RISK MANAGEMENT POLICY AND PROCEDURE

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Purpose and Scope

The purpose of this policy and procedure is to set out how risks to consumers, staff and Bilingual Care are identified and managed. It applies to all staff and meets relevant legislation, regulations, and Standards.

Incident Management and Work Health and Safety:

- **'Work Health and Safety' (WHS)** are dealt with in separate policies and procedures specific to these areas.

Applicable Strengthened Aged Care Quality Standards

- *Standard 2: The Organisation*

While Standard 2 specifically focusses on risk management, Bilingual Care recognises that a risk-based approach must be embedded across the entire organisation and its services, therefore all Standards apply.

Definitions

Dignity of Risk - respecting individuals' autonomy and self-determination (or "dignity") to make choices for themselves, including those that involve risk.

Event – occurrence or change of a particular set of circumstances. An event can have one or more occurrences and can have several causes and several consequences. An event can also be expected and does not happen, or something that is not expected and does happen. An event can be a risk source.[1]

Consequence – outcome of an event affecting objectives. A consequence can be certain or uncertain, can have positive or negative direct or indirect effects on objectives[2].

Likelihood – chance of something happening.[3]

Risk - any internal or external situation or event that has the potential to have an impact (either positive or negative) on people associated with the organisation, the organisation successfully achieving its outcomes and delivering its services, the organisation's viability, or its reputation. From a Risk Management perspective, risk is the combination of the likelihood (chance) of an event occurring and the consequences (impact) if it does.

Managed Risk - the level of risk remaining after risk treatment plans have been put in place and are being followed.

[1] Risk Management – Guidelines, AS ISO 31000:2018
[2] Risk Management – Guidelines, AS ISO 31000:2018
[3] Risk Management – Guidelines, AS ISO 31000:2018

Unmanaged Risk - The level of risk before any action has been taken to manage it.

Risk Analysis - the process to understand the nature, sources and causes of risks to determine the degree of risk. The degree and consequences of risk together inform risk evaluation and decisions about risk treatment.

Risk Assessment - the overall process for identifying, analysing, and evaluating risks. Risk assessments assist in determining:

- what levels of harm can occur
- how harm can occur and
- the likelihood that harm will occur.

Risk Evaluation - The process of determining whether a risk is tolerable or whether it requires 'risk treatment'.

Risk Identification - the process of finding, recognising, and describing risks.

Risk Treatment - a measure, work process or system used to eliminate a risk, or if this is not possible, reduce the risk so far as is practicable. Options include:

Avoiding the Risk – where the level of risk is unacceptable, and the means of risk control are either not viable, not worthwhile, or not actionable, risk could be eliminated by not proceeding with the activity that could generate the risk.

Changing the Risk Consequence – undertake actions aimed at reducing the impact of the risk.

Changing the Risk Likelihood – undertake actions aimed at reducing the probability of the risk occurring.

Retaining or Accepting the Risk – Accept the risk as it is. This is appropriate where:

- it is not possible to treat the risk
- it is uneconomic to treat the risk or
- the risk level is tolerable.

Sharing the Risk – Responsibility for treating the risk can be transferred or allocated to other parties best able to manage it. For example, using insurers.

Policy

Bilingual Care takes its responsibility to identify and manage all types of organisational risks very seriously. Risk management is incorporated into all areas of its operations and the system is appropriate to the business' size and the classes of supports it provides.

Bilingual Care's approach to risk management is based on *Australian and International Standard AS ISO 31000:2018 (Risk Management Guidelines)* and deals with how an organisation approaches, identifies, treats, and manages organisational risks.

Bilingual Care's Managing Director is ultimately responsible for the risk management process. However, all staff are expected to act responsibly to minimise risks to themselves and others, and report hazards and other risks as soon as they are identified.

