Queensland Government
Queensland **Health**

Policy Identifier:
13355

QUEENSLAND HEALTH POLICY STATEMENT

Policy Title	**Queensland Health Integrated Risk Management Policy**
Policy Statement	Queensland Health's vision is to be an organisation where corporate governance reflects integrity, transparency and accountability and promotes risk management, continuous improvement and performance management. Queensland Health executives are required to comply with the risk management provisions contained within the *Financial Administration and Audit Act 1977*, and within the *Financial Management Standard 1997*. All employees of Queensland Health must be aware of, and comply with, Queensland Health's application and interpretation of these provisions.
Principles	Queensland Health is dedicated to establishing an organisational philosophy and culture that ensures risk management is an integral part of decision making in all activities. The purpose of risk management in Queensland Health is to assist the organisation to achieve its objectives and to support the strategic directions of providing Queenslanders with the best health and health related services in the nation. The application of risk management provides a systematic process to ensure that all internal systems promote evidence-based strategies directed towards delivering optimal outcomes consistent with the Queensland Health strategic directions. In Queensland Health, risks are defined as the chance of anything happening that will have an impact upon our ability to achieve the mission of: Promoting a healthier Queensland through five strategic intents. **Healthier staff** - Our intent is to optimise staffing levels, provide staff with the right knowledge and skills, and provide an environment that values their experience and which supports positive ideas to drive innovation, creativity and health enhancements. **Healthier people and communities** - Our intent is to increase our focus on promoting healthier lifestyles and environments for individuals, families and communities, and improve the community-based management of chronic disease. **Healthier hospitals** - Our intent is to ensure our hospitals provide high quality, equitable acute and emergency care, integrated with enhanced community-based services. **Healthier partnerships** - Our intent is to work with others to harmonise programs and activities that impact on health. **Healthier resources** - Our intent is to employ our finite health resources to

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maximum advantage.

Risks in this context include both opportunities and threats (hazards/ vulnerabilities).

Queensland Health Integrated Risk Management is based on the following seven principles:

Principle 1:
Risk Management as an integral part of health care governance
Risk management is an integral component of effective health care governance and builds upon transparent and accountable processes that integrate clinical and corporate governance. In Queensland Health, risk management is applied to the development and implementation of policy, plans, future directions and health service delivery strategies aimed at the delivery of effective and efficient health care services.

Principle 2:
Executive and management commitment to risk management
The executive and management of Queensland Health are committed to the active management of all risks in a systematic way in order to enhance the provision of a comprehensive health system as "one organisation". The risk management process contributes to the identification of priorities and to the effective allocation of resources in that funding is allocated to areas with a view to reducing risk exposures and to seize opportunities to improve performance.

Principle 3:
Culture of managing risks
All employees and staff manage risk and participate in the risk management process. It is also a part of health services to encourage employees and all other persons to minimise risks to their own health and well being.

Principle 4:
Formal process for review and monitoring of risks
Formal mechanisms for review and monitoring of risks are implemented to measure and benchmark the effectiveness of risk management strategies to improve performance within Corporate Office areas, Zones, Health Service Districts, and Statewide Services.

Principle 5:
Reporting of risk management processes
Risk management incorporates systems that communicate and report on risks that have been identified using, for example, incident and/or complaints management processes. Risk analysis, evaluation, prioritisation and treatments are an integral part of the process.

Principle 6:
Management of all risks to an acceptable level
All risks can not be removed. The aim of risk management is to manage risks to a tolerable or acceptable level.

	Principle 7: *Seizing of opportunity* Risk management enables Queensland Health to take advantage of opportunities. This is achieved by enhancing performance through the management of risks based on informed decision-making, realistic and measurable objectives, and evaluated outcomes.
Scope and Application	All Queensland Health *employees* (permanent, temporary and casual), its agents, Visiting Medical Officers and other partners in care, contractors, consultants and volunteers.
Effective date	June 2004
Supersedes	Policy No. 13355 (20 February 2002)
Compliance	Risk Management is applicable to all Government Departments, within the scope of the provisions of the *Financial Administration and Audit Act 1977* and the *Financial Management Standard 1997*. This Policy aims to comply with the Auditor-General's Parliamentary reports: Corporate Governance Beyond Compliance, Audit Report No 7, 1998 and Report No 1, 2001 - 02.
Review cycle and responsibilities	The Risk Management Coordinator will initiate a review of this policy at least every twelve months from the date of issue.
Further information	Any specific issues or questions relating to the *Queensland Health Integrated Risk Management Policy* should be referred to the Queensland Health, Risk Management Coordinator.

