

## National Premier Disability Services Risk Management Procedure

### Purpose

National Premier Disability Services is committed to the timely identification of risk and effective implementation of risk controls and risk management strategies. This commitment will assist National Premier Disability Services to identify potential threats to the successful achievement of our objectives and allow for additional measures to be taken to ensure our personnel and clients receive safe and great support.

### **Risk management:**

- is part of the decision-making within National Premier Disability Services business operations that assists with making informed choices, prioritising actions and distinguishing between alternate options
- supports National Premier Disability Services focus on achieving continuous improvement
- is undertaken continuously and implemented in a systematic, timely and structured way that is responsive to change. National Premier Disability Services business environment is dynamic, and few risks remain constant



### Definitions

**Risk:** The possibility of loss or injury.

**Enterprise Risk Management:** Enterprise risk management (ERM) is a framework, method and process used to manage risks and seize opportunities related to the achievement of organisational

objectives. ERM provides structure for risk management, involving identification of relevant events or circumstances where negative outcomes may occur, assessing them in terms of likelihood and outcome, identifying the controls that are in place and determining a response strategy to strengthen the controls.

**Risk Appetite:** The level of risk that National Premier Disability Services is willing to take in order to execute a strategy.

**Customer:** National Premier Disability Services is committed to be a customer centric organisation. Our broad definition of customer means we are inclusive of all people who interact or engage with us, either externally or internally. Our customers include consumers, clients, participants, patients, carers, the community, stakeholders, partners, staff, volunteers and members.

**National Premier Disability Services Personnel:** All employees (whether employed full-time, part-time, fixed term or on a casual basis), volunteers, students, contractors and sub-contractors performing work on behalf of National Premier Disability Services.

## Procedure Details

There are two components to the National Premier Disability Services Risk Management Procedure.

- Local Level Risk Management
- Enterprise Level Risk Management

Local Level Risk Management		
1	Identification of risk	Responsibility
1.1	Risks faced by National Premier Disability Services clients or personnel are identified through a variety of means including (but not limited to): <ul style="list-style-type: none"> <li>• Client assessments</li> <li>• Home visit risk assessment</li> <li>• Internal audits</li> <li>• Incidents and complaints</li> <li>• Team discussions</li> </ul>	All National Premier Disability Services Personnel
2	Reporting of risk	
2.1	Risks are escalated through the appropriate channel to be addressed by the relevant National Premier Disability Services Director.	All National Premier Disability Services Personnel
3	Managing local risks	
3.1	The identification of controls and strategies to address local level risks is completed on an individual risk basis, with support from the appropriate leadership.	Director

3.2	Documentation is completed within the appropriate database. At times this may be a consumer record, for other risks it may be RiskMan.	All National Premier Disability Services Personnel
<b>4</b>	<b>Communication and consultation regarding risks</b>	
4.1	Communication with local teams regarding relevant risks occurs at local meetings.	Director
4.2	Escalation of locally identified risks can occur at any time via Risk Man or (where means of escalation is not clear) via the National Premier Disability Services Program Lead – Quality & Risk.	Program Lead – Quality & Risk

