



SUBJECT: Appendix B CM-6-20

TO: Audit Committee

FROM: City Manager's Office

Report Number: CM-15-18

Wards Affected: All

File Numbers: 430-01

Date to Committee: September 20, 2018

Date to Council: September 24, 2018

Recommendation:

Receive and file City Manger's office report CM-15-18 providing an update on the city's Enterprise Risk Management register for 2018.

Purpose:

An Engaging City

- Good Governance

Background and Discussion:

Prior approvals and activities in regard to Enterprise Risk Management (ERM) since 2013:

- CM-10-13 on ERM Corporate Policy
- CM-05-15 on the reviewed ERM Policy
- City Manger's Workplan in Oct 2015, ERM register as a deliverable
- City Manger's presentation in Feb 2016, Macro Risk Assessment
- CM-16-16 First ERM Risk Registry
- CM-5-17 Details on Risk #1 - Labour Market Risk (from CM-16-16)
- CM-8-17 Details on Risks 2-4 (from CM-16-16)
- CM-12-17 Details on Risks 5-7 (from CM-16-16)
- CM-3-18 Details on Risks 8-10 (from CM-16-16)
- CM-4-18 ERM Policy Review

Strategy/process

Report CM-3-18 provided Council with an overview of the process that would be used for the city's ERM Risk Register Development. This process was followed with the addition of also interviewing all members of council as requested by Audit Committee. This included 30-minute confidential interviews with members of BLT and a risk workshop to come to a consensus on the top ten risks. Time was also spent to identify probability, impact and present and future mitigation.

The Burlington Leadership Team's finalized ERM Risk registry can be found in Appendix A. A new addition this year is our ability to track ERM trends as we have more than one year of ERM data. We have also included previous mitigation as well as present or future mitigation.

As requested by Audit Committee a list of all of the Burlington Leadership Team's identified risks can be found in Appendix B.

A list of all of Council's identified risks can be found in Appendix C. This was developed based on 30-minute confidential interviews with each member of Burlington City Council.

In addition, this year we plan on presenting the finalized ERM Register to Managers and Supervisors by attending Department meetings in Q4 2018 and Q1 2019.

Financial Matters:

Not applicable at this time.

Connections:

Enterprise Risk Management is an integral component of the work of the Burlington Leadership Team and is a focus of the corporation.

Public Engagement Matters:

This report is on a public agenda for any member of the public who wish to learn about the city's Enterprise Risk Management program and our 2018 risk register.

Conclusion:

The report provides Audit Committee with the city's 2018 Enterprise Risk Management Risk register.

Respectfully submitted,

Leah Bisutti

Manager of Corporate Policy Initiatives

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Appendices: (if none delete section)

- A. Finalized 2018 Risk Register
- B. 2018 List of all Burlington Leadership Team Risks
- C. 2018 List of all Council identified Risks

Report Approval:

All reports are reviewed and/or approved by Department Director, Director of Finance and Director of Legal. Final approval is by the City Manager.

Appendix A

#	Enterprise Risk	Description	Previous Ranking	Trend	Internal or External	Probability	Impact	Previous Mitigation (what was listed on last report)	Present or Future Mitigation
1	Labour Market & Workforce	Retirements, Attraction, Retention, Recruitment, Succession Planning, Compensation	1	=	External	VC	H	Succession Planning, Compensation Plan, Employer Brand	Competitive Salary Adjustments, Videos, Updated compensation plan, Union negotiations, New Job Evaluations for non Union Staff, addressing market competitiveness, Strategies to mitigate turnover, Retain part-time staff, evolve roles to meet fast changing customer needs, Mercer Market Rate Review
		Workplace Culture, Staff Engagement & Motivation, Working Environment, Skills, Training, Competencies	6	n/a	Internal	VC	H	Mobile Workforce Strategy, WIFI in city buildings, IT Strategy, Workplace Culture Team, Corporate Values, Internal Communications Plan, Leadership programs at Mohawk and DeGroote, Job rotations, Professional Development, mentoring Program	Dennison Workplace Culture Survey in 2019, Our Space project, Innovation Café, Work of Staff Culture teams, New Job Evaluation for Non-Union Staff, Anti-bullying task force, Greater Investment in Department Staff training
2	Financial Sustainability	Sustainability, Budget, Strategic Plan	2	=	Internal	VL	H	Asset Management Plan, Finance Plan for Strategic Plan	Asset Management Financing plan, Update of Strategic Plan Financing plan, 20 year operating budget simulation, 10 year capital budget and forecast, DC study update, retained savings allocation, financial statements, Government Relations Strategy, Educating the public, Strategic capital coordination between Departments and asset categories, Maintenance management plan, Work load analysis to inform budget decisions, Use of ERM to inform budget
		Limited Revenue Tools	2	=	External	VL	H	Advocacy through AMO, Grant Coordination	Continue with Government Relations strategies, New Grant programs
3	Climate Change	Severe Weather Events - Ice Storm, Floods, Wind Storm, Increasing number of severe weather events	3	=	External	VC	H	Emergency Plan, Continuity of Operations, Storm Water Plan, Resilient City Community Work	Understanding of best practices, Introduction of low intensity development standards, New Grant programs, Asset Management Plan Implementation, Energy challenges, Changing to energy efficient equipment, Green Fleet Strategy, Coordination with Region on Emergency Plan, Urban Forestry Management Plan, Service Level Review and Update
4	Technology	IT Systems, Staff Expertise & Competency, Speed of Change	4	=	Internal	VC	H	IT Strategic Plan, IT Asset Management Plan	The establishment of work priorities, New Grant Programs, Currently underfunded, Evaluation of our systems and cost of replacement/maintenance and need financial plan
		Cyber Attacks, Data Breaches	n/a	n/a	External	VL	H	n/a - separated since last report	ITS data security and analysis work
5	Capacity and Volume of Work	Strategic Plan, CM & BLT Work Plans, Projects, Process Changes, Technology Changes	5	=	Internal	VL	H	Prioritization, Alignment of work to Strategic Plan and CM & BLT work plans, Project Management Capacity	Council education on work priorities and impact of new requests, Department Workplans
6	Growth & Affordability	Housing Affordability, Position in GTHA, Demographics, Age, Immigration, Non-strategic Growth, Attraction & affordability for immigrants	7 & 9	↑	External	VL	M	Provincial Advocacy, Government Relations Strategy, New OP & Mobility Hub Plans	New Zoning By-law, Housing strategy, City input into Regional OP and Grow Bold implementation strategy, Update Best Planning Estimates, Parks Master Plan
7	Transportation	Changing Societal Trends, Strong link to Growth & Development, Position in GTHA	8	↑	External	UN	M	Transportation Master Plan, Government Relations Strategy	Strengthen relations with Province & Metrolinx and align internal transportation planning resources, Transportation Plan, Transit Plan, Active Transportation Plan, Mobility Hubs Plans, Alignment of Service Levels to changes - ie increase in active transportation
8	Legislative Changes	Provincial and Federal Legislative Changes - Bill 148, Cannabis, Speed of changes & policies	n/a	n/a	External	VL	M	Attraction Strategies for youth, immigrants & newcomers, Active Aging Strategy, BEDC strategy, Youth Strategy	New Provincial Government - need to build relationship quickly, Government Relations Strategy, Local and Regional partnerships and work with our professional institutes, Budget for Bill 148 changes, Union negotiations, Monitor Government activity
9	Disruptive Technology	Uber, Lyft, Airbnb, Driverless Vehicles, etc.	n/a	n/a	External	VL	M	n/a - new to this report	Ongoing monitoring, review of policies and by-laws, Study best practices from other municipalities, review as part of Transportation and Transit Master Plans
10	Election & Council	Change in Strategic Plan, Massive policy shifts, Strategic coherence, Long term planning - change every 4 years	10	=	External	VL	M	Governance Workshop & Code of Good Governance, Council orientation	

Appendix B

	Risks	26	ERP - HR Systems
1	Labour market issues	27	IT
2	People Leaving	28	IT Systems Renewal
3	Labour/Workforce	29	Corporate IT systems
4	HR - People	30	Technology
5	Staff Attraction and Retention	31	Mobility
6	Labour		
7	Labour Risk	32	Budget
8	Staff Turnover	33	Capital Program \$
9	Staff	34	Budget
10	Lean Organizationally	35	Overall Budget
11	BLT Retirements	36	Financial Crunch
12	Succession Management	37	Capital Program - cost escalation
13	Labour/Staff	38	Financial Risk
14	Labour		
15	Recruitment	39	Workplans / Focus on Future
		40	Volume of Corporate Projects, Work Projects
16	Governance	41	Work volume
17	Council Turnover	42	Corporate Priority Setting
18	Election		
19	Election	43	Official Plan
20	Election	44	Official Plan
21	Council	45	Growth
22	Council	46	Lack of Population Growth
23	Election Year		
24	Governance/Elections	47	Emergency Preparedness
		48	Emergency Management
		49	Emergency Response to Community Event
		50	Continuity of Operations

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51	Environment	70	Housing Affordability
52	Extreme Weather Events		
53	Environmental	71	Agency's & Boards
54	Customer Management	72	Arbitration for Fire
55	Customer Service		
56	CRM	73	External Contract Issues
57	Security	74	Amount of Change
58	Security		
59	Corporate Security	75	Disruptive Technologies
60	Hiring Students/Temps/Contract Workers	76	Records & Information
61	Turnover of PT Staff		
		77	Traffic Congestion
62	Reputation		
63	Public Environment	78	Operating in Silos
64	Infrastructure	79	ParaTransit
65	Asset Management		
		80	Litigation Results
66	Legislative Changes		
67	Provincial Government Changes	81	Demographics/Inclusivity
68	Planning Approval Gridlock - City building risk	82	Health and Safety
69	By-law		
		83	Attendance Management, Wellness

Appendix C

Risk
Community Engagement
Engagement Charter
Community Engagement/Communication
Community Engagement
Customer Service
Customer Service Brand
Subversive Efforts
Professional Responsibility of Staff
Strategic Planning
Decision Making/Implementation
Implementation of Strategic Plan, Official Plan, Area Specific Plans etc.
Technology
Technology risk - subset
Quantify goals and priorities
Time Setting up for success
Services - Resources
Labour Risk
Labour
Succession Planning
Talent Pool - staff
Generation Gap
Severely Out of Date Official Plan
Official Plan
Lack of Assessment Growth
Intensification
Region of Halton
Budget Pressures
Joint Ventures
Viability of Business Meeting Facilities
Facility Space
Fraud
Safety Issues
Flooding
Environment
Process of Managing Risk
Urban Boundary
Mid Pen Highway
Economic Recession
Mass Illness

