Corporate : Risk Registers
Proactive Release 10 October 2019

27 September 2019

9(2)(a)
[redacted]

E-mail: 9(2)(a) [redacted]

Dear 9(2)(a)

Official Information Act (1982) Request

I write in response to your Official Information Act request, which we received on 3 September 2019, following transfer from the Ministry of Health under section 14 of the Act. You requested the following information:

- **A copy of the current risk register for each DHB, and copies of any summary briefings, memos or correspondence related to the current risk register items.**

We have considered your request, and attempted to balance the desirable public interest in some of this information being available, against the needs of CM Health to maintain effective processes that identify, mitigate and manage risk in the delivery of our services.

In 2019, CM Health refreshed and reviewed its' strategic risks, with twelve key risks confirmed by the Executive Leadership Team, Audit Risk & Finance Committee and the Counties Manukau District Health Board. A summary list of these twelve strategic risk items on the Counties Manukau Health (CM Health) Corporate and Clinical Risk Register is provided (**attached**). The summary provides a short title for the identified risk, a description of what this looks like, and the Executive Leadership Team owner and current rating for each risk.

A CM Health Risk Committee, the Executive Leadership Team, and the Counties Manukau District Health Board – Audit Risk and Finance, sub-committee regularly review the full CM Health Corporate and Clinical Risk Register. This tool documents all the controls, treatment plans, and the current status of actions for each risk.

We also believe it is important for you to understand the wider CM Health approach to the organisational management and oversight of risk, and are providing (**attached**) an overview of our processes and the framework used to support this work as context for this response.

We further note that we publicly discuss risks, and the impacts of these on our services in a variety of public forums and statutory documents, including in Annual Plans and Reports, Long Term

Investment Plans, Board meeting agenda items and public consultation processes. We have comprehensive Business Continuity and Response plans, as well as local and regional Emergency Response plans to respond to many operational risks should they arise. These all provide much more detailed context as to our management, investment and mitigation of operational risks than a risk register.

As to the part of your request for summary briefings, memos or correspondence related to the current risk register items, we have considered the impact of releasing such information. We have attempted to balance the public interest in this information being available, and are declining your request for this extent of information under sections 9(2)(b)(ii) and 9(2)(c) of the Official Information Act 1982. We do not believe that withholding the information is outweighed by other considerations which render it desirable.

We note the following further details as to our reasons for applying these withholding grounds:

- *Section 9(2)(b)(ii) – to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information*

Some of the information in our risk register (and more particularly in some summary briefings, memos or correspondence) contains information about or from third parties who provide services. These include for example Business Cases for further investment, and correspondence related to multi-party contingency work. We believe the release of such information may unreasonably prejudice parties who supplied, or are the subject of the information; potentially damaging their reputation, commercially disadvantaging, or damaging customer confidence in those parties. It may also impact the future supply of information from those parties to us, to enable mitigation of these or additional emerging risks.

- *Section 9(2)(c) - avoid prejudice to measures protecting the health or safety of members of the public*

Much of the information in our risk register, and the related summary briefings, memos or correspondence, identifies risks to the services and systems that meet the health and support needs of the Counties Manukau population, and potentially includes the health and safety of individual patients, and of our staff.

Registers are designed to enable us to effectively manage, reduce or eliminate those risks. In this regard, risk registers and documents related to the risk register items are measures designed to protect the health or safety of members of the public.

We believe that the full release of risk register documentation, summary briefings, memos or correspondence related to the risk register items would prejudice measures protecting the health or safety of members of the public. In addition, there is a conceivable countervailing harm, if the release of this information results in the public not seeking early health care and services due to undue or 'out of context' assessment of risk to them.

We are also concerned to avoid discouraging CM Health as an organisation, or our employees as part of a public sector entity from effectively raising, identifying and engaging in managing of risks in the provision of health care services to our community, and/or impede the ability to be operationally

consistent in identifying and managing these risks. Consequently, we believe the full release of these documents would be harmful to our ability to maintain the effective conduct of its public affairs.

At this time, we believe that withholding this level of information from public release, on these grounds is the only basis that ensures these documents and processes, intended to manage health care delivery can be meaningful, and assist CM Health to mitigate its operational and strategic risks, perform its responsibilities, and maintain the effective conduct of its public affairs.

As noted above, we believe that our reasons for withholding the information are not outweighed by other considerations which render it desirable, in the public interest, to make the information available.

I trust this information satisfactorily answers your query. If you are not satisfied with this response you are entitled to seek a review of the response by the Ombudsman under section 28(3) of the Official Information Act.