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Policy Title	Queensland Health Integrated Risk Management Policy
Scope and Application	All Queensland Health *employees* (permanent, temporary and casual), its agents, Visiting Medical Officers and other partners in care, contractors, consultants and volunteers.
Effective date	June 2004
Supersedes	Policy No. 13355 (20 February 2002)
Compliance	Risk Management is applicable to all Government Departments, within the scope of the provisions of the *Financial Administration and Audit Act 1977* and the *Financial Management Standard 1997*. This Policy aims to comply with the Auditor-General's Parliamentary reports: Corporate Governance Beyond Compliance, Audit Report No 7, 1998 and Report No 1, 2001 - 02.
Review Cycle and Responsibilities	The Risk Management Coordinator will initiate a review of this policy at least every twelve months from the date of issue.
Legislation and Associated Documentation	Financial Administration and Audit Act 1977 Financial Management Standard 1997
Corporate Office file	0001-0010-036

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COMPLIANCE AND RESPONSIBILITIES

Role/Function	Responsibilities and Specific Accountabilities
Director-General	The Director-General is accountable for the department's functions and operations. That includes the establishment and maintenance of suitable systems of internal controls and risk management as part of effective governance framework. The Director-General is supported by the roles/positions below to ensure that Queensland Health has in place a system for risk management that provides for: • Assessing the nature and extent of the risk associated with the agency's operations • Deciding an acceptable level of risk • Deciding the way to treat the risks • Monitoring and reporting the level of risk exposure and • Evaluating the need for insurance. *(Financial Management Standard: Part 5, Division 5, S84)*
Deputy Director-General, Policy and Outcomes	The primary duties of this role include: • Driving the key strategic frameworks and processes in Queensland Health to ensure that information and business management reforms, health services reforms and capital development strategies are implemented to meet government and corporate priorities. • To provide leadership and direction over corporate and strategic planning and policy development functions in order for Queensland Health to achieve its objectives. This includes the development of appropriate monitoring and evaluation strategies to ensure the achievement of desired outcomes, priorities and targets. • Providing leadership over all areas of responsibilities in a manner consistent with Queensland Health's vision and core values. The position is responsible for the overall risk management within the Policy and Outcomes Division. This includes line management accountability and reporting. Therefore, this position is responsible for the ongoing development of the risk management policy and framework that promotes a systematic and integrated approach to risk management across clinical and corporate services. The Deputy Director-General chairs the Risk Management Advisory Committee.
General Manager, Health Services	The primary duties of this role include: • Providing leadership over all areas of responsibilities in a manner consistent with Queensland Health's Vision and core values. • Resolving emergent situations regarding the provision of health services and the distribution of resources. • Ensuring the delivery of specific health outcomes, priorities and targets through service agreements negotiated with health service providers, particularly from the non-government sector. This position also ensures the development of disaster management plans for Queensland Health. The position is responsible for the overall risk management within the Health Services Division. This includes line management accountability and reporting.

Role/Function	Responsibilities and Specific Accountabilities
Chief Health Officer	The primary duties of this position include: • Provide high level / strategic advice to the Minister, Director-General and other senior executives of Queensland Health in relation to the delivery of public health services, the health status and health risks of the Queensland population and on clinical issues, clinical risk management and adverse outcomes. • Develop, implement and maintain appropriate mechanisms for licensing of Private Health Establishments to ensure their ongoing compliance with legislation. • Manage the resources and operations of the Office of the Chief Health Officer according to contemporary business and public sector management principles and practices to ensure cost-effectiveness and the provision of high quality services to clients, consistent with Queensland Health's vision and core values. Therefore this positions is responsible for ensuring the application of the management of risk: • In the provision of advice on clinical risk management and adverse outcomes • The application of mechanisms for licensing Private Health Establishments within the operations of the Office of the Chief Health Officer.
Queensland Health Risk Management Advisory Committee	The role of the Risk Management Advisory Committee (RMAC) is to advise Queensland Health Strategy Performance and Finance (SPF) Committee on: • The ongoing development, embedding and maintenance of Integrated Risk Management systems that form a part of an effective governance framework and inherent controls. • Organisation-wide risk exposure, risk treatments and risk priorities having regard to the Queensland Health strategic imperatives and funding constraints. The Functions and Responsibilities are detailed in it's Terms-of-Reference.
Risk Management Coordinator	The roles and responsibilities of this position include the ongoing development and maintenance of: • The Risk Management Coordinator provides secretariat function to the Risk Management Advisory Committee. • The Integrated Risk Management Policy for Queensland Health. • The responses to specific risk management needs in consultation with the Health Services Division, Policy and Outcomes Division, Office of the Chief Health Officer and Audit and Operational Review Branch. • Pro-active risk management educational and communication plan. • Integrated Risk Management Information System that facilitates analysis of risks across management structures. This includes links to other related data collection systems such as incident, complaints and coronial data management.
Director, Audit and Operational Review	The principal responsibilities for this position include: • Providing an independent review and appraisal of all department operations. • Providing an advisory service to promote and improve internal controls, accountability and operational efficiency. • Providing authoritative advice and counsel to the Director-General and senior management on any matters affecting the delivery of health services. This position is also responsible for an independent review and appraisal of the department's compliance with this policy.

added.

