TE WAIORA Nelson Marlborough Health

DHB Office
Braemar Campus

Private Bag 18
Nelson, New Zealand

16 February 2022

[redacted]

Response to a request for official information

[redacted]

Thank you for your request for official information received 22 December 2021 by Nelson Marlborough Health (NMH)[1], followed by the necessary extension of time 10 February 2022 and notice of decision, where you seek the following information:

1. ***Copies of current risk registers including but not limited to infrastructure and facilities, information technology and workforce risk registers.***

NMH Response:
In 2018 NMH developed a Strategic Risk Register, with twelve key strategic risks identified by the Executive Leadership Team, Audit & Risk Committee and the NMH Board. Please see the attached updated (2021 version) of our Strategic Risk Register which provides a short title for the identified risk, a description of what this looks like, the executive role responsible for the risk, and the current risk assessment.

This response has been provided under the Official Information Act 1982. You have the right to seek an investigation by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or free phone 0800 802 602. If you have any questions about this decision please feel free to email our OIA Coordinator OIArequest@nmdhb.govt.nz I trust that this information meets your requirements. NMH, like other agencies across the state sector, supports the open disclosure of information to assist the public's understanding of how we are delivering publicly-funded healthcare. This includes the proactive publication of anonymised Official Information Act responses on our website from 10 working days after they have been released. If you feel that there are good reasons why your response should not be made publicly available, we will be happy to consider.

Yours sincerely



Lexie O'Shea
Chief Executive

Encl: NMH Strategic Risk Register (12 pages)

[1] Nelson Marlborough District Health Board

#1: Public Confidence in NMH Significantly Reduced

Risk Owner
Chief Executive

NMH strives to be an exemplar institution within the region, underwritten by public confidence and trust. Ongoing public and media scrutiny of NMH activities means that organisational credibility is always under the microscope. Importance of balancing openness and transparency of communications with maintaining trust within the health system to ensure that a loss of confidence does not hinder the strategic outcomes.

A lack of clear performance with regard to reducing health outcome inequity of vulnerable groups, and/or incorrect or unbalanced reporting, can have disproportionate effects on consumer confidence.

Risk Assessment	
Inherent Risk	**Major**
Current Residual Risk	**Moderate**
Tolerable Residual Risk	**Moderate**
Risk Trend	**Steady**

Current Controls:

- Robust governance and management structures including the Iwi Health Board
- Consumer Council framework
- Communications
- CG Quality role in patient/consumer feedback
- Consumer surveys
- Media and Social Media PPG (Current)

Treatments (Future Controls):

- Initiatives to increase vulnerable population access to health services
- Review of all controls
- Develop strategy for good news initiatives
- Consider ways to enhance measuring public sentiment

Indicators (Risk Velocity):

- Decrease in consumer complaints
- Decrease in negative media interest
- Increase in positive media interest
- Improved access for vulnerable population

Related Objectives:

- to exhibit a sense of social responsibility by having regard to the interests of the people to whom it provides, or arranges the provision of, services
- to reduce health disparities by improving health outcomes for Maori and other population groups in line with the principles of Te Tiriti o Waitangi
- to exhibit a sense of social responsibility by having regard to the interests of the people to whom it provides, or for whom it arranges the provision of, services
- to uphold the ethical and quality standards commonly expected of providers of services and of public sector organisations

Health Reform Impact

- Maintain confidence that current services across the district are maintained with no adverse impact

Other Commentary

- No significant change

Last Updated
January 2022

#2: Ineffective Clinical Stewardship Undermines Achievement of Objectives

Risk Owner
Chair Clinical Governance

Fundamental to NMH success is its ability to deliver safe, skilled and compassionate care that reduces inequity for everyone in our community, regardless of the specific health need.

The capacity for all staff to continually monitor and improve the equity, standard and experience of healthcare activity is representative of a mature organisation. Whilst the point of healthcare delivery has the potential for disproportionate risk events, effective clinical stewardship transcends the quality of care provided to individuals and relies on all clinicians to understand the value of all activity in the context of the whole health system. A networked approach focused on patient experience should drive resource allocation.

