ACTIA to provide assurance that risk management is built into annual corporate planning, operational activities, planning (including business continuity planning) and reporting processes. The declaration also provides assurance over risk management culture, the presence of risk management oversight bodies and the presence and implementation of our Risk Management Framework.



## Canberra Health Services risk management (RM) governance structure



# Risk strategy

Risk management is not a standalone process. It's most effective when integrated with existing organisational business processes. Key processes for risk management integration are:

<b>Strategic/business planning</b>		Organisational and operational business planning processes both inform and are informed by risk management processes. The planning process provides an opportunity to reflect on achievements, identify and prioritise future focus areas, strategic priorities and objectives, and identify strategic risks and areas for quality and safety improvement initiatives. The process is then replicated within divisions, units and with individual staff so that the whole CHS team is involved. This process is further described in our CHS Planning for Exceptional Care Framework.
<b>Internal audit</b>		The internal audit program and processes assess the effectiveness of risk management controls. The internal audit program uses a risk management-based approach to prioritise the internal audit plan.
<b>External audits</b>		An additional assurance mechanism to determine the performance and effectiveness of our risk management system e.g. accreditation against the Australian Commission on Safety and Quality in Health Care's National Safety and Quality Health Service Standards.
<b>Performance management</b>		Risk management responsibilities are included, where relevant, in individual performance plans. This process is further described in the CHS Our People Framework.
<b>Business continuity management</b>		Business continuity management is a risk management process that identifies potential impacts of events that can disrupt business processes. Business continuity plans detail how essential services are to be maintained with minimal disruption, so the delivery of critical high level and business unit functions can continue or be resumed as soon as possible.
<b>Clinical governance and clinical risk management</b>		Clinical risk management is an approach to improving the quality and safe delivery of health care by identifying circumstances that put patients at risk of harm and acting to prevent or control those risks. Clinical risk management is part of a broader organisational risk management system at CHS which uses a range of strategies to identify, mitigate and manage risk, and improve the quality of clinical care. Further information is provided in our CHS Clinical Governance Framework.
<b>Performance reporting and monitoring</b>		Our Performance Reporting and Monitoring Framework provides a clear understanding of how CHS reports, monitors and manages performance, including risk across the organisation and at all levels within the organisation. It also identifies key indicators that are measures of risk control effectiveness.