Role/Function	Responsibilities and Specific Accountabilities

Zonal Managers, District Managers, State Managers, Branch Directors, Manager, Procurement Strategy Unit, Statewide Health and Non-Government Services, Executive Manager, Executive Support Services.	These positions are responsible for:
	• The Integrated Risk Management within their area or responsibility.
	• Ensure that all employees are aware of and comply with the Queensland Health's Integrated Risk Management Policy.
	• Maintaining area wide risk registers.
	• Risks are managed within their area responsibility and communicated within established reporting structures.
	• Implement the Departmental Integrated Risk Management process:
	  1. As a part of the annual development and review of business plans and objectives
	  2. For any new project or revision of existing project
	  3. As part of any new or revised allocation of significant financial (incl. capital) and/or human resources
	• Risk reporting (inc. risk registers) to the Risk Management Coordinator, secretariat of the Queensland Health Risk Management Advisory Committee, on risks that:
	  1. Have the potential to be or are strategic in nature
	  2. Require coordination between responsibility areas within Queensland Health or between departments and/or
	  3. Have a serious consequential impact (eg sentinel events)

Managers / Supervisors	These positions are responsible for:
	• Ensure that all employees are aware of and comply with the Queensland Health's Integrated Risk Management Policy.
	• Ensuring that risks are monitored and reviewed within their areas of responsibility and communicated within established reporting structures.
	• Risk reporting to their local management groups on risks that:
	  1. Have the potential to have an impact on their local operations
	  2. Require coordination between areas
	  3. Have a serious consequential impact (eg sentinel events)

Employees	All employees must comply with the Queensland Health Integrated Risk Management Policy and adhere to any authorised risk management treatment and control strategies.

(handwritten margin notes: "amended but similar to 2002 policy", "new", "more specific re who to report to", "added")

The Risk Management Process consists of 7 steps:

1. Establish the context
2. Identify the risks
3. Analyse the Risks
4. Evaluate the Risks
5. Treat the Risks
6. Continually Monitor and Review
7. Communicate and Consult

Integrated Risk Management Analysis Matrix (consisting of Consequence and Likelihood Tables, and Risk Matrix)

Consequence Table		Degree of Severity				
Type of Consequences		NEGLIGIBLE	MINOR	MODERATE	MAJOR	EXTREME
Adverse Clinical Incident	C	No injury or harm caused, minor adjustment to operational routine	Minimal harm caused, minor interruption to routine	Loss of function, major harm caused	Loss of life	Multiple deaths
Outrage/Damage to Reputation	O	Minimal adverse local publicity	Significant adverse local publicity	Significant adverse statewide publicity	Significant and sustained statewide adverse publicity	Sustained national adverse publicity, Queensland Health's reputation significantly damaged
Litigation	L	Potential exposure to Queensland Health	Minor exposure to Queensland Health	Exposure will result in a single claim	Claims greater than $500,000 or multiple claims resulting from single exposure	Claims greater than $1M or multiple claims resulting from multiple similar exposures
Disruption to Established routines/ Operational delivery (may include industrial action, power failure, natural or man-made disaster, etc)	D	No interruption to service	Some disruption manageable by altered operational routine	Disruption to a number of areas within a location or district, possible flow on to other locations	All operational areas of a location or district compromised, other locations or districts are affected	Total system dysfunction and/or total shut-down of operations
Staff Morale (may include absenteeism, establishment)	SM	Staff dissatisfaction within local unit. No effect on services or programs	Alteration to routine practice required in local area or district	Disruption spreads across services or programs	Disruption spreads to routine practice statewide	Statewide cessation of service or programs
Workplace Health & Safety	H	No injury / illness - no time lost, minor adjustment to operational routine	Injury / illness – lost time of less than 4 days	Serious injury / illness eg more than 4 days lost, or an event which is notifiable.	Fatality	Multiple fatalities
Security (may include major fraud/theft, IT failure, security breach at secure facility)	S	Event noted by local staff to management, no changes to routine required	Monitored by local staff, some effect on routine operations	Reportable event some threat to program / service that requires investigation and review	Major event threatens program / service across the wider organisation	Extreme event affecting organisations ability to continue program / service
Environmental Impact	E	No lasting detrimental effect on the environment	Local detrimental effect on the environment	Short term local detrimental effect	Long term detrimental effect (eg significant discharge of pollutant)	Extensive detrimental long term effect (eg extensive discharge of persistent hazardous pollutant)

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Consequence Table	Degree of Severity					
Type of Consequences		**NEGLIGIBLE**	**MINOR**	**MODERATE**	**MAJOR**	**EXTREME**
Workforce Issues (may include recruitment and retention, capability)	**W**	No effect on services or programs	Some effect on specific service or program alterations to routine practice required	Restrictions to service or program availability within a location or district, with possible flow on to other locations	Cessation of service or program of a location or district, which could impact other locations or districts	Statewide cessation of a program or multiple programs
Operational Management	**OM**	No impact on local operations	Minor impact on local operations	Moderate to long-term impact on wider operations	Major impact on operations across other areas of organisation	Cessation of some operations
Corporate Management	**M**	Local management review	Management review on broader basis	Local executive management review	Zonal / Branch / whole services management review	Statewide management review
Financial (anything that has the potential to cost the organisation as a whole or any unit thereof, money)	**F**	~ 1% of monthly / cost centre budget	~ 2% of monthly / cost centre budget	~ 5% of monthly / cost centre budget	~ 10% of monthly / cost centre budget	~ 15% of monthly / cost centre budget

Explanation of Consequence Category

Negligible	The consequences are dealt with by routine operations. A budget overrun up to 1% of monthly / project budget would be of negligible consequence.
Minor	The consequences would threaten the efficiency or effectiveness of some aspects of the program but would be dealt with internally. A budget overrun up to 2% of monthly / project budget would be of low consequence.
Moderate	The consequences would not threaten the program, but would mean that the administration of the program could be subject to significant review or changed ways of operating. Budget overrun up to 5% of monthly / project budget would have moderate consequences for the organisation both financially and politically.
Major	The consequence would threaten the survival or continued effective function of the program, or require the intervention of top level management or by the elected representative/s. Budget overrun up to 10% of total monthly / project budget would have very high consequences for the organisation both financially and politically.
Extreme	The consequences would threaten the survival of not only the program, but also the organisation, possibly causing major problems for clients, the administration of the program or for a large part of the public sector. Budget overrun up to 15% of monthly / project budget would have extreme consequences for the organisation both financially and politically.