Bilingual Care also respects each consumer's autonomy, self-determination, and dignity to make choices for themselves. Bilingual Care acknowledges through positive risk-taking; consumers can improve their social interaction and health, live independently, and construct their lives in accordance with their values and personality.[4]

Procedures

General

Bilingual Care's Leadership Team is responsible for showing leadership and commitment in its risk management approach. This includes monitoring and reviewing Bilingual Care's risk management practices to ensure they are appropriate to the organisation's needs, in consultation with staff, consumers and other stakeholders.

Leadership Team members must:

- support risk management including consumers' dignity of risk in all areas of Bilingual Care's operations
- have clear accountability, ownership, and governance
- be responsive, systematic, transparent, and consistent in the risk management approach
- support evidence-based decision-making
- include effective and regular consultation and communication with relevant stakeholders
- ensure staff understand their risk management responsibilities
- foster a positive, risk-aware culture and
- facilitate regular reviews and continual improvement.

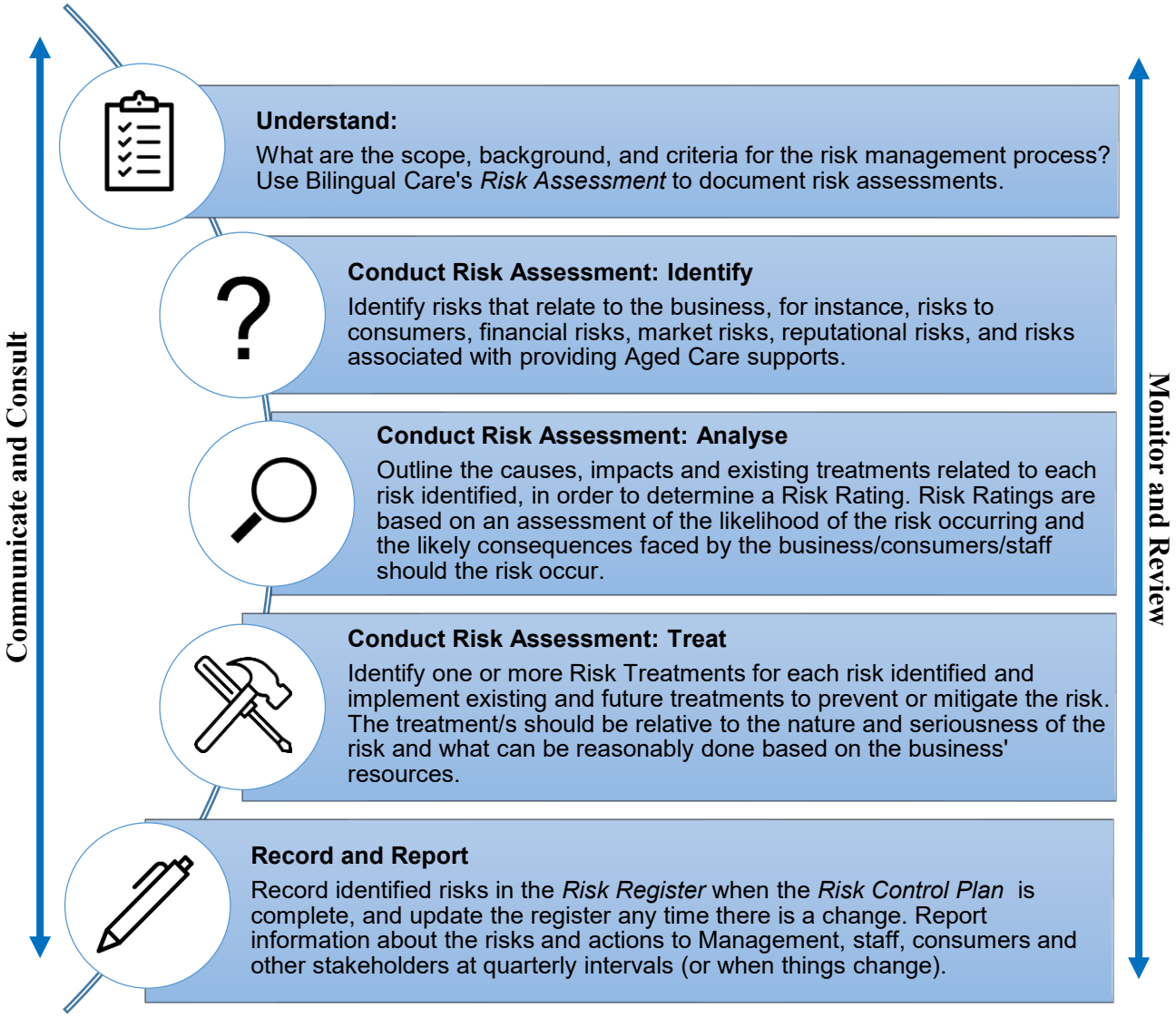
All staff must support Bilingual Care in risk management, and are expected to help identify, analyse, treat, monitor, and report risks in their areas of responsibility.