Risk Assessment	
Inherent Risk	**Major**
Current Residual Risk	**Moderate**
Tolerable Residual Risk	**Moderate**
Risk Trend	**Steady**

Current Controls:

- Clinical Governance monthly trends and messaging
- Clinical Governance structure and distributed accountability
- ELT prioritisation methodology
- MoC Programme (Ki Te Pae Ora)

Treatments (Future Controls):

- MoC (Ki Te Pae Ora) programme funded improvement projects
- Compliance with Health Quality & Safety Commission's "A Window on the Quality of New Zealand's Health Care"
- Long term feedback from customers
- Achievement of all MOH mandated certification requirements

Indicators (Risk Velocity):

- Incidents of healthcare related harm and complaints to HDC
- Adherence to MoH approach to measurement (primary, improvement and contextual measurement data)
- Accurate planning and expenditure of departmental budgets
- Improved equity indicators
- Positive trending in reportable dashboards

Related Objectives:

- to improve, promote and protect the health of people and communities
- to promote the integration of health services, across the system
- to seek the optimum arrangement for the most effective and efficient delivery of health services in order to meet local, regional, and national needs
- To focus on value based health care – Health outcomes that matter to patients.

Health Reform Impact

- Ongoing engagement of clinical leaders in determining the services and operating models to be utilised in delivery of health care services
- Opportunity to embed the habit of thinking, working and influencing across the local health system, not just within existing teams.

Other Commentary

- Continuing to mature clinical governance and quality systems across all areas of care, deep dive focus for this quarter

Last Updated
January 2022

#3: Failure to Support Equitable Health Outcomes within the Region

Risk Owner
Chief Executive

Achieving health equity is our greatest challenge. The most vulnerable in our community – most notably Maori, former refugees and low income families – continue to have poorer health outcomes.

Almost half of the Maori population in NM reside in 40% of the most deprived areas, this trend is consistent across children (0-19 years). Maori are therefore likely to have higher healthcare needs associated with poorer living conditions. Maori have a ~7 year lower life expectancy than non Maori. Heart disease, Lung cancer and suicide are the leading causes of amenable mortality for Maori in NM.

Risk Assessment	
Inherent Risk	**Critical**
Current Residual Risk	**Major**
Tolerable Residual Risk	**Minor**
Risk Trend	**Steady**

Current Controls:

- Governance structures, including Iwi Health Board, ELT & operational management
- Te Waka Hauora Team/Te Piki Oranga
- Maori Health Indicator Dashboard
- EOA concept in Annual Plan
- TOSIF/RIF other interagency forums

Treatments (Future Controls):

- Kaupapa Maori (oral health services)
- Measures of Performance
- Vulnerable and high needs focused hui (multiple)
- MH and DSS initiatives

Indicators (Risk Velocity):

- Improvement in baseline health outcome metrics
- Increased buy in from community leaders
- Positive trending in reportable dashboards
- Equity of access and outcome

Related Objectives:

- to promote the inclusion and participation in society and independence of people with disabilities
- to reduce health disparities by improving health outcomes for Maori and other population groups
- to reduce, with a view to eliminating, health outcome disparities between various population groups within New Zealand by developing and implementing, in consultation with the groups concerned, services and programmes designed to raise their health outcomes to those of other New Zealanders

Health Reform Impact

- Maori Health Authority linkages with Iwi Health Board and the mainstream health providers

Other Commentary

- Focus on measuring effectiveness of current controls over next quarter whilst reinforcing the networks formed throughout COVID-19 Response

Last Updated
January 2022

#4: Ki Te Pae Ora Programme Fails to Achieve Objectives

Risk Owner
GM Strategy, Strategy, Planning

Even before COVID19, NMH understood the need to strengthen the coordination of care across the healthcare system. Transformation initiatives such as, the Models of Care and Quality Improvement programmes, MH&A service integration and improvement projects, cross system collaboration and the Hospital Redevelopment all focused on creating a more connected system. In a connected system, the focus moves to planning smooth patient journeys that engage with services both within and outside the hospital. Such patient-centered care moves beyond planning service by service to planning across services.

The way NMH responded to the challenge of preventing outbreaks, preparing and managing our Covid19 response has uncovered our ability to adapt, change at pace, innovate, collaborate, coordinate and integrate across our system and with cross sector partners in remarkable ways.