Please note that this response or an edited version of this may be published on the Counties Manukau DHB website.

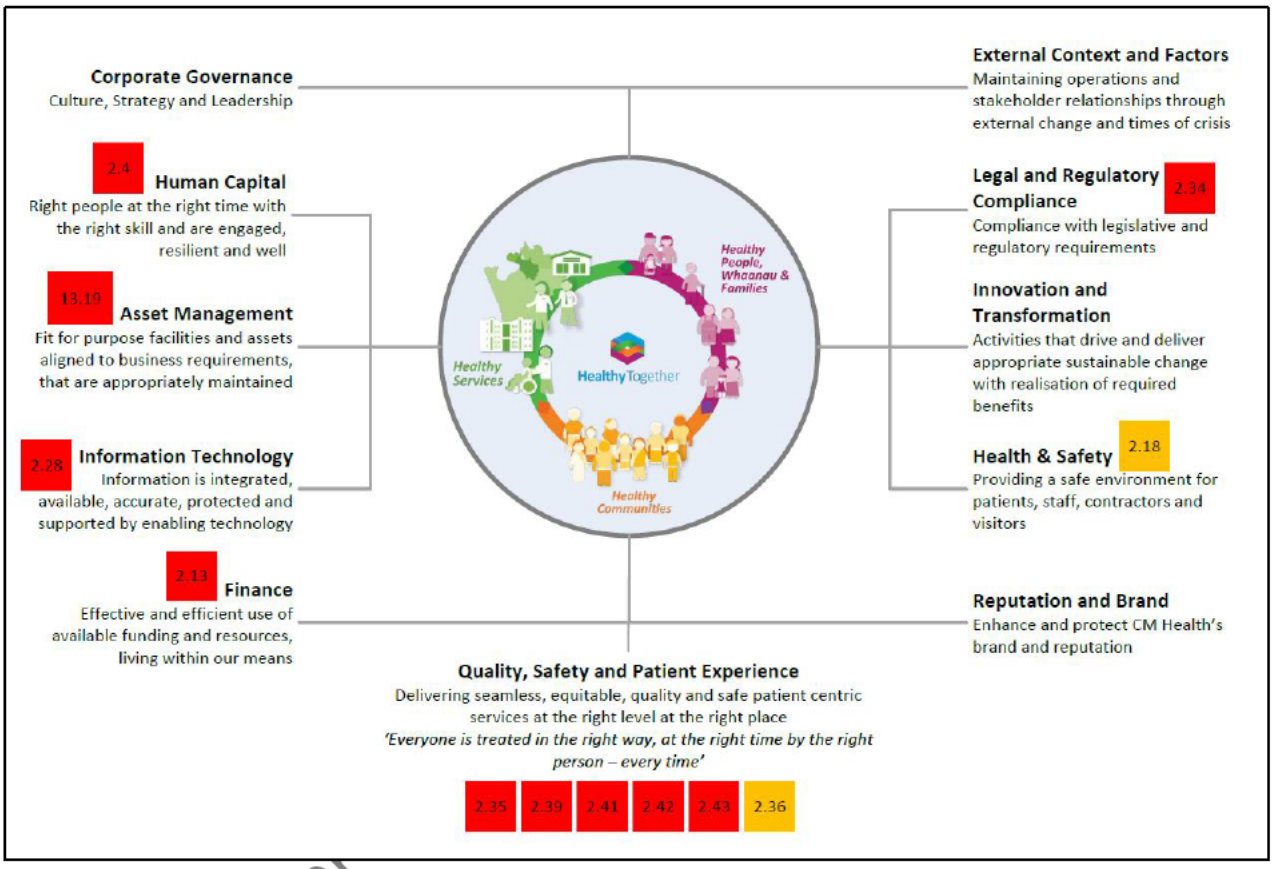
Yours sincerely,

Fepulea'i Margie Apa
Chief Executive Officer
Counties Manukau Health

APPENDIX 1

Strategic Risks

In 2019, CM Health refreshed and reviewed its' strategic risks, with 12 risks confirmed by the Executive Leadership Team, Audit Risk & Finance Committee and the Board. These can be diagrammatically represented within the CM Health strategic objectives as below:



A summary of the current 12 key strategic risks from the Risk Register is as follows.

We note that the wording of the title description of each risk is the 'negative' outcome of an uncertainty. The CM Health full Corporate & Clinical Risk Register documents all the controls, treatment plans, and the current status of actions for each risk.