Risks are to be monitored and reviewed based on their potential severity and likelihood – those risks with greater impact/higher risks would be monitored and reviewed more frequently than low impact/low risks.

Communication and consultation are key to having a robust risk management system. Bilingual Care will include relevant key stakeholders in the risk assessment and management process and provide regular information back to consumers, staff and stakeholders about risks that may affect them.

[4] Woolford, M. H., de Lacy-Vawdon, C., Bugeja, L., Weller, C., & Ibrahim, J. E. (2020). *Applying dignity of risk principles to improve quality of life for vulnerable persons*. International journal of geriatric psychiatry, 35(1), 122–130. https://doi.org/10.1002/gps.5228, accessed 27 October 2024, https://pubmed.ncbi.nlm.nih.gov/31647586/

Bilingual Care's *Risk Management Approach* is based on the following steps:



Identifying Risks

To complete a thorough risk assessment, it is necessary to consider a range of possible events or risks that may occur. When identifying potential risks, Bilingual Care will consider a variety of factors depending on the type of risk being assessed, including:

- physical or non-physical sources
- threats and opportunities
- strengths and weaknesses
- indicators of emerging risks
- knowledge and reliability of known information (or lack of)
- effects of time
- nature and value of assets and resources and/or
- biases, assumptions, and experiences of those involved.

Risk Analysis and Evaluation

Bilingual Care will use the following *Consequences Matrix* and *Likelihood Matrix* to analyse identified risks. When analysing risks, it is important that staff consider the most likely outcome of a risk occurring. For example, where there is a risk of someone falling down a flight of stairs, the worst outcome that is *most likely* to occur may be a broken limb, as opposed to death (the absolute worst possible outcome). Analysing risks in this way ensures that any treatments that are subsequently identified are appropriate, realistic, and practical.

Consequences Matrix

Measure	Financial	Operational	Health and Safety (Consumers/ Staff)	Compliance	Environmental	Reputational
1. Catastrophic	Loss of 5% Total Profit or more	Loss or delay of more than 1 week of service delivery Unstable workforce with high turnover of staff, more than 30%	Fatality (1 or more deaths), Long term changes and disruptions to routines.	Breach of federal, state, or local council regulation resulting in business closure.	Environmental disaster resulting in permanent damage beyond the local area.	Negative widespread national media reporting; significant and overall loss of confidence in Bilingual Care; irreversible external reputational damage.
2. Major	Loss of up to 5% Total Profit	Loss or delay of up to 1 week of service delivery Staff turnover greater than 20%	Loss of limb and/or Permanent Impairment, Significant change, and disruptions to routines.	Breach of federal, state, or local council regulation resulting in penalties and/or prosecution	Irreversible environmental damage to the local area.	State and/or industry wide negative media reporting; general loss of confidence in Bilingual Care; severe external reputational damage.
3. Moderate	Loss of up to 3% Total Profit	Loss or delay of up to 3 days of service delivery Staff turnover greater than 10%	Doctor/Hospital Treatment (Serious Injury with more than 7 days of either total or partial incapacity), Some changes and disruption to routines.	Multiple breaches of internal policy and procedure leading to potential federal, state, or local council breach.	Environmental event extending beyond internal control, impact to local environment, breach of local council regulations.	Broadly shared negative reviews/social media posts; Local area and/or service types dissatisfaction with Bilingual Care; reversible external reputational damage.