Likelihood (Probability) Table (The likelihood of the risk occurring)

Rare	May occur in exceptional circumstances only
Unlikely	Might occur at some time (not to be expected)
Possible	Could occur at least once (capable of happening / foreseeable)
Likely	Is expected to occur occasionally (to be expected)
Almost certain	Is expected to occur frequently (in most circumstances)

Risk Matrix (The risk matrix combines consequences and likelihood resulting in a level of risk.)

Consequences

Likelihood	Negligible	Minor	Moderate	Major	Extreme
Rare	Low	Low	Low	Medium	High
Unlikely	Low	Medium	Medium	High	
Possible	Low	Medium	High		
Likely	Medium	High			
Almost certain	Medium				

Legend:

Low risk	Manage by routine procedures, unlikely to need specific application of resources
Medium risk	Manage by specific monitoring or response procedures
High risk	Senior executive management attention needed and management responsibility specified
Very high risk	Detailed research and management planning required at a senior level
Extreme risk	Immediate action required, senior management will be involved, preparation of detailed plan

Actions:
- All high, very high and extreme risks are considered notifiable and must be reported to your line manager immediately.
- All notifiable events (as per local policy or procedure) must be reported as directed.
- All incidents including near misses must be reported and recorded.
- The risk assessment process is applicable to all processes and levels within the organisation.

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REPORTING

1. Each accountability area will report very high and extreme risks to their appropriate line management.

2. Each accountability area will provide at least a quarterly download of their Risk Register to the Risk Management Coordinator.

3. Each accountability area will report to the Risk Management Coordinator, risks that are or have the potential to:

   - Be strategic in nature

   - Require coordination between accountability areas within Queensland Health or between departments of Queensland Government

   - Have a risk rating of "very high" or "extreme"

   more specific than 2002.

4. The Risk Management Coordinator will provide regular reports on risk exposures and risk management strategies and activities to the Queensland Health Risk Management Advisory Committee.

5. The Risk Management Coordinator will also collect and process information to the Risk Management Advisory Committee on key risk areas such as those identified by the Risk Management Advisory Committee. These shall include:

   - Fraud

   - Insurance

   - Incident analysis (Patient and Staff)

   - Other

6. The Risk Management Coordinator will monitor key risk strategies.

   more specific than 2002

GLOSSARY AND DEFINITIONS

Risk Management is the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects in order to improve the health and wellbeing of Queenslanders.

Integrated Risk Management is the systematic application of the risk management process in all activities undertaken at all levels of the organisation. The term also refers to the integration of clinical and non-clinical risks resulting in a total risk profile and action plan.

Risk Management Process is the systematic application of management policies, procedures and practices to the tasks of establishing the context, identifying, analysing, evaluating, treating, monitoring and communicating risk.

Risk Management Context is defining the relationship between Queensland Health and its environment, identifying Queensland Health's strengths, weaknesses, opportunities and threats. The context includes the financial, operational, competitive, political (public perceptions/image), social, client, cultural and legal aspects of Queensland Health's functions.

Corporate Governance is a term referring to the manner in which Queensland Health is directed, controlled and accountable for the achievement of its strategic goals and operational objectives. Corporate Governance ensures a high standard of accountability at all levels of the organisation including Corporate Office, Zones, Health Service Districts and facilities. Public sector corporate governance focuses on delivering cost-effective services and implementing programs and reforms in accordance with Government legislation and policies.

Clinical Governance refers to the corporate mechanisms through which Queensland Health is accountable for clinical performance. These do not replace but are additional to professional self-regulation and individual accountability for clinical judgment that are an integral part of health care.

Health Care Governance is a concept of governance that is peculiar to health care sector. It is based on the realisation that effective and efficient delivery of health care services is impaired in the absence of effective integration of the concepts of both, corporate governance and clinical governance.

Risk Management Framework is the structure within Queensland Health that supports the risk management reporting and responsibilities and accountabilities of line management within Corporate Office and the Health Service Districts. Therefore the Risk Management Framework is a description of streams of accountability and reporting that will support the Risk Management Process within existing Organisational structures.

Accountability areas are Statewide Services, Branches, Health Service Districts, Zonal Management Units, Office of the Chief Officer, Audit and Operational Review, Procurement Strategy Unit, Statewide Health and Non-Government Services Unit and Office of the Director General.

Streams of Accountability describe the lines of accountability within the major areas of Queensland Health. These major areas are accountable for and report on areas of service or service support. This enables the risk process to be applied within current structures of Queensland Health.

Risk communication and consultation is any two-way dialogue between stakeholders about the existence, nature, form, severity or acceptability of risks.