Following COVID-19, Nelson Marlborough Health has aimed to transition to our Next Normal way or working and look to retain and build on the positive advances we made during the pandemic and work to integrate the positive advances to continue to drive system improvement

Risk Assessment	
Inherent Risk	**Critical**
Current Residual Risk	**Major**
Tolerable Residual Risk	**Moderate**
Risk Trend	**Downward**

Current Controls:

- Dedicated programme team
- Established work streams encompassing all aspects of the business
- Programme Risk Register
- Dedicated programme governance apparatus

Treatments (Future Controls):

- Enhanced communications plan
- Nested support to Hospital rebuild IBC Identified strategic transformation initiatives
- Clear priority areas with ELT sponsorship

Indicators (Risk Velocity):

- Consistent outputs from IBC and MoC team
- Successfully reaching agreed gateways
- Minimal concerns/ recommendations raised by third party review

Related Objectives:

- to improve, promote, and protect the health of people and communities
- to promote the integration of health services, especially primary and secondary health services
- to foster community participation in health improvement, and in planning for the provision of services and for significant changes to the provision of services

Health Reform Impact

- Progress under a Health NZ / Maori Health Authority slows as new operating models and contractual arrangements are determined and implemented

Other Commentary

- Complete refresh of programme following COVID-19.

Last Updated
September 2021

#5: Failure to Improve and Embrace Change Inhibits Organisational Learning

Risk Owner
Chief Executive

Changes is a constant in the delivery of health care. Our strategy, operational processes, workforce structures and resource allocation for improvement, and the critical need to retain and build relationships both within the health system and more broadly with our partners and the community, are all dependent on embracing innovation and a robust framework to nurture organisational change when required.

The current fiscal context suggests we are asked to do more (increase in health care demand) with less (slowly increasing budget). Encouraging innovation, whilst increasing associated risk, is a means to increase efficiency in achieving objectives.

Risk Assessment	
Inherent Risk	**Major**
Current Residual Risk	**Moderate**
Tolerable Residual Risk	**Moderate**
Risk Trend	**Steady**

Current Controls:

- Ki Te Pae Ora Programme
- Quality and Improvement Team
- Planning and Improvement PPG
- Staff Professional Development Initiatives
- Structures for staff, work and teams

Treatments (Future Controls):

- Review of Project Management PPG
- Time for Care professional development
- Intern21 Programme
- Leadership Development programme
- Wellbeing initiatives

Indicators (Risk Velocity):

- Other DHBs consulting NMH on trials
- Consistent rise in measures of performance
- Decrease in incident reporting (associated with experimentation

Related Objectives:

- to improve, promote, and protect the health of people and communities
- to seek the optimum arrangement for the most effective and efficient delivery of health services in order to meet local, regional, and national needs
- to foster community participation in health improvement, and in planning for the provision of services and for significant changes to the provision of services

Health Reform Impact

- Progress under a Health NZ / Maori Health Authority slows as new operating models and contractual arrangements are determined and implemented

Other Commentary

- Focusing on preserving innovation from COVID-19 response whilst adapting to limitations persisting in global connectedness (CME impact).

Last Updated
January 2022

#6: Inability to Provide a Safe Environment for Patients, Staff and Other Users

Risk Owner
GM People and Capability

NMH operates a number of sites across the full spectrum of health care services. Staff regularly work under pressure, interacting with stressed consumers and relying on a number of contractors to perform key support roles.

Legislatively, the organisation is bound to provide a safe working environment and implement a sound workplace health and safety framework.

Failure to safeguard staff, patients and other users of NMH facilities undermines the achievement of organisational objectives and result in harm to personnel.