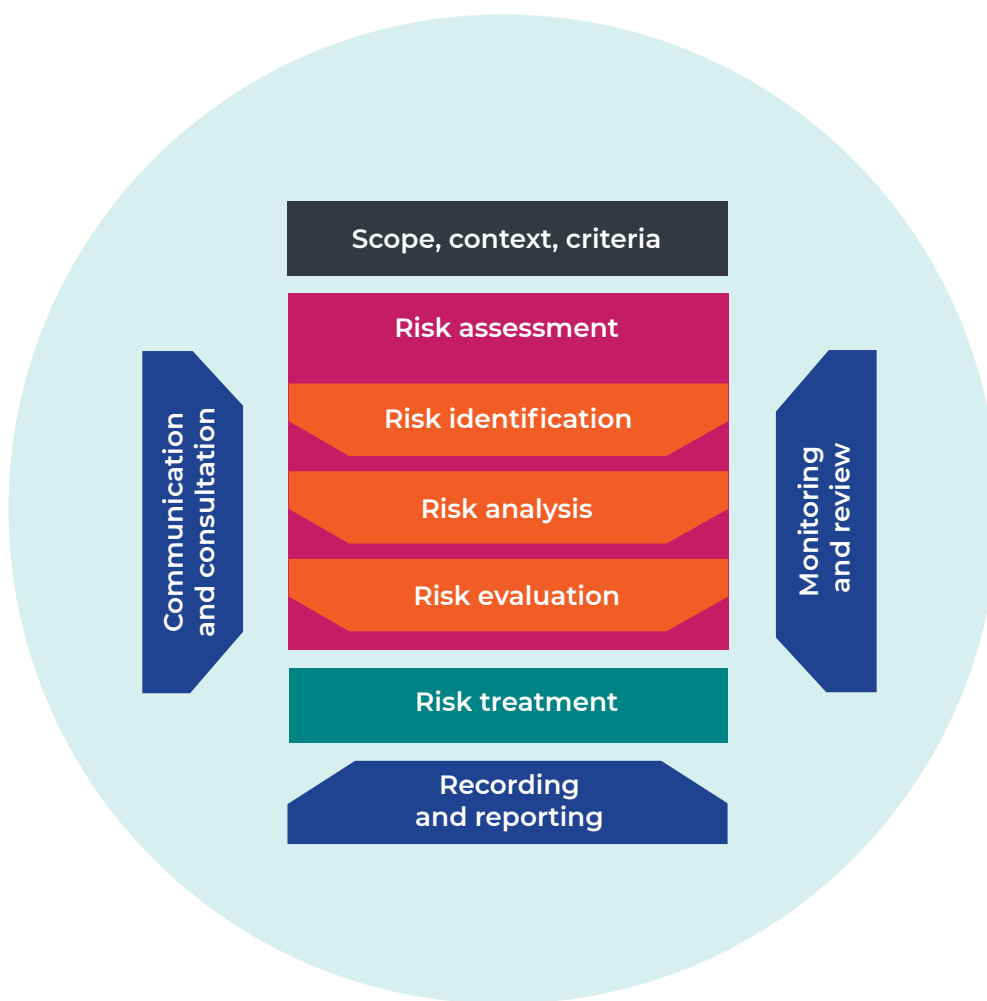


# Risk management process

For risk management to be truly effective, it must be an integral part of our culture and systems. Every staff member has an important role to play in supporting the organisation to manage risk to achieve strategic and operational priorities and keeping themselves, other staff, and consumers from harm.

To provide support to staff, a **risk management toolkit** has been created and contains practical information about implementing the CHS Risk Management Framework and Policy. It has been adapted from resources within the ACT Insurance Authority Risk Library and provides fact sheets, tips and templates for each phase of the risk management process.

Our CHS risk management process is based on the risk management process outlined in AS ISO 31000:2018 Risk Management Guidelines. Figure 1 and Table 2 below provide an overview and description of the steps in the risk management process.



**Figure 2: Risk Management Process AS ISO 31000:2018 Risk Management Guidelines (diagram taken from ACT Government Risk Management Policy 2019 Implementation Guide)**

## CHS risk management process



Step	Description
<b>1. Communication and consultation</b>	<p>Effective communication and consultation with all internal and external stakeholders is necessary at all stages of the risk management process. Working together and including all people impacted by and able to treat the risk will help to ensure all perspectives are considered, understood and included in the decision-making process. Treatment proposals and change management are more likely to be supported and endorsed.</p>
<b>2. Establish the context</b>	<p>A key aim of establishing the context is to identify the organisations objectives and consider internal and external factors and influences on decision making and management.</p>
<b>Risk Assessment</b>	<p><b>3. Risk identification</b></p> <p>The purpose of risk identification is to generate a comprehensive list of risks that might affect the achievement of objectives. Risk identification will address what, where, when, why and how the risk will occur.</p>
	<p><b>4. Risk analysis</b></p> <p>The intent of risk analysis is to gain a detailed understanding of the risk. Risk analysis takes into consideration existing controls and, using best available information, including qualitative and/or quantitative data, determines the likelihood and consequences of the risk occurring. The level of risk using the CHS Risk Matrix is determined, then prioritised for escalation and treatment.</p>
	<p><b>5. Risk evaluation</b></p> <p>Risk evaluation is used to determine whether a risk is acceptable or unacceptable (i.e. CHS tolerance to the risk) and to make decisions about future action(s) and the priority action(s) should be given.</p> <p>Note: a risk may be 'acceptable' if the decision has been made not to treat it, regardless of the risk rating.</p>
<b>6. Risk treatment</b>	<p>Risks that are determined not acceptable or intolerable require implementation of a risk treatment action plan. A range of risk treatment options should be considered, including advantages and disadvantages, with an agreed plan for implementation. Risk treatment action plans should be integrated into existing management plans and processes within CHS, in consultation with relevant stakeholders.</p>
<b>7. Monitoring and review</b>	<p>Monitoring and review of the risk management process and outcomes is important to ensure risk maturation and continuous improvement.</p>
<b>8. Recording and reporting</b>	<p>Risk recording and reporting is crucial in communicating risk management activities and outcomes within CHS. It provides information for decision making and assists in acquiring and maintaining collaboration and engagement of staff in risk management activities.</p>

**Table 2: CHS risk management process**





## Risk appetite and tolerance

Risk appetite is the amount and type of risk that an organisation is willing to accept to achieve its strategic priorities. It's not possible, or necessarily desirable, to eliminate all risks inherent in our work. Accepting some degree of risk in our business practices promotes efficiency and innovation.

CHS tolerates risks rated as 'medium'. More information around risk rating is available in the **CHS Risk Management Policy and Toolkit**.

CHS is willing to accept higher levels of risk when the potential benefits outweigh the negative consequences. In doing so, we must be able to demonstrate we have made informed and evidence-based decisions.

## Measuring our progress

Monitoring performance is one of the most important steps in the risk management process. It ensures initiatives implemented for treating and controlling risks are working as planned and expected.