ID	Risk Details	ELT Owner	Risk Rating
2.13	**The inability to manage cost pressures within available funding envelope** Inability to deliver appropriate investment in infrastructure, quality patient care and experience, and adequate services to meet the demands of the population, in accordance with the agreed Annual Plan within the available funding envelope.	Chief Financial Officer	

ID	Risk Details	ELT Owner	Risk Rating
2.18	**A failure to provide a safe working environment to employee, visitors, family/ whānau (incl. Occupational Health and Safety)** Inability to mitigate health & safety risks to employees, visitors and family/ whānau - ranging from the spread of germs and infection; violence [from intimidation/ low level abuse to verbal abuse to physical attacks]; slips, trips and falls; manual handling and moving; stress and ergonomics. This is exacerbated by the lack of complete and accessible incident management data to fully understand root cause, and implement suitable mitigation strategies; lack of appropriate tools and resources available for community and lone workers to prevent and manage harm during visits, and the lack of an appropriate OHSS framework increasing incidents as workforce has minimal knowledge of effective process and protocols required to keep to people safe.	Director of Human Resources	
2.28	**A lack of access to clinical and critical business information** Service disruption due to a lack of system access, availability or loss of accurate and complete clinical or business critical information.	Chief Information Officer	
2.34	**The inability to meet our Treaty of Waitangi expectations** Inability to meet our Treaty of Waitangi expectations, as set out in the New Zealand Public Health and Disability Act 2000, resulting in poorer health outcomes for the Māori population. The principles of partnership, participation and protection underpin the relationship between the Government and Māori under the Treaty of Waitangi. • *Partnership* involves working together with iwi, hapū, whānau and Māori communities to develop strategies for Māori health gain and appropriate health and disability services. • *Participation* requires Māori to be involved at all levels of the health and disability sector, including in decision-making, planning, development and delivery of health and disability services. • *Protection* involves the Government working to ensure Māori have at least the same level of health as non-Māori, and safeguarding Māori cultural concepts, values and practices.	Director of Funding & Health Equity	
2.35	**The inability to meet our Māori health equity obligations** Inability to meet our Māori health equity obligations resulting in negative health outcomes for minority population groups.	Director of Funding & Health Equity	
2.36	**The inability to detect and prevent the spread of (multi-resistant) organisms** Increasing antimicrobial resistance in the community and hospital, secondary to excess and inappropriate antimicrobial use, and insurgence of antimicrobial resistant organisms.	Chief Medical Officer	
2.39	**The inability to positively impact on population health, due to unmet needs** Unmet needs include where: • Service delivery does not facilitate engagement with the health sector • Lack of engagement with the health care sector due to a lack of trust; access or cultural alignment • Adjustment of clinical thresholds due to limited capacity, resourcing or ability to manage demand can be creating unmet need.	Director of Population Health	

ID	Risk Details	ELT Owner	Risk Rating
2.4	**A failure to attract, sustain and engage our workforce (brand health)** • *Talent Risk:* Current workforce ability to respond to organisation demands and inability to mitigate supply demand issue. • *Fail to deliver on DHB's obligation in Te Tiri O Waitangi:* Inadequate representation and lack of ethnic diversity in the workforce, resulting in sub-optimal patient outcomes for diverse community and missed career opportunities for Maaori, Pacific and Asian ethnic groups.	Director of Human Resources	
2.41	**An avoidable patient harm which arises in the course of healthcare delivery** Adverse outcomes or patient experience, caused by omissions or commissions of care, resulting in consequences that differ from the expected outcome of that care.	Chief Medical Officer/ Chief Medical Advisor, Primary Care	
2.42	**The inability to meet our equity obligations** Inability to meet our health equity obligations across a number of domains, (for example ethnicity, disability, gender, socio-economic deprivation, rurality, sexual orientation). Health outcomes for different populations vary resulting in low healthy life years, and low life expectancy for the groups experiencing the inequities.	Director of Funding & Health Equity	
2.43	**Demand growth beyond funded capacity** Demand growth beyond existing capacity across the whole system, resulting in patient harm. This includes the inability of the primary care sector to cope with growing demands resulting in negative population health outcomes, increased inequity, and increased demand on the DHB Provider Arm.	Chief Medical Officer/ Chief Medical Advisor, Primary Care	
13.19	**The failure of critical assets (facilities, equipment), resulting in inability to deliver services** Failure of critical facilities (seismic risk, weather tightness, asbestos and issues with infrastructure) and clinical equipment and/ or assets no longer fit for purpose, will not fulfil current or future operational needs, or assets that no longer comply with regulatory or legislative requirements. *This risk aggregates the individual risk areas to illustrate the impact facilities and clinical equipment risk has on current and future delivery of health services.*	Director of Strategy and Infrastructure	

APPENDIX 2:

Context: Risk Management within CM Health

Background

We broadly define risk as the effect of uncertainty around event outcomes. Uncertainty is a potential unpredictable, and uncontrollable outcome; risk is an aspect of action taken despite uncertainty.