Risk Assessment

Inherent Risk	**Critical**
Current Residual Risk	**Major**
Tolerable Residual Risk	**Moderate**
Risk Trend	**Steady**

Current Controls:

- HS&W Team
- H&S workplace reps
- Safety 1st reporting system
- CG & Quality Team
- De-escalation and managing aggression training programmes
- External Reviews (ACC Audit, other audits)
- Prevention of Workplace Aggression Working group
- Hazard Substances Programme
- Continued engagement with union partners through Bipartite Action Group
- Occupational Health Risk Assessment Framework

Treatments (Future Controls):

- Muscoskeletal Injury Prevention WG
- Bariatric Care WG
- Workplace agression working group

Indicators (Risk Velocity):

- Safety incident reporting (Safety 1st)
- Trends in unsafe practices by contractors reducing
- Positive ACC audit result
- decrease in workplace aggression risk
- Positive staff survey feedback

Related Objectives:

- to promote effective care or support for those in need of personal health services or disability support services
- to exhibit a sense of environmental responsibility by having regard to the environmental implications of its operations
- to be a good employer

Health Reform Impact

- No significant impact determined as expected to be business as usual

Other Commentary

-

Last Updated
January 2022

#7: Ineffective workforce leadership and retention

Risk Owner
GM People and Capability

NMH's workforce is key to delivering health services to our communities now and in the future. The components of workforce management that contribute to this risk are:

- The ability to recruit and retain qualified people across the spectrum of services and support functions.
- Planning and projecting the workforce needs of the future and having strategies in place to meet these.
- Developing a culture that enables high performance and job and career satisfaction for employees.

Risk Assessment

Inherent Risk	**Critical**
Current Residual Risk	**Major**
Tolerable Residual Risk	**Moderate**
Risk Trend	**Upwards**

Current Controls:

- Embedded NMH values
- Annual Plan
- Occupational health services
- Performance reviews
- Professional development programmes
- CE forums, ELT walkarounds, working groups and other opportunities for staff to shape the way we work
- Union engagement forums
- Mana Puawai programme of leadership development, wellbeing initiatives, cultural competence and technical skill development

Treatments (Future Controls):

- Workforce planning and projections
- Ki Te Pae Ora workstreams to identify future roles and MOC
- Developing stratification opportunities within the workforce to better utilise available resources in the future
-
- Benefits derived from leadership development and wellbeing initiatives

Indicators (Risk Velocity):

- Reduced time of advertising speciality roles
- Decreased staff turnover
- Staff survey results (last one 2018)
- NMH values are inherent in day to day activities

Related Objectives:

- to be a good employer
- to seek the optimum arrangement for the most effective and efficient delivery of health services in order to meet local, regional and national needs

Health Reform Impact

- Loss of staff members due to the uncertainty created from the health reforms
- Inability to attract staff to fill vacancies, either permanently or temporarily

Other Commentary

- Reduced supply of healthcare workers due to immigration constraints and demand in other areas (vaccination/swabbing), has increased the impact of the risk

Last Updated
January 2022

#8: Capital Projects Fail to Produce Fit For Purpose Infrastructure

Risk Owner
GM Finance, Performance and Facilities

In order to meet the evolving demand for health services within the Nelson Marlborough region, NMH must effectively execute small, medium and large-scale capital work projects in a timely manner. Capital investment needs to account for future health care trends and consider ongoing operating expense, thus ensuring enhanced patient outcomes and value for money. The completion of, and ongoing updates to, the Asset Management Plan provide critical guidance for the asset infrastructure across facilities, clinical equipment, ICT and motor vehicles.

Failure to adequately account for trends in health care within future works will have adverse impacts on future services and undermine both financial and clinical stewardship

Risk Assessment

Inherent Risk	**Critical**
Current Residual Risk	**Major**
Tolerable Residual Risk	**Current site: Major** **New Build: Moderate**
Risk Trend	**Steady**

Current Controls:

- Ki Te Pae Ora Programme & continued detailed service planning
- Interim Facilities work programme
- HIU lead for the Nelson Hospital redevelopment project with NMH involvement
- Asset Management work programme
- Insurance Programme

Treatments (Future Controls):

- Improved liaison with MoH/HIU and Treasury
- Conditions assessment of major infrastructure ongoing
- Asset Management Plan regular updates
- Development of the Business Continuity Management framework and resulting BCP

Indicators (Risk Velocity):

- HIU lead for the Nelson Hospital redevelopment project requiring critical linkage and guidance from NMH stakeholders on project scope
- Minimal delays during project

Related Objectives:

- to improve, promote and protect the health of people and communities
- to promote the integration of health services, especially primary and secondary health services
- to seek the optimum arrangement for the most effective and efficient delivery of health services in order to meet local, regional, and national needs
- to foster community participation in health improvement, and in planning for the provision of services and for significant changes to the provision of services

Health Reform Impact

- Capital projects are deferred or cancelled
- Scale of some capital projects is reduced

Other Commentary

- Ongoing coordination of a number of work streams is key to manage the short – medium term risk (current facilities) and long term risk (redevelopment project).

