

RISK MANAGEMENT POLICY

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Table of contents

SECTION 1: RISK MANAGEMENT FRAMEWORK.....	2
1.1 Policy statement.....	2
1.2 Purpose and scope.....	2
1.3 Definitions.....	2
1.4 Principles.....	3
1.5 Outcomes.....	3
1.6 Delegations.....	3
1.7 Policy Implementation.....	5
1.8 Risk management.....	5
SECTION 2: RISK MANAGEMENT PROCESSES.....	6
2.1 Communication and consultation.....	6
2.2 Establishing risk context.....	6
2.3 Risk identification.....	7
2.4 Risk assessment.....	8
2.5 Risk treatment.....	10
2.6 Risk Management Plans.....	11
2.7 Risk monitoring and reviewing.....	11
2.8 Reporting and record-keeping.....	11
3. Appendix.....	11
3.1 Risk Register Template.....	11

SECTION 1: RISK MANAGEMENT FRAMEWORK

1.1 Policy statement

Medical Doctors For Choice(MDFC) Organisation is fully committed to effective Risk Management as a strategy for protecting the Organisation, board, employees, workers, beneficiaries, stakeholders, visitors, interns, volunteers, and the community from unnecessary injury, loss, or damage relating to the business and activities the Organisation undertakes.

1.2 Purpose and scope

This policy aims to provide guidance to the Organisation in applying risk management processes across the Organisation's operations, to ensure that, so far as reasonably practicable, the Organisation's goal and identified outcome areas can be achieved.

This policy applies to all of the MDFC's staff, workers, Board members, volunteers, interns, and visitors (**Personnel**).

This policy encompasses but is not limited to:

- » Identifying, assessing and treating risks
- » Ongoing risk monitoring and review
- » Communication and consultation
- » Record-keeping
- » and specific risk areas.

This policy does not provide detailed guidance on:

- » Human resources management – refer to the Human Resources Management Policy
- » Workplace environment and safety – refer to the Work Health and Safety (WHS) Policy
- » Financial operations – refer to the Financial Management Policy.

1.3 Definitions

Board	Means the Organisation's Board of Directors
Clinical Incident	Any unplanned event resulting in, or having the potential to harm a personnel
Clinical Management Risk	Clinical risk management is concerned with improving the quality and safety of services by identifying the circumstances and opportunities that put a personnel at risk of harm and then acting to prevent or control those risks
Compliance Register	A register that assists an organization to comply with its legal obligations
Impact	Actual or potential impact that would or may occur
Likelihood	Probability or chance of an incident occurring
Organisation	Medical Doctors For Choice

Personnel	The Organisation's staff, workers, Board members, volunteers, interns, and visitors.
Risk	Chance of something happening that will Impact objectives, measured in terms of likelihood and impact
Risk Assessment	Process of analyzing and evaluating the likelihood and impact of potential risks
Risk Incident	Realisation or occurrence of a risk impact
Risk Management	Process of identifying, assessing, and judging Risks, assigning ownership, taking actions to mitigate them, and monitoring and reviewing progress
Risk Register	A Risk Register is a tool for documenting risks, and actions to manage each risk. The Risk Register is essential to the successful management of risk. As risks are identified they are logged on the register and actions are taken to respond to the risk
Risk Treatment	A process of Identifying and implementing actions to eliminate risks or reduce impacts
WHS	Workplace Health and Safety

1.4 Principles

The following principles guide Medical Doctors For Choice's risk management policy and procedures:

- » Risk management applies to all aspects of the Organisation's operations
- » Risk management is a shared responsibility of all staff, management, and Board members
- » Risk management is a continuous improvement process where the organization continually strives to reduce and manage the likelihood and negative impact of risks
- » Staff, Board members, volunteers and interns are provided with training and other support to assist them in managing risk in their roles.