Measure	Financial	Operational	Health and Safety (Consumers/ Staff)	Compliance	Environmental	Reputational
4. Minor	Loss of profit up to 2%	Loss or delay of service delivery up to 1 day Staff turnover greater than 5%	First Aid Treatment (Less than 7 days partial incapacity), Slight disruption to routines.	Multiple breaches of internal policy and procedure with some disruption to services.	Environmental incident affecting local environment, controlled internally.	Multiple negative reviews, social media posts; local dissatisfaction with Bilingual Care; widespread internal reversible reputational damage.
5. Insignificant	Marginal loss on profit (less than 1%)	Service delay of up to 1 hour. Stable workforce with less than 5% turnover.	Near miss/hit or no treatment (no incapacity), Little or no impact on routines.	One breach of internal policy and procedure with little/no impact.	Internally controlled environmental incident.	Nil or individual dissatisfaction with Bilingual Care; internal reversible reputational damage.

Likelihood Matrix

The following table is used to estimate the potential chance of the outcome (consequence) happening:

	Likelihood	Definition	Frequency
A.	**Very Likely (Almost Certain)**	The event could happen anytime	The event will occur daily (on at least one shift)
B.	**Likely**	The event will probably occur	The event will occur at least once per week
C.	**Possible**	The event could occur at some time	The event could occur at least once per month
D.	**Unlikely**	The event is not likely to occur in normal circumstances	The event could occur on a six-monthly basis
E.	**Rare**	The event may occur in exceptional circumstances	The event may occur once every 1-2 years

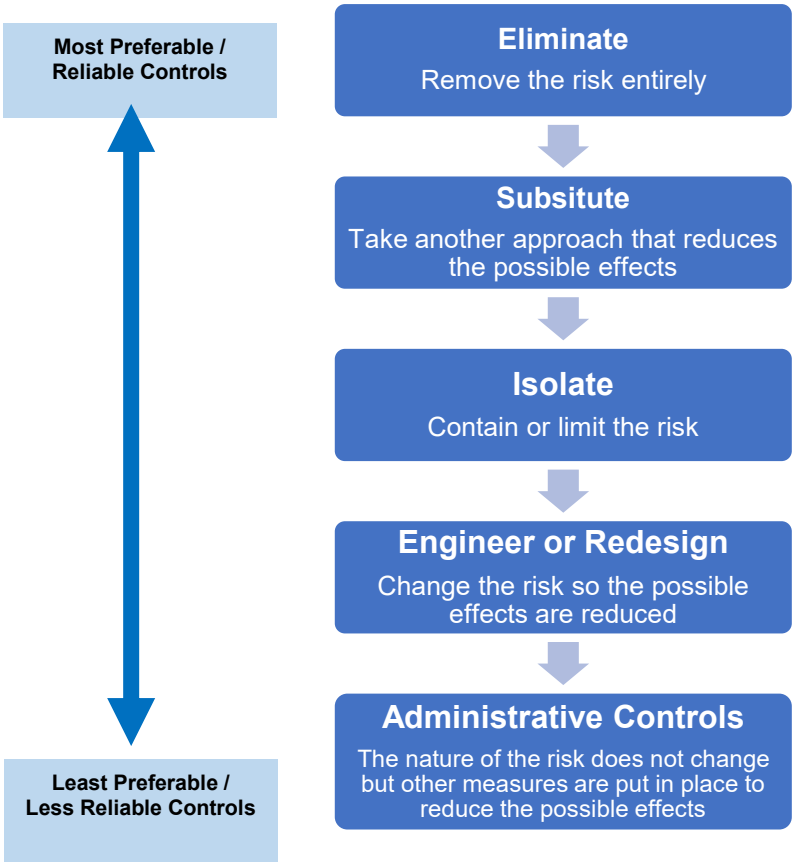
Risk Matrix

Once the consequence and likelihood have been determined using the above matrices, the following Risk Matrix provides the overall risk rating. Once risks have been evaluated, the risk rating provides Bilingual Care with the ability to prioritise risk actions according to the potential severity. Very high risks (e.g., 1A) require immediate attention and escalation to the Managing Director and should not proceed until the risk can be mitigated. Very low risks (e.g., 5E) are lowest priority.

