

## Risk Assessment Tables for the WA Health System

Effective: 1 October 2019

The Risk Assessment Tables for the WA Health System apply to the Department of Health and all Health Service Providers. These tables should be read and applied in conjunction with the WA Health Risk Management Policy and local risk management policy and related documents.

### Risk Tables

**Table 1: Consequence Rating** - Identify the worst, realistic, primary consequence(s) should an incident occur. Pick the best fit on the 1-5 scale. It is not necessary to address each category.

Consequence Rating		1	2	3	4	5
Categories	Code	Insignificant	Minor	Moderate	Major	Catastrophic
Health impact on patients	HP	Increased level of care (minimal). No increase in length of stay. Not disabling.	Increased level of care (minimal). Increased length of stay (up to 72 hours). Recovery without complication or permanent disability.	Increased level of care (moderate). Extended length of stay (72 hours to 1 week). Recovery without significant complication or significant permanent disability.	Increased level of care (significant). Extended length of stay (greater than 1 week). Significant complication and/or significant permanent disability.	Death or permanent total disability.
Health impact on staff or others	HS	First aid or equivalent only.	Routine medical attention required. Up to 1 week incapacity/time lost. No disability.	Increased level of medical attention required. 1 week to 1 month incapacity/time lost. No significant permanent disability.	Severe health crisis and/or injuries. Prolonged incapacity or absence for more than 1 month. Significant permanent disability.	Death or permanent total disability.
Critical services interruption	CS	No material disruption to dependent work.	Short-term temporary suspension of work. Backlog cleared in day. No public impact.	Medium-term temporary suspension of work. Backlog requires extended work, overtime or additional resources to clear. Manageable impact.	Prolonged suspension of work. Additional resources, budget and/or management assistance required. Performance criteria compromised.	Indeterminate prolonged suspension of work. Impact not manageable. Non-performance. Other providers appointed.
Performance to budget (over or underspend)	PB	< 1% temporary variance	1% to 2% temporary variance	> 2% to 5% temporary variance	> 5% to 10% variance <u>not</u> recoverable within the financial year	> 10% variance <u>not</u> recoverable within the financial year, or being unable to pay staff, creditors or finance critical services
Financial loss	FL	Less than \$5,000	\$5,000 to less than \$100,000	\$100,000 to less than \$3M	\$3M to less than \$20M	\$20M or more
Organisational objectives or outcomes	OO	Little impact.	Inconvenient delays.	Material delays. Marginal under achievement of target performance.	Significant delays. Performance significantly under target.	Non-achievement of objective / outcome. Total performance failure.
Reputation and image damage	RI	Non-headline exposure. Not at fault. Settled quickly. No impact.	Non-headline exposure. Clear fault. Settled quickly by Departmental response. Negligible impact.	Repeated non-headline exposure. Slow resolution. Ministerial enquiry/briefing. Qualified Accreditation.	Headline profile. Repeated exposure. At fault or unresolved complexities impacting public or key groups. Ministerial involvement. High priority recommendation to preserve accreditation.	Maximum multiple high-level exposure. Ministerial censure. Direct intervention. Loss of credibility and public / key stakeholder support. Accreditation withdrawn.
KPI variation	PI	< 2% variation	2% to < 5% variation	5% to < 15% variation	15% to < 30% variation	≥ 30% variation

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Consequence Rating		1	2	3	4	5
Categories	Code	Insignificant	Minor	Moderate	Major	Catastrophic
<b>Non-compliance</b>	<b>NC</b>	Innocent procedural breach. Evidence of good faith by degree of care/diligence. Little impact.	Breach, objection/complaint lodged. Minor harm with investigation. Evidence of good faith arguable.	Negligent breach. Lack of good faith evident. Performance review initiated. Material harm caused. Misconduct established.	Deliberate breach or gross negligence. Significant harm. Formal investigation. Disciplinary action. Ministerial involvement. Serious misconduct.	Serious and wilful breach. Criminal negligence or act. Litigation or prosecution with significant penalty. Dismissal. Ministerial censure. Criminal misconduct.
<b>Environmental impact</b>	<b>EN</b>	Negligible impact. Spontaneous recovery by natural processes. No disruption to access or exposure.	Low level impact. Quick recovery with minimal intervention. Minimal disruption to access or exposure.	Moderate impact. Medium level intervention indicated to bring about recovery. Short to medium-term restriction of access or exposure.	High level but recoverable, unacceptable damage or contamination of a significant resource or area of the environment. Significant intervention. Permanent cessation of harmful activity. Long-term suspended access, presence or use of resource.	Extensive, very long-term or permanent, significant, unacceptable damage to or contamination of a significant resource or area of the environment. Very long-term or permanent denial of access or exposure.
<b>Project deliverables</b>	<b>PD</b>	≤ 1% variation to deliverables	> 1% to 5% variation to deliverables	> 5% to 10% variation to deliverables	> 10% to 20% variation to deliverables	> 20% variation to deliverables
<b>Project budget</b>	<b>PU</b>	≤ 1% over budget	> 1% to 5% over budget	> 5% to 10% over budget	> 10% to 20% over budget	> 20% over budget
<b>Project time delay</b>	<b>PT</b>	≤ 5% delay	> 5% to 10% delay	> 10% to 25% delay	> 25% to 100% delay	> 100% delay

**Table 2: Likelihood Rating** – Assess the likelihood of the incident occurring and having the consequence(s) assessed above. Pick the best fit on the 1-5 scale below.