REFERENCES

Standards Australia, Australian and New Zealand Standard AS/NZS 4360:2004 - Risk Management
Standard Australia, Guidelines for Managing Risk in the Healthcare Sector HB 228:2001
Standard Australia, Guide to Controls Assurance and Risk Management HB 254:2003

Queensland Government

Queensland **Health**

QUEENSLAND HEALTH POLICY STATEMENT

Policy Title	**Queensland Health Integrated Risk Management Policy**
Policy Statement	Queensland Health executives are required to adopt and implement the Risk Management directives contained within the *Financial Management Standard*, and as outlined in the Auditor-Generals Report to Parliament – Corporate Governance Beyond Compliance Audit Report No 7, 1998 and the Auditor-General of Queensland Report No 1, 2001 - 02. Queensland Health's vision is to be an organisation where corporate governance reflects vision, integrity, transparency and accountability and promotes risk management, continuous improvement and performance management. All employees of Queensland Health must be aware of, and comply with, Queensland Health's application and interpretation of these directives.
Principles	Queensland Health is dedicated to establishing an organisational philosophy and culture that ensures risk management is an integral part of all activities. The purpose of risk management in Queensland Health is the achievement of the organisation's objectives, supporting the key strategic directions of Addressing the Burden of Disease, Improving Indigenous Health and Balancing the Investment in Health. The application of risk management will provide a systematic process to ensure that all internal systems promote evidence-based strategies thereby directed to deliver optimal outcomes in line with these strategic directions. In Queensland Health, risks are defined as the chance of anything happening that would have an negative impact upon our ability to: • Help Queenslanders to better health and well-being and • Provide high quality health care in terms of access, effectiveness, efficiency, appropriateness and safety. This includes both opportunity and hazards. Queensland Health will actively participated in the development and implementation of Integrated Risk Management that is based on the following seven principles. *Principle 1:* ***Risk Management as an integral part of health care governance*** Risk Management is an integral component of effective Corporate Governance and builds upon transparent and accountable processes consistent with sound business practice. In Queensland Health, Risk Management will be applied to the development and implementation of policy, plans, future directions and health service delivery. *Principle 2:* ***Executive and management commitment to risk management*** The executive and management of Queensland Health commit to the active management of risks in a systematic way to enhance the provision of a comprehensive health system by "one organisation". The risk management

process aides the identification of priorities and the allocation of resources in that funding is allocated to areas to reduce exposure or seize opportunities.

Principle 3:
Culture of managing risks
All employees and staff manage risk and participate in the risk management process. It is also a part of health services to encourage employees and staff to minimise risks to their own health and well being.

Principle 4:
Formal process for review and monitoring of risks
Formal mechanisms for review and monitoring risks are implemented to measure and benchmark the effectiveness of risk management within Corporate Office, Health Service Districts, Zones and Statewide Services.

Principle 5:
Reporting of risk management processes
Risk Management incorporates systems that communicate and report on risks that have been identified. Risk analysis, evaluation, prioritisation and treatment are integral to the process.

Principle 6:
Management of all risks to an acceptable level
Treatment of risks aims to manage the risks at a tolerable or acceptable level. All risks can not be removed and it is the aim of risk management to manage risks to a defined limit.

Principle 7:
Seizing of opportunity
Risk Management allows Queensland Health to take advantage of opportunities to achieve improved results by ensuring that the management of any risk is based on informed decision-making, realistic and measurable objectives and analysis of outcomes.

Scope and Application	All Queensland Health *employees* (permanent, temporary and casual) and its *agents* including Visiting Medical Officers and other partners in care, contractors, consultants and volunteers who participate in decisions, planning and the allocation of resources.
Effective date	February 2002
Supersedes	New Policy
Compliance	Integrated Risk Management is applicable to all Government Departments, within the scope of the *Financial Management Standard 1997* thus all agencies are required to adopt and implement a systematic approach to risk management.
Review cycle and responsibilities	The Risk Management Coordinator will initiate a review of this policy at least every twelve months from the date of issue.
Further information	Any specific issues or questions relating to the *Queensland Health Integrated Risk Management Policy* should be referred to the Risk Management Coordinator by phone on (07) 323 41724.

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QUEENSLAND HEALTH INSTRUCTION
to Policy Statement No. 13355

Policy Title	Queensland Health Integrated Risk Management Policy
Scope and Application	All Queensland Health *employees* (permanent, temporary and casual) and its *agents* including Visiting Medical Officers and other partners in care, contractors, consultants and volunteers who participate in decisions, planning and the allocation of resources.
Effective date	
Supersedes	New Policy
Compliance	Integrated Risk Management is applicable to all Government Departments, within the scope of the *Financial Management Standard 1997* thus all agencies are required to adopt and implement a systematic approach to risk management.
Review Cycle and Responsibilities	The Risk Management Coordinator will initiate a review of this policy at least every twelve months from the date of issue.
Legislation and Associated Documentation	Financial Administration and Audit Act 1977 Financial Management Standard 1997
Corporate Office file	0001-0010-036

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COMPLIANCE AND RESPONSIBILITIES