Last Updated
January 2022

#9: Information and Communication Technology System Failure

Risk Owner
GM Digital

NMH relies heavily on ICT services to achieve its objectives. A breakdown in the ICT platform used at NMH, including those supplied by the host CDHB, represents a threat to the safe delivery of services.

To manage this risk, the Government Chief Digital Officer (GCDO) has mandated that all crown entities maintain ICT operations assurance plans. Five key focus areas have been identified, being service continuity management, information security management, service portfolio management, capacity management and supplier management. As more systems incorporate being hosted in either Public or Hybrid cloud platforms, third party assurance is an important part of supplier management

Risk Assessment	
Inherent Risk	**Critical**
Current Residual Risk	**Major**
Tolerable Residual Risk	**Major**
Risk Trend	**Steady**

Current Controls:

- Key systems hosted in the cloud via IaaS or SaaS
- Information security management, including multi factor authorisation, ensuring no unauthorised access
- Service portfolio management for good value and seamless change management
- Rolling work programme focused on infrastructure maintenance
- Capacity management for staff capability and system compute/store.
- Supplier management to ensuring continuing supplier support

Treatments (Future Controls):

- Liaison with CDHB regarding regional DR Plan
- Develop plan for "high availability" network
- Increase maturity of security framework
- Staff security training and IT skills development

Indicators (Risk Velocity):

- Increased confidence in ICT system resilience by staff
- Satisfactory results from regulated assurance activities
- Increased security awareness amongst staff

Related Objectives:

- to improve, promote, and protect the health of people and communities
- to promote the integration of health services, especially primary & secondary health services
- to seek the optimum arrangement for the most effective and efficient delivery of health services in order to meet local, regional, and national needs

Health Reform Impact

- Confirmation of region that NMH will sit in so the alignment of ICT systems currently within South Island is not compromised
- Loss of key staff due to uncertainty
- Inability to progress key infrastructure and security projects due to lack of clear national direction post 1 July 2022, or funding availability

Other Commentary

- A rapidly maturing workstream in response to a growing threat landscape. The migration to MS Teams and Office365 improves both security and cloud-based resilience, as does the migration of TechOne to the cloud, and planned payroll to the cloud.

Last Updated
September 2021

#10: A Disruption Event Impacts Provision of Core Services

Risk Owner
GM Finance, Performance and Facilities

NMH is responsible for working with the people of the Nelson/Marlborough region to promote, encourage and enable their health, wellbeing and independence. The achievement of this is subject to disruption by natural hazards e.g. severe weather, seismic events, tsunami, fire) or other events such as a pandemic or ICT or other cyber security event disruption.

COVID-19 has highlighted the challenges of leading a whole of system health response whilst coordinating supporting agencies in support. Ultimately close relationships and rehearsed district wide plans will ensure success.

As well as disrupting core services, a number of these events are likely to cause increased demand for emergency care, reducing core services as capacity is reserved for expected increased demand and social issues.

Risk Assessment

Inherent Risk	**Critical**
Current Residual Risk	**Major**
Tolerable Residual Risk	**Moderate**
Risk Trend	**Upward**

Current Controls:

- Health Emergency Plan (HEP)
- Business Continuity management framework and development of BCPs underway
- Covid resilience planning work underway
- Insurance/Risk sharing
- Seismic assessments of major infrastructure & move of ICT to IAAS and SAAS
- Contribution to Nelson/Tasman and Marlborough CEG, R&R, WCG, PEPI Groups
- Incident management training and/or scenario exercises for staff

Treatments (Future Controls):

- Integrated EOC across Tasman (FENZ, NZP, NMH, Councils)
- Consideration of regional/national EOC for certain events
- Improved regional resilience planning
- Updating HEP
- BCM implementation

Indicators (Risk Velocity):

- Enhanced whole of government planning and readiness certification over next five years
- Implemented BCM Framework and subordinate BCPs.