Likelihood Rating		Clinical	Corporate	
Level	Descriptor	Per Separations/ Occasions of Service Code "C" (Clinical)	% Chance during life of project or financial year for budget risk Code "%" (% Chance)	Time Scale for ongoing non-project activities or exposures Code "T" (Time)
1	Rare	1 in 100,000 or more	≤ 5%	Once in more than 10 years
2	Unlikely	1 in 10,000	> 5% to 30%	Once in 5 to 10 years
3	Possible	1 in 1,000	> 30% to 60%	Once in 3 to 5 years
4	Likely	1 in 100	> 60% to 90%	Once in 1 to 3 years
5	Very Likely	1 or more in 10	> 90%	More than once a year

**Table 3: Risk Level Matrix** – Apply the matrix to determine the risk rating.

Risk Level Matrix		Likelihood				
		1 Rare	2 Unlikely	3 Possible	4 Likely	5 Very Likely
Consequence	5 Catastrophic	Medium	High	High	Extreme	Extreme
	4 Major	Low	Medium	High	High	Extreme
	3 Moderate	Low	Medium	Medium	High	High
	2 Minor	Low	Low	Medium	Medium	High
	1 Insignificant	Low	Low	Low	Low	Medium

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### Aggregate Control Assessment, Risk Acceptance/Tolerance Criteria and Specific Risk Criteria

**Table 4: Aggregate Control Assessment** - Assess the overall controls managing the risk.

Level	Description
<b>Excellent</b>	Comprehensive effective controls are fully in place to manage the risk. Regular monitoring, review and/or testing is undertaken. There is limited value in improving the controls.
<b>Satisfactory</b>	Sufficiently effective controls are substantially in place to manage the risk. Periodic monitoring, review and/or testing is undertaken. Some minor improvements to the controls should be considered.
<b>Marginal</b>	Controls are only partially effective and/or partially in place to manage the risk. Some limited monitoring, review and/or testing is undertaken. Improvement opportunities to controls should be implemented.
<b>Weak</b>	Controls are either non-existent, not in place or not effective to manage the risk. No or very limited monitoring, review and/or testing is undertaken. There is significant value in corrective and/or improvement actions.

**Table 5: Risk Acceptance/Tolerance Criteria** – Decisions regarding risk acceptance and further treatment should be made with reference to the risk acceptance/tolerance criteria below, the specific risk criteria (Table 6) and local requirements including risk appetite and cost benefit analysis. Refer to local risk management policy and related documents for ownership, review frequency and reporting requirements as well as risk acceptance decision delegations. Acceptance of High and Extreme risks is not permitted unless approved by **at least a Tier 2 officer**. If the risk is not acceptable, risk treatment may include: Avoid the risk, improve controls and share or transfer the risk.

Risk Rating	Risk Acceptance/Tolerance Criteria
<b>Low</b>	<ul style="list-style-type: none"> <li>Risk is generally acceptable.</li> <li>The Aggregate Control Assessment should be Satisfactory.</li> </ul>
<b>Medium</b>	<ul style="list-style-type: none"> <li>Risk is generally tolerable.</li> <li>The Aggregate Control Assessment should be Satisfactory and reviewed frequently.</li> </ul>
<b>High</b>	<ul style="list-style-type: none"> <li>Risk is generally intolerable.</li> <li>The Aggregate Control Assessment should be at least Satisfactory and improved to Excellent as soon as is practicable and monitored.</li> <li>Acceptance decision must be made by at least a Tier 2 officer.</li> </ul>
<b>Extreme</b>	<ul style="list-style-type: none"> <li>Risk is generally intolerable.</li> <li>The Aggregate Control Assessment should be improved to Excellent immediately and closely monitored.</li> <li>Acceptance decision must be made by at least a Tier 2 officer.</li> </ul>

**Table 6: Specific Risk Criteria** – The content from the WA Health Integrated Corporate and Clinical Risk Analysis Tables and Evaluation Criteria 2009 (as updated in 2011) has been included to guide risk decision making.

Category	Description
<b>Harm to patients</b>	<ul style="list-style-type: none"> <li>The patient or their representative for this purpose determines acceptability of clinical risk from their perspective in the health care offered to them. (See Informed Consent and related processes).</li> <li>There is “zero tolerance” for the risk of sentinel events occurring.</li> </ul>
<b>Harm to Workforce</b>	<ul style="list-style-type: none"> <li>There is “zero tolerance” for workplace violence.</li> </ul>
<b>Harm to the Public</b>	<ul style="list-style-type: none"> <li>Any foreseeable risk of injury to others or loss or damage to their property must be reduced to be the standard expected in law and provide proper discharge of any duty of care owed.</li> </ul>
<b>Budget Management</b>	<ul style="list-style-type: none"> <li>There is no acceptable level of risk for budget over-runs</li> </ul>
<b>Compliance</b>	<ul style="list-style-type: none"> <li>There is “zero tolerance” of any material risk of breach of legislative, regulatory, or other Government requirements.</li> </ul>

*All that is practicable, within our power and resources to do and that any reasonable person would be expected to do in the circumstances, or is required by law or otherwise required, is to be done in controlling and treating these risks and fulfilling our duties of care.*

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