Role/Function	Responsibilities and Specific Accountabilities
Director-General	Ultimately, the Director General is accountable/responsible for the operation of the Department that includes the establishment and maintenance of suitable systems of internal control and risk management. The Director-General is supported by the roles/positions below in ensuring that Queensland Health implements a system for risk management that includes • Assessing the nature and extent of the risk associated with the agency's operations • Deciding an acceptable level of loss • Deciding the way to treat the risk • Monitoring and reporting the level of risk exposure and • Evaluating the need for insurance. *(Financial Management Standard: Part 5, Division 5, S84)*
Queensland Health Audit and Risk Management Committee	The Queensland Health Audit and Risk Management Committee (QHARMC) is the coordinating group for risk management and provide reports and recommendations to the Director-General on risk management in Queensland Health. The committee is responsible for: 1. Maintaining the Integrated Risk Management Framework 2. Monitoring compliance with the risk management process 3. Endorsing a culture in Queensland Health that is risk aware 4. Instituting a reporting process to the QHARMC of • Each accountability area implementation of the process component of the risk management framework • Performance of significant liabilities such as workers compensation and Queensland Health Insurance • Activities on major risks facing each accountability area which includes ensuring that appropriate risk treatments are in place. 5. Reviewing risks that are related to the whole of Queensland Health. *(Integrated Risk Management for Clinical and Corporate Services Framework)*

Role/Function	Responsibilities and Specific Accountabilities
Risk Management Coordinator (Temporary Position until June 2003)	The roles and responsibilities of this position include: • Scope, design and develop an Integrated Risk Management framework for Queensland Health within a Corporate Governance framework covering clinical and corporate services. • Undertake baseline risk assessment studies across Queensland Health to ascertain current data collection methods and systems, standards in use, forms, analysis undertaken, outcomes, previous reviews on Risk Management and the status of other related quality improvement programs. • Develop and implement the specific requirements for the Queensland Health Integrated Risk Management Policy, Strategy and Planning framework in conjunction with officers from Health Services Division, Policy and Outcomes Division, Office of the Chief Health Officer and Audit and Operational Review Branch. • Develop and implement a responsive and pro-active educational and communication plan with early emphasis on co-ordination with other QIEP programs. • Develop and implement the operational Risk Management framework into Health Services Division, Policy and Outcomes Division, Office of the Chief Health Officer and Audit and Operational Review Branch. • Develop and implement an Integrated Risk Register through a feasibility study of options that recognise the current investment in technology, including web based solutions that minimises data entry, duplication and facilitates analysis of Risks across the management structure, with links to other related data collection systems. • Develop and implement a Risk Treatment, Transfer and Financing strategy.
Deputy Director-General, Policy and Outcomes	The primary duties of this role includes • Driving the key strategic frameworks and processes in Queensland Health to ensure that information and business management reforms, health services reforms and capital development strategies are implemented to meet government and corporate priorities. • To provide leadership and direction over corporate and strategic planning and policy development functions in order for Queensland Health to achieve its objectives. This includes the development of appropriate monitoring and evaluation strategies to ensure the achievement of desired outcomes, priorities and targets. • Providing leadership over all areas of responsibilities in a manner consistent with Queensland Health's Vision and core values. Therefore this position is responsible for the overall development of the risk management policy and framework that promotes a systematic and integrated approach to risk management across clinical and corporate services.

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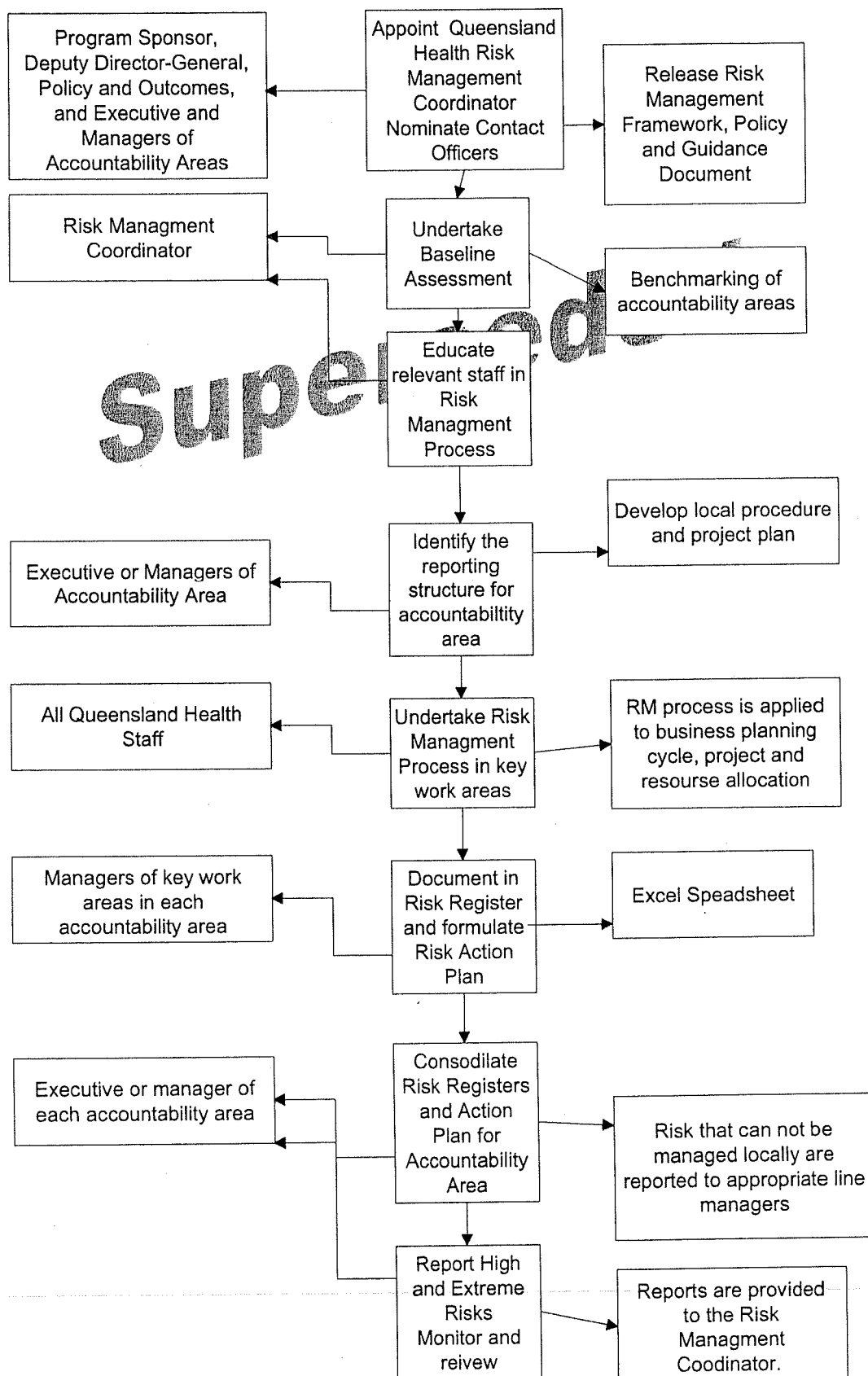| Role/Function	Responsibilities and Specific Accountabilities
General Manager, Health Services	The primary duties of this role includes • Providing leadership over all areas of responsibilities in a manner consistent with Queensland Health's Vision and core values. • Resolving emergent situations regarding the provision of health services and the distribution of resources. • Ensuring the delivery of specific health outcomes, priorities and targets through service agreements negotiated with health service providers, particularly from the non-government sector. This position also ensures the development of disaster management plans for Queensland Health Therefore this position is responsible for the overall implementation of the risk management framework within the Health Services Division and ensures that line management accountability and reporting of the management of risks within the division occurs. The position is also responsible for a risk management approach to be taken in relation to the development, monitoring and review of service agreements.
Chief Health Officer	The primary duties of this position includes: • Provide high level / strategic advice to the Minister, Director-General and other senior executives of Queensland Health in relation to the delivery of public health services, the health status and health risks of the Queensland population and on clinical issues, clinical risk management and adverse outcomes. • Develop, implement and maintain appropriate mechanisms for licensing of Private Health Establishments to ensure their ongoing compliance with legislation. • Manage the resources and operations of the Office of the Chief Health Officer according to contemporary business and public sector management principles and practices to ensure cost-effectiveness and the provision of high quality services to clients, consistent with Queensland Health's vision and core values. Therefore this positions is responsible for ensuring the application of the management of risk • In the provision of advice on clinical risk management and adverse outcomes • The application of mechanisms for licensing Private Health Establishments • Within the operations of the Office of the Chief Health Officer.
Director, Audit and Operational Review	The principal responsibilities for this position include: • Providing an independent review and appraisal of all department operations. • Providing an advisory service to promote and improve internal controls, accountability and operational efficiency. • Providing authoritative advice and counsel to the Director-General and senior management on any matters affecting the delivery of health services.

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Role/Function	Responsibilities and Specific Accountabilities

Zonal Managers, District Managers, State Managers, Branch Directors, Manager, Procurement Strategy Unit, Statewide Health and Non-Government Services, Executive Manager, Executive Support Services,.	These positions are responsible for:
	• The implementation of the Integrated Risk Management Framework within their area or responsibility
	• Ensuring all relevant employees are aware of, and comply with, Queensland Health's interpretation of the policies, principles and directives contained within the Integrated Risk Management Policy
	• Maintaining area wide risk registers that contain identified risks and risk action plans
	• Ensuring that risks are managed within their area and that risks that are high and serious are reported to the General Manager, Health Services or the Deputy Director-General, Policy and Outcomes.
	• Ensuring reports are provided to the QHARMC on risks that:
	  1. Have the potential to be or are strategic in nature
	  2. Require coordination between responsibilities areas within Queensland Health or between departments and/or
	  3. Have a serious consequential impact.

Managers / Supervisors	These positions are responsible for: • Ensuring all relevant employees are aware of, and comply with, Queensland Health's interpretation of the policies, principles and directives contained within the Integrated Risk Management Policy • Ensuring that risks are monitored, reviewed and communicated to relevant areas in the Department.
Employees	All staff are required to be aware of and comply with Queensland Health's interpretation of the policies, principles and directives contained within this policy.

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Sponsor: Deputy Director-General, Policy and Outcomes
Issued by: Health Systems Strategy Branch
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IMPLEMENTATION PROCESS

A risk register and risk action plan will be in place in each Branch, Statewide Service, and Health Service District. Also, risk registers and risk action plans will be in place in the Office of the Director-General (which includes Executive Support Services), the Office of the Chief Health Officer and Audit and Operational Review Branch, Zonal Management Units, Procurement Strategy Unit and Statewide Non-Government Health Services Unit. For the remainder of this document, these areas will be referred to as 'accountability areas'.