1.5 Outcomes

The outcomes of this policy are that: Medical Doctors For Choice

- » Makes informed operational decisions while remaining fully aware of risks and impact
- » Staff, management, and Board members understand their roles and responsibilities in relation to risk management
- » Risks and risk impact are minimized through compliance with relevant regulatory, legal and financial obligations, and implementation of risk treatments.

1.6 Delegations

Board of Directors	<ul style="list-style-type: none"> » Endorse and ensure compliance with the Risk Management Policy; » Ensure compliance with relevant legislation; » Lead and support the Executive Director to manage risk; » Monitor and contribute to internal risk treatment strategies and activities, including regular review of the Risk Register;
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	<ul style="list-style-type: none"> » Identify any strategic risks that require inclusion or updating in the Strategic Risk List to ensure that it reflects MDFC's overall strategy and operating context; » Satisfy itself that less significant risks are being actively managed and that appropriate controls are in place and working effectively to ensure the implementation of policies approved by the Board; » Review regularly the organization's approach to risk management and approve changes where necessary to key elements of its processes and procedures.
Strategic Management Team	<ul style="list-style-type: none"> » Comply with the Risk Management Policy » Manage and monitor compliance with relevant legislation » Monitor and contribute to internal risk treatment strategies and activities. » Be familiar with the Organisation's legislative requirements regarding risk management » Ensure processes are in place across the Organisation to manage and treat risk appropriately » Ensure staffs are adequately trained to comply with risk management strategies and activities <p>Executive Director</p> <ul style="list-style-type: none"> » Lead the implementation of the Risk Management Policy » Identify and assess new risks and implement risk treatments » Lead, monitor and update identified risks and risk treatment » Ensure risk assessments are undertaken <p>Executive Board</p> <ul style="list-style-type: none"> » Ensure orientation of new Board and staff members to the Organisation's risk management processes and activities; » Identify and assess new risks and implement risk treatments; » Monitor and update identified risks and risk treatments; » Develop, implement and review risk management plans; » Maintain current Risk Register and Compliance Register; » Document risk management discussions and decisions from Board meetings and Board Finance and Executive Sub-committee meetings. <p>Finance and Audit Committee</p> <ul style="list-style-type: none"> » Ensure the implementation of the risk management policy and advise on any modifications to the policy; » Receive advice from the Board on the need for inclusion or amendment of strategic risks in the Strategic Risk List; » Ensure that adequate information is provided for the Board and its committees, as appropriate, on the status of risks and controls; » Ensure that an annual report is provided to the Board on the effectiveness of the system of internal controls.
Project Managers	<ul style="list-style-type: none"> » Comply with the Risk Management Policy; » Identify and assess new risks and implement risk treatments; » Monitor and update identified risks and risk treatments; » Implement and review risk management plans;

	<ul style="list-style-type: none">» Contribute to internal risk treatment strategies and activities;» Support their staff to apply good risk management principles.
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1.7 Policy Implementation

This policy is developed in consultation with the MDFC's staff and approved by the Board of Directors.

All Personnel are responsible for understanding and adhering to this Risk Management Policy.

Specific monitoring and support activities undertaken include:

- » Risk management issues are part of the Work Health and Safety updates as standing agenda item in staff meetings
- » Review of the risk register is a standing agenda item for board meetings
- » This policy is to be part of staff orientation processes
- » This policy should be referenced in relevant Medical Doctors For Choice policies, procedures and other supporting documents, where relevant, to ensure that all relevant staff are familiar with it and that it is actively used
- » This policy will be reviewed in line with the quality improvement program every two years, following a risk incident and/or following relevant legislative changes.

This policy is implemented in combination with all the Organisation's policies and procedures.

1.8 Risk management

The Organisation develops and implements risk management strategies and processes informed by this policy and in compliance with relevant legislation.

SECTION 2: RISK MANAGEMENT PROCESSES

This section ensures that **Medical Doctors For Choice** develops and implements consistent risk management strategies and processes to effectively manage and treat risk, in order to safely enhance the organization's operation and achieve its strategic goals.