Related Objectives:

- to improve, promote and protect the health of people and communities
- to seek the optimum arrangement for the most effective and efficient delivery of health services in order to meet local, regional, and national needs
- to promote effective care or support for those in need of personal health services or disability support services
- to be a good employer

Health Reform Impact

- No significant impact assessed

Other Commentary

- COVID-19 has shown benefits of integrated emergency response but the risk of a COVID outbreak increases current residual risk.

Last Updated
January 2022

#11: Non-Compliance with Legislation or Associated Guideline

Risk Owner
GM Finance, Performance and Facilities

Good and sustainable health services are essential for resilient and thriving communities. A key component of ensuring sustainable services relies on sound governance through compliance with relevant legislation and associated guidelines.

The significant annual allocation of public monies, the relative large and diverse workforce and the complex nature of delivering healthcare outcomes means NMH has a responsibility to comply with a raft of legislation.

Failure to comply with legislation will undermine credibility, threaten the safe delivery of services and expose NMH to a range of adverse consequences

Risk Assessment

Inherent Risk	**Major**
Current Residual Risk	**Moderate**
Tolerable Residual Risk	**Moderate**
Risk Trend	**Steady**

Current Controls:

- Corporate governance structure inclusive of advisory committees
- Clinical governance structure including of sub-committees
- Contracted legislative compliance mechanism (AON)
- Internal Audit Manager
- Compliance with Audit NZ external audit schedule
- Certification and compliance processes
- Privacy and Fraud compliance functions

Treatments (Future Controls):

- Continued implementation of audit recommendations
- PPG management programme

Indicators (Risk Velocity):

- Minimal adverse audit results/ decrease in recommendations
- Decrease in HDC investigations
- Decrease in Legislative Compliance corrective action plans

Related Objectives:

- to uphold the ethical and quality standards commonly expected of providers of services and of public sector organisations
- to exhibit a sense of environmental responsibility by having regard to the environmental implications of its operations
- to seek the optimum arrangement for the most effective and efficient delivery of health services in order to meet local, regional and national needs

Health Reform Impact

- No significant impact assessed

Other Commentary

- Some disruption to legislative compliance verification work due to software issues but tangible impact to compliance assessed as negligible.

Last Updated
September 2021

#12: Ineffective Financial Stewardship Undermines Achievement of Objectives

Risk Owner
GM Finance, Performance and Facilities

NMH is allocated ~$600 mil annually to ensure the people of the Nelson Marlborough region get well, stay well and live well. An older, slowly growing and dispersed population, in turn with technological advancements in the delivery of healthcare, continue to place fiscal pressure on the organisation.

Whilst NMH has achieved comparably favourable performance levels in recent financial years, balancing demand with allocated resources remains a challenge for all services.

Risk Assessment	
Inherent Risk	**Critical**
Current Residual Risk	**Major**
Tolerable Residual Risk	**Major**
Risk Trend	**Upward**

Current Controls:

- Transparent and comprehensive monthly fiscal reporting in accordance with good governance principles
- An embedded organisational procedure for pursuing unplanned expenditure through business cases
- Integrated corporate and clinical decision making framework linked to NMH objectives
- A commitment to smart clinical decision making (choose wisely)

Treatments (Future Controls):

- A review of the business case procedure and policy
- Commitment to achieving forecasted financial position.

Indicators (Risk Velocity):

- Monthly reporting indicates consistent underspend on budget spend
- Decrease in unplanned business cases due to inadequate planning
- Increased staff support for cost efficiency initiatives

Related Objectives:

- to improve, promote, and protect the health of people and communities
- to promote the integration of health services, especially primary and secondary health services
- to seek the optimum arrangement for the most effective and efficient delivery of health services in order to meet local, regional, and national needs
- to be a good employer.

Health Reform Impact

- Organisational financial structures and transactions will differ under a new operating model and associated structure. This will include different delegations, financial transactions and budgeting/forecasting processes that will require additional resource to educate managers

Other Commentary

- Liquidity risk added to operational register as sector grapples with cash flow issues.

Last Updated
January 2022