		CONSEQUENCES				
		1. Catastrophic	**2. Major**	**3. Moderate**	**4. Minor**	**5. Insignificant**
LIKELIHOOD	**A. Very Likely (Almost Certain)**	1A (Very High)	2A (Very High)	3A (Very High)	4A (High)	5A (Medium)
	B. Likely	1B (Very High)	2B (Very high)	3B (High)	4B (Medium)	5B (Medium)
	C. Possible	1C (Very High)	2C (High)	3C (High)	4C (Medium)	5C (Low)
	D. Unlikely	1D (High)	2D (Medium)	3D (Medium)	4D (Low)	5D (Low)
	E. Rare	1E (Medium)	2E (Low)	3E (Low)	4E (Low)	5E (Low)

Treating Risks – Hierarchy of Control

Treating or controlling risks will be based on the following order of preference, considering the nature and potential severity of the risk.



Organisational Risks

Each Manager is responsible for identifying and managing organisational risks in their area of influence. They must conduct regular Risk Assessments in consultation with staff, consumers, and relevant stakeholders, covering at least the following areas:

- incident management
- complaints management and resolution
- work health and safety, including with respect to prevention and control of infections and outbreaks (see Bilingual Care's *Infection Control Policy and Procedure*)
- human resource management, including clear roles, responsibilities and accountabilities
- financial management
- information management
- regulatory compliance
- governance and operational management and
- emergency and disaster management.

The Managing Director is responsible for ensuring all people and equipment associated with Bilingual Care's operations are covered by appropriate insurances. See Bilingual Care's *Financial Management Policy and Procedure* for more detail.

Risks to Staff

All staff are responsible for managing risk within their work environment. Upon commencement, all staff will undergo an Induction, which will include training on risk management, as well as Duty of Care and Dignity of Risk. Additional on-the-job and formal training will be provided where required.

Team meetings and supervision sessions are ideal opportunities for managers and staff to reflect on person-centred risk management practice. Bilingual Care includes Risk Management as part of its *Meeting Agenda* for any staff meetings, to increase risk awareness and to discuss any potential risks that have been identified.

Operational risks and risks to staff must be reported to the Managing Director as soon as practicable after they are identified. Identified risks will be tracked by the Managing Director using Bilingual Care's *Risk Register*.

Staff must also be aware of their Work Health and Safety obligations and comply with Bilingual Care's Work Health and Safety policies and procedures.

Risks to Consumers

Bilingual Care plays an important role in supporting consumers to manage risks daily. Staff must understand and abide by the following concepts when supporting consumers.

Foreseeable injury

When helping consumers access activities or situations, keep in mind:

- the consumers right to an assumption of competence first and foremost
- what is already known about the person's capacity to carry out similar activities safely
- what is known about a person's awareness of what risks might be involved and of how to avoid them
- what is known about the dangers involved in the activity and whether the person can

deal with them and
- what can be learnt from relevant assessments or reports about the person's abilities and skills.

Seriousness of the Injury

When considering the likelihood of an injury, keep in mind the potential seriousness of an injury, even where the likelihood of it occurring seems remote.

Doing what is Reasonable to Avoid Injury

Consider courses of action that involve the least possible restriction on consumer's rights. It is never reasonable, in protecting consumers from injury or harm, to restrict them or violate their rights and freedoms.

When a consumer's rights are compromised to avoid injury, ensure the least important and fewest rights of the consumer are affected.

Also ensure that compromises are being made to the rights of as few people as possible. Placing restrictions on people who are not affected by the issue is not reasonable.