This section provides guidance on the plans, processes, and tools that the Organisation adopts in order to identify, assess, treat, and monitor risks.

This section ensures that the Organisation:

- » Provides reliable administrative tools and reporting methods.
- » Confirms that the Risk Management strategy and activities are informed by its Personnel, and the broader community.
- » Has a structure for the continuing review of risk.
- » Provides ongoing safe operations for Personnel and the broader community.

2.1 Communication and consultation

Communication and consultation is undertaken with the Organisation's Personnel to ensure understanding and engagement in risk management.

Communication mechanisms include:

- » Orientation processes for new Board members, staff, and personnel entering the service
- » Agenda items and discussion at staff and team meetings, e.g. WHS, budgets, General Assembly, beneficiaries-related incidents
- » Regular staff and supervisor meetings to review work plans and activities, together with incident management
- » Executive Director reporting to the Board, and regular review of the Risk Register.

The Organisation implements diverse consultation methods to seek feedback from its beneficiaries and Personnel. This may include:

- » Staff and Board leadership and participation in policy development
- » Staff and Board leadership and participation in risk management and risk incident review
- » Workshops
- » Surveys.

Communication and consultation is undertaken with external stakeholders (if appropriate) as part of **Medical Doctors For Choice** operation. Mechanisms include:

- » Briefing and planning meetings as part of project development, implementation, and evaluation
- » Strategic planning
- » Performance reporting to funding bodies
- » Annual reports
- » Surveys and evaluations.

2.2 Establishing risk context

Risk management considers the context in which **Medical Doctors For Choice** operates and how these characteristics and capabilities influence and inform risk responses. This could include assessing:

Strategic or external context:	<ul style="list-style-type: none">» Operational, regulatory, financial and political environment» Opportunities and threats» Stakeholders.
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Organizational or internal context:	<ul style="list-style-type: none"> » The Organisation's goal and outcomes » Organisational culture » Strengths and weaknesses within the Organisation » Existing systems and processes » Stakeholders » Available resources.
Risk management context:	<ul style="list-style-type: none"> » The Organisation's size, organizational structure and location » Governance structure » Management expertise » Workforce capacity » Assets.

2.3 Risk identification

MedicalDoctors For Choice identifies risks through formal and informal processes such as: targeted consultation, observation of workplace practice, monitoring of regulatory requirements, organizational system reviews, regular audits (e.g. policy compliance), analysis of information gathered relating to WHS incidents and strategic and project planning.

Organizational risks are categorized and summarised as follows:

Type	Area/item compromise
Strategic	<ul style="list-style-type: none"> » Goal and intended outcomes of the Organisation » Intellectual property » Reputation » Organisation and sector positioning » Resourcing, growth and improvement
Compliance	<ul style="list-style-type: none"> » Entity legislation » Contractual obligations » Insurance » Taxation » Employment legislation (refer to the Human Resources Policy) » Work health safety legislation (refer to the Work Health Safety Policy) » Organizational Safeguarding (refer to the Safeguarding Policy).
Financial	<ul style="list-style-type: none"> » Fraud » Income, budget and expenditure operations » Debt collection » Governance and management by Board.
Operational	<ul style="list-style-type: none"> » Governance » Service delivery (e.g. clinical, projects, programs) » General equipment, resources and facilities » Human resource management » Information management » Break-in, theft, and fire.
Environmental/ external risks	<ul style="list-style-type: none"> » Natural disasters or major storms » Changes in government and/or government policy » Major legislation change

2.4 Risk assessment

The risk assessment matrix, risk likelihood, and rating tables below are applied to all identified risks to determine their level of risk based on two categories: likelihood and impact.

Risk assessment also includes reviewing existing controls, whether specific to that risk or by default.

