

# A risk management approach

## National Safety and Quality Mental Health Standards for Community Managed Organisations risk assessment

This fact sheet describes an approach to risk management when implementing the actions outlined in the National Safety and Quality Mental Health Standards for Community Managed Organisations (Mental Health Standards).

### About the Mental Health Standards

The Mental Health Standards aim to improve the quality of community managed mental health service provision, and to protect consumers, their families and carers from harm.

The Mental Health Standards are made up of three individual standards:

- the Practice Governance Standard
- the Partnering with Consumers, Families and Carers Standard
- the Model of Care Standard.

There is a total of 82 actions across these three standards, which describe the level of care and safeguards that a service provider should have.

### Why a risk management approach?

Using a risk management approach requires service providers to assess each action in the Mental Health Standards, then prioritise and develop mitigation strategies.

The context, complexity and consumer population of your mental health services will influence the type and severity of the risk to consumers, their families and carers. The likelihood and consequences of the risk will decide the extent of the strategies needed.

Some actions may not be applicable to the delivery of the service. The models of care that mental health services provide will inform the relevance and risks of an action. For example, if your service only provides day services, actions about residential services will not be applicable.

## Who may be at risk?

### **Some consumers and support people will be at greater risk than others**

For example, children and young people, older people, people from diverse population groups, including Aboriginal and Torres Strait Islander peoples, and people at risk of homelessness can have poorer outcomes.

### **The workforce may be exposed to risks of harm**

For example, peer workers and others who provide or support the delivery of mental health services.

### **Service providers may have corporate, or practice risks associated with their services.**

Such risk may relate to the design of the mental health service and how it is delivered.

## Risk management process

Service providers will initially determine which actions are applicable, given the type of mental health services offered. Actions considered as '[not applicable](#)' should be recorded in the [self-assessment tool](#). The service provider's accrediting agency will confirm if these actions are not applicable with the Commission.

Service providers should conduct a risk assessment of the systems and processes for each of the relevant actions.

Risks can be associated with:

- equipment
- work practices
- the environment
- consumer age, condition, medication or situation.

Service providers should assess:

- who is at risk?
- what is involved?
- what factors allow it to happen?
- how likely is it?
- what are the consequences?
- what can be done?
- is there a solution for each identified situation or risk?

Risk assessment relies on accurate and timely data. Examples include:

- audit results
- incident and adverse events
- surveillance data
- complaints
- literature
- benchmarking reports.

Risk assessment then considers:

- the **likelihood** of the identified risk factors causing harm
- **assessing the severity** (how serious the harm could be if it occurs)
- **mitigating strategies** based on the severity, likelihood and the risk appetite of the service provider to eliminate, reduce or mitigate the risk
- **what is reasonably practicable** by weighing the cost of controls against the risk and considering available and suitable methods for elimination or minimisation of risk.

Risks can then be prioritised by considering:

- the potential **impact** of the risk
- the **resource required** to alleviate the risk
- requirements for **regulatory or other policy compliance**
- the service providers **risk sensitivity or tolerance**.

Other important factors to consider include the effectiveness of existing strategies, the time sensitivity of the risk, and the service provider's strategic objectives.

The level of risk and the mitigation strategies will be different for each provider.

Once the risks are prioritised, translate the priority ratings and mitigating strategies. These can be incorporated into an action plan.



## Determining risk strategies

To help determine the risk strategy required, consider these risk management principles:

1. **Avoid risk.** Identify strategies that avoid the risk whenever possible; a risk that cannot be eliminated must be managed.
2. **Identify risk.** Assess the risk, identify the nature of the risk and who is involved.
3. **Analyse risk.** Examine the risk, how likely it is to happen, and what the consequences are if it happens.
4. **Evaluate risk.** Determine how the risk can be reduced or eliminated, and document the processes, responses and outcomes.
5. **Treat risks.** Manage the risk by determining who is responsible for taking actions, and when and how this will be monitored, reported and reviewed.

### For more information

Please visit: [safetyandquality.gov.au/mh-cmos](https://safetyandquality.gov.au/mh-cmos). You can also email the Safety and Quality Advice Centre at: [AdviceCentre@safetyandquality.gov.au](mailto:AdviceCentre@safetyandquality.gov.au) or call 1800 304 056.

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