Supporting Consumers to Face Risks Safely with Dignity and Choice

Risks are part of life and an important means by which consumers can express self-determination, their inherent human rights, and valued status within the community. Bilingual Care encourages its staff to consider ways of empowering consumers to take more control over, and responsibility for, situations including risks in their lives.

This can be achieved by providing opportunities and support that assist the consumer to manage their own risks while avoiding harm.

Safeguarding Others from Injury

In addition to protecting consumers, Bilingual Care owes a duty of care to others, including members of the public, who might be injured by the actions of a consumer that Bilingual Care is supporting. It is important to consider the wider effects of a consumer's choices, not just how those choices may affect the consumer.

Consumer Risk Assessments

A *Consumer Risk Assessment* must be undertaken for all consumers at their initial assessment and reviewed during formal *Care Plan* reviews. *Consumer Risk Assessments* must also be reviewed more frequently depending on the complexity of the consumers' needs. Earlier reviews may be needed if there are changes to the person's environment or existing risks, or if new risks emerge.

When completing a *Consumer Risk Assessment*, staff must consider and document in the consumer's *Care Plan*, potential risks and mitigation strategies. This should take into consideration high impact, high prevalence risks (refer to Bilingual Care's *High Impact, High Prevalence Risks Policy and Procedure*) and the potential for abuse and neglect.

Where supports are to be provided in a consumer's home, the *Consumer Risk Assessment* must include a *Home Risk Assessment*. The purpose of a *Home Risk Assessment* is to identify potential hazards in the consumer's home and put appropriate controls in place to reduce the

risk of injury or illness for staff, the consumer, and others. As part of the assessment, any equipment used by or provided to the consumer must be subject to a risk assessment to ensure it is safe, appropriate for the consumer's needs, and used in accordance with manufacturer guidelines and *Care Plan*. This includes assessing risks related to installation (if relevant), operation, maintenance, and potential misuse.

The risk assessment process must identify appropriate Risk Treatments, which should also be reflected in the consumer's *Care Plan*. If either assessment shows that staff would be exposed to significant risks, the Managing Director must determine if supports should be modified or suspended until the risk has been adequately controlled.

Risk assessments and reviews must be done in collaboration with consumers, their representatives and any other stakeholders involved in managing a specific risk. Enabling consumers to achieve their goals, and retain choice, control, and dignity (via the management of risks) must be considered during all assessments and reviews.

Staff should raise any issues or concerns regarding *Consumer Risk Assessments* or *Home Risk Assessments* with the Managing Director and significant risks should be escalated to the Leadership Team for further advice. Risk Assessments and reviews must be kept on consumer files.

In the case of a consumer deciding to participate in an activity that could have negative consequences, even though adequate information has been provided concerning the associated risks, staff will ensure such instances are documented and recorded in Bilingual Care's EziHealth.

Supervision between staff and managers is an opportunity to discuss consumers' safety needs and concerns and actions the staff member is responsible for. Consumers' safety and wellbeing can also be discussed without disclosing the person's identity at team meetings, so all team members can learn from and contribute to different risk assessments.

Supporting Documents

Documents relevant to this policy and procedure include:

- *Work Health and Safety Policy and Procedure*
- *Infection Control Policy and Procedure*
- *Financial Management Policy and Procedure*
- *High Impact, High Prevalence Risks Policy and Procedure*
- *Risk Assessment Form*
- *All Risk Assessments*
- *Meeting Agendas*
- *Risk Register*
- *Consumer Risk Assessments*
- *Home Risk Assessments*
- *Care Plans*

Monitoring and Review

This Policy and Procedure will be reviewed at least every three years by the Leadership Team. Reviews will incorporate staff, consumer, and other stakeholder feedback, where relevant.

Bilingual Care's *Continuous Improvement Plan* will be used to record improvements identified and monitor the progress of their implementation. Where relevant, this information will be considered as part of Bilingual Care's service planning and delivery processes.

DOCUMENT CONTROL

Version No.	Issue Date	Document Owner
2.0	26/06/2026	MD
Version History		
Version No.	**Reviewed Date**	**Revision Description**