



RISK MANAGEMENT POLICY

Wide Bay Respite Services

Wide Bay Respite Services

Supporting the caring roles of families



Risk Management Policy

PURPOSE:

Wide Bay Respite Services identifies and manages risks in a systematic and cost effective manner

Rationale:

A risk is the possibility or likelihood of something happening which may have a negative impact on the organisation's capacity to deliver on its strategic and operational plans.

Risk management is the process which is used to avoid, reduce or control risks.

Action:

Types of risks

Examples of risks include:

- ❖ client dissatisfaction with service delivery
- ❖ harm caused to management committee, staff, volunteers, clients or the public
- ❖ loss of government funding
- ❖ equipment
- ❖ inadequate allocation of resources, e.g. human, physical and financial
- ❖ financial mismanagement
- ❖ fraud
- ❖ breaches of confidentiality
- ❖ service disruption or closure.

Why manage risks?

- Risk management is a fundamental part of sound organisational management.
- The organisation will not be able to eliminate all risks but they can take active steps to prevent or minimise the likelihood level and impact of risk by completing a Risk Management Form for any and all deemed risks.
- By managing risks, the organisation is better placed to:
 - protect the safety and well-being of staff, volunteers, clients and visitors
 - provide efficient and effective service delivery
 - manage and maintain facilities and equipment

Wide Bay Respite Services

Supporting the caring roles of families



- improve confidence and public perception of the organisation
- operate within the allocated budgets
- protect or reduce likelihood of legal action
- comply with legislative or funding requirements.

Responsibilities for risk management

- All employees and management and Board Members are responsible for identifying, reporting and managing risks.
- Management will review and sign off the Risk Management Policy.
- The Manager and Coordinator are accountable for implementing and maintaining sound risk management processes in their work areas. This includes creating a culture and environment in which employees are encouraged and supported to identify and manage risks.

Process

Risk management process

Step 1 Analyse the context

- Consider the environment in which the organisation operates to establish the boundaries in which risks must be managed and guide decisions on managing risks.
- The financial, operational, competitive, political, public perception/image, social, cultural and legal aspects of the organisation's functions are all part of the risk management context.

Step 2 Identify the risks

- Identify the risks (what can go wrong) that arise from all aspects of the environment outlined in Step 1. Include:
 - community perception/image
 - political (e.g. government funding)
 - cultural
 - physical and environmental
 - financial
 - legal
 - ethical or moral.

Wide Bay Respite Services

Supporting the caring roles of families



Step 3 Evaluate the risk

High risk A high level of risk requires close monitoring and immediate action where needed as the potential loss or negative impact could be devastating to the organisation.

Medium risk A medium level risk requires normal levels of monitoring action where required, as the potential loss or negative impact could be significant.

Minor risk A low level of risk can be treated with routine policy and procedures as the potential loss or negative impact is likely to be small.

The table below summarises steps 2 and 3.

1. Probability - How likely or how often will this risk occur: rare, likely or very likely?
2. Seriousness - How serious would the consequences or the impact of the risk occurring, be on the organisation: minor, medium or major?
3. Priority - Based on the probability and the seriousness, what priority should your organisation give to managing the risk: low, medium, high? The priority assigned impacts on the action required.

Probability	Seriousness of Consequences (impact) of Risk (Minor, Medium Major)		
	Minor	Medium	Major
↓			
Rare	Low	Low	Medium
Likely	Low	High	High
Very Likely	Medium	High	High



	Priority Rating (Low, Medium or High)
--	--

Step 4 Manage the risk

- The organisation will need to determine one of the following options to manage the risk:
 - Avoid the risk. The organisation might decide on a different course of action rather than take the risk involved in the original course of action.
 - Transfer the risk. The organisation might shift responsibility for the risk to another person or organisation (e.g. take out insurance against the risk).
 - Reduce the risk. The organisation might reduce the likelihood or consequences of the risk by adopting a strategy such as regular training, progress reporting on major activities or auditing risk management procedures on a regular basis.
 - Accept the risk. If all other options are not available to the organisation, they might decide to accept the risk but put in place policies and procedures to manage it.
 - The organisation then needs to develop a risk management plan. Ask:
 - What can be done about the risk?
 - How can we prevent or reduce the likelihood of the risk occurring?

Step 6 Monitor and Review

- Regularly monitor and evaluate the strategies used to manage risk.
- Risks do not remain the same. The environmental context changes and other factors have an impact.

Ways to reduce risks

- Develop and implement good strategic/operational planning, financial management and community engagement processes.
- Develop and monitor good risk reducing policy and procedures for staff, e.g. code of conduct, project planning, critical incident reporting.
- Develop a Risk Register.
- Plan for unseen events.
- Make sure that security measures are in place.
- Develop and implement effective reporting processes.
- Check that all assets (e.g. equipment) are in safe working order.

Wide Bay Respite Services

Supporting the caring roles of families



- Develop and maintain sound financial management practices.
- Place signs, notices or instructions regarding possible risks, e.g. Wet Floor
- Make sure that facilities, utilities and equipment are maintained regularly.
- Make sure that staff receive adequate safety induction and training.
- Make sure that staff is effectively supervised.

Ratified by the Board of Management:

Date/...../.....

Circulated to staff:

Date/...../.....

To be reviewed:

Date/...../.....

Signed

Manager

Signed

President