CM Health uses a range of mechanisms and processes to support the use and manage risk within healthcare, our services, at an organisation-wide and governance level.

In 2015, CM Health commissioned Deloitte to complete an external review of the risk management environment at CM Health. The scope of the review included:

- An update of the Risk Management Policy and Procedure
- Development of a target operating model
- Assessment of the risk culture and risk appetite
- Review of the Sub-Committee Terms of Reference

This review was the start of a formal process to improve risk maturity. The Risk & Privacy Manager position was created, and an appointment made in March 2016. This role has supported CM Health's continuous improvement to address risk maturity, with a programme of work to raise awareness and education, and improve the quality of information within risk registers.

Risk Management Policy

CM Health regularly updates Risk Management Policy with changes to the policy in 2019 including:

- Facilitating regional alignment and consistency and standardisation of risk reporting by alignment of the *Risk Assessment Criteria Matrix*.
- Inclusion of a Project Risks Consequence Matrix for clarity on project risk reporting and point of escalation.
- Inclusion of a Patient Experience Consequence Matrix.
- Alignment to the Risk Management International Standard ISO 31000:2018.

The ability for CM Health to respond to risks that threaten our ability to achieve strategic and operational objectives in addition to seizing opportunities, brings greater value to CM Health and our stakeholders. Risk management is about identifying potential variations from what we plan or desire and managing these to maximise opportunity, minimise loss, harm and improve decisions and outcomes.

Risk Committee

An organisation-wide 'Risk Committee' meets monthly and has responsibility to improve the quality of information in the register, facilitate greater transparency of risk information, and improve business conversation and decision making. These responsibilities include:

- Responsibility to implement the Risk Management Framework within their services/ directorates, including regular review and ensuring appropriate action plans are in place to mitigate risks.
- Raise awareness of risk management throughout the DHB.
- Advise on emerging and changing risk and control profiles.
- Monitor delivery of the Corporate Risk Register action plans, to ensure gaps in controls are closed and to identify robust assurance mechanisms.
- Oversight of internal audit findings for the service to implement audit recommendations.
- The Risk Committee can also escalate concerns to the Executive Leadership Team, as and when required.

Risk Reporting and Escalation

A single CM Health Corporate and Clinical Risk Register exists as the single source of truth for risks across the organisation.

The Corporate and Clinical Risk Register is provided monthly to the Risk Committee and the Executive Leadership Team. A quarterly summary report is provided to the CMDHB Audit, Risk and Finance Committee, including the full Corporate and Clinical Risk Register and this is also forwarded to the Board for their information.

Any individual within CM Health can identify a risk within the organisation, and with the support of the Risk Champion evaluate whether the risk would be added to the register. All new risks are discussed at the next Risk Committee to confirm if a risk exists in isolation, or across the whole system, ensuring the risk is correctly captured, that the controls and/ or treatment plans are reasonable, and any opportunities to mitigate and reduce the risk are considered.

All risks are rating against the Risk Assessment Criteria Matrix - a matrix of consequence and likelihood.

Risk Assessment Criteria Matrix

		CONSEQUENCE				
		Insignificant	Minor	Moderate	Major	Fundamental/ Catastrophic
LIKELIHOOD	Almost Certain					
	Likely			High	Critical	
	Possible		Medium			
	Unlikely	Low				
	Rare					

CMDHB Board Risk Appetite and In-depth Reviews

After the upcoming DHB Board elections, there are workshops planned with the Counties Manukau District Health Board members. These will be used to develop risk-appetite statements, and then include in-depth reviews of the key strategic risks at each Audit, Risk & Finance Committee meeting.

Regional Alignment

The Risk Managers from the Northern Region DHBs; healthAlliance and Northern Regional Alliance meet regularly to facilitate information sharing, this includes opportunities to align policies, procedures or guidelines. As a region, we have agreed on several shared risks that are consistently captured within each of the DHB's risk register to ensure consistency and understanding of regional risks.

Current Risk Analysis

As at 18 September 2019, the CM Health Corporate and Clinical Risk Register comprises 137 risks. The risk register is a living document, and changes as the risks change. CM Health use the Risk Register as a tool to consistently document a risk description, the risk rating, the measures and controls in place to manage the risk, and/ or the treatment plans required to further reduce the current risk rating.

The graphs below provide an indication of the range of risk categories, and the current numbers per matrix rating for these risk categories: