



## Bermuda Hospitals Board

### RISK MANAGEMENT SUB-COMMITTEE Terms of Reference

#### 1. DEFINITIONS

“BHB” means the Bermuda Hospitals Board;

“the Board” means the Board of Directors;

“Board Member” means person appointed by the Minister to serve on the Board

“the Act” mean the Bermuda Hospitals Board Act 1970;

“Executive Team Member” means a member of BHB’s Executive Management Team;

“Executive Member of the Board” means a Board Member who sits on the Executive Committee and has been appointed as Chair of one or more sub-committees of the Board;

“Non-Executive Member of the Board” means Member of the Board not serving on the Executive Committee;

“Co-Opted Member” means an external subject matter expert co-opted from the community who has been appointed to the membership of one or more of the Board’s Committees who may vote in an advisory capacity on any matter put before the Committee;

“Gazetted Member” means a Member of the Board who has been formally appointed by the Minister of Health.;

“the Group” means the Programme Steering Group. The Board’s Committees are advisory by nature. Decisions rendered / votes cast by Group Members are therefore presented to the Board as recommendations.

#### 2. CONSTITUTION

In accordance with the Bermuda Hospitals Board Act 1970 (the “Act”), and pursuant to section 26 (4) of the Act, BHB hereby establishes a sub-committee of the Governance & Risk Committee to be known as the Risk Management Sub-Committee (the “Committee”), which shall be governed by the Terms of Reference set forth below.

The Committee is hereby authorized by the Governance & Risk Committee to investigate activities within its Terms of Reference, as well as any matters which have not specifically been set out in its Terms, but which require investigation by Members of the Committee. It is further authorized to seek any information it requires from any employee, and all employees are directed to cooperate with any requirements made by the Committee.

The Committee is authorized by the Governance & Risk Committee to obtain outside legal or other professional advice and to retain other advisors with relevant experience and expertise if it considers this necessary to carry out its duties.

Committee Members agree to respect all policies and procedures which protect BHB's intellectual property and patient confidentiality.

### **3. PURPOSE AND SCOPE**

The Committee is committed to ensuring that effective risk management is an integral part of its management approach and incorporates the principles of proactive identification, mitigation, monitoring and review. The Board is ultimately responsible for determining the nature and extent of significant risks it is willing to take in achieving its strategic objectives. The Committee has an overall responsibility for providing oversight and advice to the Governance & Risk Committee on current risk exposures and future risk strategies for ensuring the safety of the Hospital's staff, patients, third party contractors and the community.

### **4. DUTIES AND RESPONSIBILITIES**

The main duties and responsibilities of the Committee include, but are not limited to:

#### Risk Management

- Advise the Governance & Risk Committee on the Organization's overall risk appetite, tolerance, strategy and metrics taking into account current financial, regulatory and political constraints;
- Review the BHB's current risk profile and exposure against the risk appetite and strategy;
- Review the BHB's policies and practices with respect to risk assessment and risk management, including discussing with management the major financial risk exposures and the steps that have been taken to monitor and control such exposures;
- To recommend for approval to the Governance & Risk Committee risk policies and oversee the execution of the BHB's risk management program and internal control systems;
- Review the process for communicating regulatory obligations to key personnel within BHB and ensure or seek assurances that they are being adhered to.

#### Risk Reporting

- The Committee shall receive and review risk registers from the various clinical and operational departments within BHB and is responsible for holding management accountable for implementing programmes which will control and mitigate risks. The Risk Registers shall be updated quarterly with annual submissions to the Risk Management Sub-Committee;
- The Committee shall report to the Governance & Risk Committee on its proceedings after each meeting on all matters within duties and responsibilities;
- The Committee shall provide the Governance & Risk Committee with a Corporate Risk Register of high impact risks together with proposed mitigation strategies and where appropriate a clear outline of anticipated costs;

- The Committee shall also conduct periodic reviews on the overall effectiveness of BHB’s Risk Management Framework and the appropriateness of any necessary changes and making recommendations to the Governance & Risk Committee as required;
- With regard to legal and regulatory risks, the Committee shall provide reports from the Office of Legal Affairs with regard to emerging legislative changes and regulatory risks. The Committee shall provide periodic reports to the Governance & Risk Committee on the status of its activities;
- The development and maintenance of an appropriate risk management programme, including risk assessment and reporting; and
- On an annual basis, review and re-assess the adequacy of these Terms of Reference and recommend to the Governance & Risk Committee for approval.

## **5. CONDUCT OF MEETINGS**

### 5.1 Membership

Membership of the Committee shall be approved by the Governance & Risk Committee. The Chief of Staff shall serve as Chair of the Committee.

The Committee Members shall comprise the following:

- Chief of Staff
- Chief Executive Officer
- Chief of Nursing
- Chief Operating Officer
- Chief Financial Officer
- Deputy Chief Financial Officer
- Vice President, Quality and Risk
- Vice President, Information Technology
- Vice President, Facilities Management
- Head of Compliance & Internal Audit
- Clinical Risk Manager

The Committee may invite other individuals whether internal or external to attend all or part of any meeting in whatever capacity the Chairman of the Committee deems appropriate.

### 5.2 Appointments

Co-Opted Members may be nominated by the Committee Chair and should be vetted and approved by the Executive Committee and ultimately the Board. Co-Opted Members may serve for a period of one year, unless otherwise agreed by the Board.

The Board may exercise its discretion to re-appoint Co-Opted Members for an additional term. The Board’s Committees and Groups are advisory by nature; decisions rendered / votes cast by Committee Members are therefore presented to the Governance & Risk Committee as recommendations.

### 5.3 Quorum and Voting

The quorum for all Committee meetings will be satisfied where two Executive Team Members or their delegates are in attendance.

Every question or matter to be determined by the Committee at any committee meeting shall be decided by way of a majority vote. In the event of an equal division of votes on any questions or matters, the Chair of the meeting may give a second casting vote. A Member may abstain from voting on a matter in which that Member has a financial or personal interest.

### 5.4 Frequency

The Committee shall meet on a monthly basis not less than eight times per year on a regular basis, with the option to convene meetings more frequently as necessary. The Chairman or Committee Members may convene additional meetings at any time to deal with matters within the remit of the Committee.

### 5.5 Resolutions in Writing

The Board hereby confers on the Committee powers to make decisions by way of resolution. A copy of the resolution(s) shall be circulated to all Members who would be entitled to attend a meeting and vote. The date of the resolution is the date when the resolution is signed by the last Member to sign.