1. Each accountability area will assign a contact officer to liase with the Risk Management Coordinator to develop the specific requirements of that area for the implementation of risk management. This will include the education and support requirements to implement the risk management process and a base line assessment of risk management.

2. The outcomes of the implementation of the Integrated Risk Management Framework will be the comprehensive and systematic application of the Risk Management Process to all Queensland Health's activities.

3. Each accountability area will develop a project plan for the implementation of risk management. The outcomes of the accountability area implementation will be:

   - That the executive or manager of the accountability area will accept responsibility

   - That the Integrated Risk Management Policy and Framework is communicated to all staff.

   - The development of local procedures ensure that the risk management process is applied

   - The implementation of a reporting system within identified management structures.

   - Regular monitoring and review processes to evaluate identified risks and identify potential new risks and to evaluated the implemented risk treatment plans.

   - Ensure up to date disaster recovery plan, business continuity plans and risk recovery plans where indicated.

4. Each accountability area will undertake the risk management process

   - As part of the annual development and review of business plans and objectives

   - For any new or revised project

   - As part of the new or revised allocation of significant resources – financial, human or capital.

Responsibilities	Step	Qualifying Remarks

Program Sponsor, Deputy Director-General, Policy and Outcomes, and Executive and Managers of Accountability Areas ← Appoint Queensland Health Risk Management Coordinator Nominate Contact Officers → Release Risk Management Framework, Policy and Guidance Document

Risk Managment Coordinator ← Undertake Baseline Assessment → Benchmarking of accountability areas

Educate relevant staff in Risk Managment Process

Develop local procedure and project plan

Executive or Managers of Accountability Area ← Identify the reporting structure for accountabiltity area

All Queensland Health Staff ← Undertake Risk Managment Process in key work areas → RM process is applied to business planning cycle, project and resourse allocation

Managers of key work areas in each accountability area ← Document in Risk Register and formulate Risk Action Plan → Excel Speadsheet

Executive or manager of each accountability area ← Consodilate Risk Registers and Action Plan for Accountability Area → Risk that can not be managed locally are reported to appropriate line managers

Report High and Extreme Risks Monitor and reivew → Reports are provided to the Risk Managment Coodinator.

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Reporting

1. Each accountability area will report very high and extreme risks to their appropriate line management.

2. Each accountability area will provide a quarterly down load of the Risk Register (Excel Spreadsheet) to the Risk Management Coordinator. However, during the implementation phase of the Integrated Risk Management Framework access to risk registers may occur on a more frequent basis.

3. Each accountability area will report to the Risk Management Coordinator, risks that are or have the potential to:

   • Be strategic in nature

   • Require coordination between accountability areas within Queensland Health or between departments

   • Have a risk rating of "very high" or "extreme".

4. The Risk Management Coordinator will provide to the Queensland Health Audit and Risk Management Committee a report on each accountability areas risk register and the status of the implementation of the Integrated Risk Management Framework.

GLOSSARY, DEFINITIONS, REFERENCES

Risk Management is the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects in order to improve the health and wellbeing of Queenslanders.

Integrated Risk Management is the systematic application of the risk management process in all activities undertaken at all levels of the organisation. The term also refers to the integration of clinical and non-clinical risks resulting in a total risk profile and action plan.

Risk Management Process is the systematic application of management policies, procedures and practices to the tasks of establishing the context, identifying, analysing, evaluating, treating, monitoring and communicating risk.

Risk Management Context is defining the relationship between Queensland Health and its environment, identifying Queensland Health's strengths, weaknesses, opportunities and threats. The context includes the financial, operational, competitive, political (public perceptions/image), social, client, cultural and legal aspects of Queensland Health's functions.

Corporate Governance is a term broadly referring to the manner in which Queensland Health is directed, controlled and accountable for the achievement of its strategic goals and operational objectives. Corporate Governance ensures a high standard of accountability at all levels of the organisation including Corporate Office, Zones, Health Service Districts and facilities. Public sector corporate governance focuses on delivering cost-effective services and implementing programs and reforms in accordance with Government legislation and policies.

Risk Management Framework is the structure within Queensland Health that supports the risk management reporting and responsibilities and accountabilities of line management within Corporate Office and the Health Service Districts. Therefore the Risk Management Framework is a description of streams of accountability and reporting that will support the Risk Management Process within existing organisational structures.

Accountability areas are Statewide Services, Branches, Health Service Districts, Zonal Management Units, Office of the Chief Officer, Audit and Operational Review, Procurement Strategy Unit, Statewide Health and Non-Government Services Unit and Office of the Director General.

Streams of Accountability describe the lines of accountability within the major areas of Queensland Health. These major areas are accountable for and report on areas of service or service support. This enables the risk process to be applied within current structures of Queensland Health.

Risk communication and consultation is any two-way dialogue between stakeholders about the existence, nature, form, severity or acceptability of risks.

References

Standards Australia, Australian and New Zealand Standard 4360:1999 - Risk Management
Standard Australia, Guidelines for Risk Management in Health Care HB228: 2001
Queensland Health Integrated Risk Management Framework for Clinical and Corporate Services
Guidance Document - Queensland Health Integrated Risk Management for Clinical and Corporate Services Program
Queensland Health Integrated Risk Management Analysis Matrix
Queensland Health Risk Register and Action Plan Format