2.4.1 Risk matrix

Likelihood	Almost certain	Low Medium	Medium	Medium -High	High	High
	Likely	Low	Low - Medium	Medium	Medium -High	High
	Possible	Low	Low	Medium	Medium -High	High
	Unlikely	Low	Low	Low - Medium	Medium	Medium -High
	Rare	Low	Low	Low	Medium	Medium -High
			Minimal	Minor	Moderate	Significant
Impact						

2.4.2 Risk likelihood

Rating	Description	
Almost certain	90% or greater probability	Expected to occur once in a week.
Likely	50-90% probability	Will probably occur once a month.
Possible	20-50% probability	Could occur once a quarter.
Unlikely	10-20% probability	Possibly once a year.
Rare	<10% probability	Extraordinary event- might occur every 1-5 years.

2.4.3 Risk impact

Rating	Description			
	Operational	Health and Safety	Financial	Legal/Regulatory
Severe	Organization objectives and/or continuing viability is threatened	Death or serious injury to a person	Financial loss/ Cost increase is unacceptable to management and/or can be recovered in the long term	Noncompliance leads to forced cessation of service by regulator and/or Multiple court cases leading to adverse rulings/stiff penalties
Significant	Organization objectives are not met	Serious injury or illness requiring medical treatment with permanent consequences	Financial loss/Cost increase is major and/or can only be recovered in the medium time	Noncompliance that leads to hefty fines and sanctions by regulators/court.
Moderate	Organization objectives may be threatened	Injury or illness requiring medical treatment	Financial loss/ Cost increase is significant	Noncompliance that leads to minor fines or legal action
Minor	Organization objectives require monitoring	Minor injuries	Financial loss/ Cost increase is moderate	Significant breach of internal policy/procedure
Minimal	Organization objectives unlikely to be affected	Minor first aid injury	Financial loss recoverable over a short term	Breach of internal policy.

2.4.4 Risk rating

The risk rating assists Medical Doctors For Choice in determining if the risk is acceptable or unacceptable. A low rating risk may be expected and acceptable with minimal treatment response, whereas a high rating risk is not acceptable and therefore requires a response to minimize or eliminate risk.

Risk Rating	Risk Acceptance
High	Requires immediate action to mitigate the risk
Medium-High	Requires short-term action to mitigate the risk
Medium	Requires medium-term action to mitigate the risk (work within other priorities)
Low-Medium	May require attention
Low	Manage by routine procedure

2.5 Risk treatment

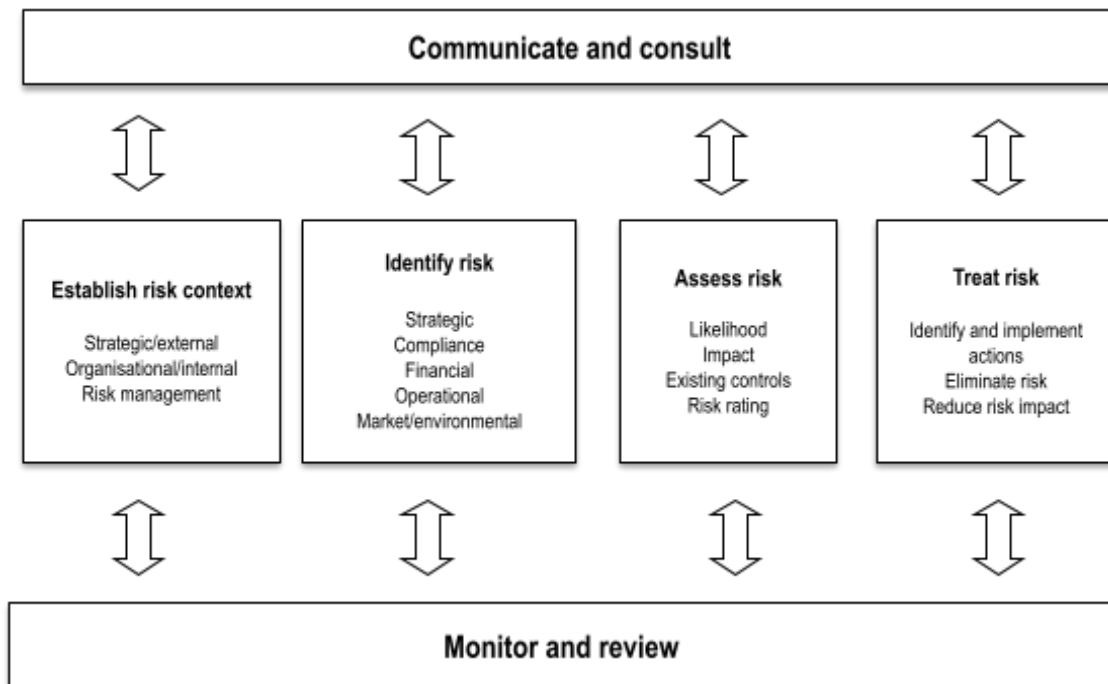
Risk treatment involves identifying and implementing actions to eliminate risks or reduce their impacts. In treating risk the organization, board, and staff members ensure that:

- » The cost of implementing risk treatments is balanced with the expected and actual risk reduction outcomes;
- » If eliminating risk is to discontinue an activity, remove an identified risk item, or avoid new or potential risks;
- » Risk reduction activity involves implementing reasonable and practical steps to reduce risks and minimize loss, injury or harm;
- » Major risks and their responding treatments are logged in the organization’s Risk Register;
- » Risks that are substantially mitigated by the existence of a specific organizational policy may not be required to be recorded in the Risk Register;
- » Risks specific to individual projects are identified and responded to through project implementation; these may not be required to be recorded in the Risk Register;

Risk Treatment should adopt the hierarchy for controlling Risks:

- » Eliminate the hazard
- » Substitute the hazard for something safer
- » Isolate the hazard from people
- » Use administrative controls
- » Use personal protective equipment.

The diagram below depicts the Organisation’s risk management process.



2.6 Risk Management Plans

Medical Doctors For Choice implements risk management plans that provide specific guidance to staff in managing concerns that are likely to arise.

2.7 Risk monitoring and reviewing

Medical Doctors For Choice monitors and reviews risks and their treatment strategies as part of effective risk management and ongoing quality improvement.

Monitoring and reviewing activities include:

- » Re-consideration of the contexts, rating, treatment, and responsibilities.
- » Risks identified through the Organisation's Risk Register and Compliance Register are reviewed and updated monthly by the executive director.
- » The Board reviews the Organisation's Risk Register and Compliance Register quarterly through Board and other relevant meetings.
- » Previously identified risks may become de-activated through a monitoring and review process, where the likelihood and impact of loss, injury or harm is assessed as non-existent or negligible.
- » Clinical risk is monitored and reviewed regularly through meetings with the director of clinical services. Risk management plans are developed and regularly reviewed for the delivery of services to those areas where risk is likely or almost certain.
- » Risks that are assessed as specific to individual projects are reviewed through project mechanisms such as scheduled milestone checks, progress reporting, advisory group meetings, stakeholder feedback, outcome monitoring, and end-of-project evaluation.
- » The Organisation's risks are also reviewed and their status is updated following a risk incident, such as a clinical incident, workplace accident, cuts to funding, or damage to reputation.

2.8 Reporting and record-keeping

Risks identified in the Organisation's Risk Register are reported to the Board quarterly by the Executive Director to the board and presented in the scheduled bi-annual Board meetings. Related discussions and outcomes are recorded in the Board and relevant minutes.

Risk management discussions and outcomes from staff meetings are recorded in meeting minutes.

2.8.1 Risk Register

The Organisation's Risk Register details major risks, their rating, controls, and treatments, as well as responsibilities and timeframes.

- » All risks listed in the Risk Register are allocated a unique risk identification number.
- » De-activated risk identification numbers are maintained on the Risk Register for reference as required.