### Performance of risk treatment action plans

All risk treatment action plans for CHS strategic and operational high and extreme risks are updated on RiskMan at least quarterly and monitored at Executive Committee. Strategic high and extreme risks are also monitored at the CHS Governance Committee quarterly. Additionally, risks are monitored at least quarterly at divisional governance committees or relevant specialist committees. This includes a review of the risk rating and progress towards risk treatment action plan implementation.

Reporting on risk management activity is captured in the annual review and planning cycle process summarised on **page 15**. This describes how identified risks and respective risk treatment action plans are monitored and reviewed. The identification, monitoring and review of all risks occurs on an annual cycle.

## Canberra Health Services strategic and operational risk registers annual review and planning cycle

Activity	Method	Frequency	Responsibility
<b>Strategic risk register review and progress reporting</b>	Workshop	Annual (May)	Executives  Led by Strategy and Governance
	CHS progress report to Executive Committee, ARMC and CHS Governance Committee	Quarterly: <ul style="list-style-type: none"> <li>• Q1 1 July to 30 September - report in October/November</li> <li>• Q2 1 October to 31 December - report in February/March</li> <li>• Q3 1 January to 31 March - report in April/May</li> <li>• Q4 1 April to 30 June - report in July/August</li> </ul>	Executives
<b>Annual presentation of risk register review outcomes for endorsement of any proposed updates</b>	Paper and presentation to the Executive Committee	Annually	

Note: operational risks, for example, divisional risks and risks identified through committees are thoroughly reviewed annually and progress on risk treatment action plans and controls are reviewed and updated at least quarterly by divisional quality and safety/governance committees or other relevant committees.







### Performance of risk controls



The effectiveness of risk controls is monitored and reported through mechanisms such as incident monitoring, consumer feedback monitoring and internal and external audit activities.

Our **CHS Performance Reporting and Monitoring Framework** describes the key performance indicators for CHS that are measures of the effectiveness of identified risk controls. The monitoring is done through risk management/quality and safety committees at the CHS, divisional and business unit/program level.

### Performance of Risk Management Framework and Policy



The CHS risk management approach is formally reviewed through a review of the **Risk Management Framework** and Policy undertaken by CHS executives and members of the Audit and Risk Management Committee annually in May.

A risk maturity self-assessment, where CHS executive assess CHS risk management maturity at the basic, developing, established, integrated, or optimised level also occurs annually in May. A goal is set for the next year with an action plan developed to move us closer towards our target.

# Who?

## Your role

Everyone at CHS has a role to play to support safe and quality care by embedding risk management into their daily work.

**To feel confident in the care I receive...**

**It is important to me, my carers and family that:**

- the people caring for me are trained in risk management and apply what they have learnt to their everyday work
- I am supported to raise concerns about the safety or effectiveness of my care, including any risks I see around me
- health care providers and decision makers consider my safety and needs when managing risks
- my health information remains private and secure and that it is available to me or my healthcare team when needed.



**Front Line Clinical Team Members**

**To provide safe quality care...**

**It is important that:**

- I complete training to develop skills in risk management
- I know how to spot risks and what the risks are in my work area
- I know what I need to do to manage the risks in my area, including where, how and who to report them to
- I am aware of how to keep patient information private and know how and when I can share this information with other clinicians.

**To support safe quality care...**

**It is important that:**

- I complete training to develop skills in risk management
- I know how to spot risks and what the risks are in my work area
- I know what I need to do to manage the risks in my area, including where, how and who to report them to
- I respond quickly when my colleagues tell me about a risk
- I know how to recognise and keep our corporate information safe and ensure it's available for future review.



**Non-Clinical Team Members**



### To lead safe quality care...

#### It is important that:

- I lead and promote a culture of risk awareness and risk management
- I support a 'no blame' culture where team members are empowered to escalate risks
- I encourage staff to develop risk management skills
- I make sure my team know where, how and who to report risks to
- I regularly report to the executive about risks within their area of responsibility and raise issues where there is an unacceptable level of risk.

### To lead and govern exceptional care...

#### It is important that:

- I lead and promote a culture of risk awareness and risk management
- I ensure team members understand, are supported and trained to fulfil their risk management responsibilities
- I have governance systems and processes in place to effectively monitor and manage risks, including as a standing agenda item for divisional meetings
- I ensure risks are considered in the development of business plans
- I ensure risk treatment action plans are in place and regularly review and report on risks.







## Canberra Health Services



### Acknowledgement of Country



Canberra Health Services acknowledges the Traditional Custodians of the land, the Ngunnawal people. Canberra Health Services respects their continuing culture and connections to the land and the unique contributions they make to the life of this area. Canberra Health Services also acknowledges and welcomes Aboriginal and/or Torres Strait Islander peoples who are part of the community we serve.