<b>Enterprise Level Risk Management</b>		
<b>1</b>	<b>Identification of Risk</b>	<b>Responsibility</b>
1.1	The National Premier Disability Services Risk Rating Matrix and Risk Analysis Worksheets are stored centrally for all relevant personnel to access.	Director
1.2	An Organisation Risk Register is maintained as an overview of the current status which is analysed by the Director.	Director
1.3	National Premier Disability Services uses an organisation-specific Risk Rating Matrix to rate the risks identified. A modified matrix is available with lowered tolerances to suit the analysis of program or service specific risks.	Director
1.4	The National Premier Disability Services Director approves an annual 'Risk Appetite' review which articulates not only the current exposure risk of the organisation but also the appetite for risk exposure in the context of business development.	Director
1.5	The methodology of risk management is built into the National Premier Disability Services Work Health & Safety (WHS) and incident management policies and procedures. The review processes and reporting structure of the National Premier Disability Services quality systems support any opportunities for risk minimisation identified during WHS or incident investigations being reported directly through to the National Premier Disability Services Continuous Improvement Plan.	Director
<b>2</b>	<b>Risk review schedule</b>	
2.1	All National Premier Disability Services risks are reviewed in depth on an annual basis in line with an agreed review schedule. Review schedules are amended as needed with additional reviews scheduled as risks change or new risks are identified.	Director
<b>3</b>	<b>Establishing the context of risk</b>	
3.1	The risks to which National Premier Disability Services is exposed are initially established in terms of a 'Risk Category', for example 'Financial', followed by a description of the sub-risks. All risks are described simply and clearly in terms of what could possibly happen. For example, "Inability to remain financially viable".	Director
<b>4</b>	<b>Risk factors</b>	
4.1	The factors contributing to a risk are identified and described. This includes all events that could have a negative effect on the achievement of objectives, regardless of the likelihood of occurrence. <ul style="list-style-type: none"> <li>On occasion these will sound inflammatory – that's fine, they need to be worst case scenario statements.</li> </ul>	Director and Service Managers
<b>5</b>	<b>Possible effects</b>	

5.1	<p>The possible effects are what could happen as a result of the identified risk. It is essential to clearly articulate all possible effects.</p> <ul style="list-style-type: none"> <li>• What are all the things that could happen in relation to this risk?</li> </ul>	Director and Service Managers
<b>6</b>	<b>Rating the baseline risk score</b>	
6.1	<p>The inherent score is the analysis of how bad this event would be if it really did occur.</p> <ul style="list-style-type: none"> <li>• What the outcome could be if the things we've described actually happened.</li> </ul>	Director and Service Managers
<b>7</b>	<b>Key controls</b>	
7.1	<p>National Premier Disability Services has systems and processes in place to both optimise business functions and reduce the risk of negative outcomes for the business, our clients and our teams. Controls are not listed if they are 'projects', 'intentions', 'plans' etc. Controls are only listed which are:</p> <ul style="list-style-type: none"> <li>• Current activities or systems</li> <li>• Happening in real operations</li> </ul>	Director and Service Managers
<b>8</b>	<b>Rating the assessed risk score (accounting for controls)</b>	
8.1	The National Premier Disability Services Risk Matrix is then used to work out the impact of the risk given we have the above controls in place.	Director and Service Managers
8.2	The acceptability of the assessed risk score will vary for different risks depending on the organisation's risk appetite on that topic. For example, while National Premier Disability Services are expanding into new business areas we may be willing to take higher financial or operational risks than we would during times where growth is not a key priority.	
<b>9</b>	<b>Risk management strategies</b>	
9.1	<p>Areas where the control of the risk factors and possible effects is either non-existent, weak or has potential to be strengthened are targeted with risk management strategies. Many of these actions will align to work already underway.</p> <p>These strategies are activities that:</p> <ul style="list-style-type: none"> <li>• we intend to do within the near future</li> <li>• we are already working on</li> </ul> <p>We would hope that when complete, these strategies will strengthen our controls and potentially reduce the risk rating.</p>	Director and Service Managers
9.2	<p>Risk management strategies are designed using the hierarchy of control with actions aiming to:</p> <ul style="list-style-type: none"> <li>• Eliminate the situation so it cannot happen</li> <li>• Change the way we do it, so it works in a better way</li> </ul> <p>Less effective strategies can be things such as:</p> <ul style="list-style-type: none"> <li>• Training staff or writing a policy</li> <li>• Fixing the resulting problem, but not addressing the cause</li> </ul>	Director and Service Managers
9.3	<p>Many risk management strategies directly align to the National Premier Disability Services Strategic Plan. Risk management strategies which are not already articulated on the National Premier Disability Services Strategic Plan are documented on the National Premier Disability Services Continuous Improvement Plan for the purpose of tracking implementation schedules.</p>	Director and Service Managers

**References or Related Documents**

- Risk Management Policy
- Work Health Safety Policy
- Work Health Safety Procedure
- Incident Management Policy
- Incident Management Procedure

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