
Corporate Risk Annual Report 2016

Recommendation

That the report of the CFO/General Manager, Asset and Financial Management Department, dated March 6, 2017, be forwarded to City Council for information.

Topic and Purpose

The purpose of this report is to provide an annual update on activities carried out by the Corporate Risk Division in 2015/2016 and to outline key initiatives for 2017.

Report Highlights

1. The Terms of Reference for the Corporate Risk Committee requires the Committee to report, on an annual basis, to the Standing Policy Committee on Finance and City Council a summary of risk management activity for each calendar year.
2. The Administration has successfully reduced the risk severity of 11 (48%) of its key strategic risks from high to medium, although continued effort will be required to achieve targets.

Strategic Goals

This report supports the long-term strategy of creating and encouraging a workplace culture of continuous improvement that encourages innovation and forward-thinking under the strategic goal of Continuous Improvement.

The City of Saskatoon's (City) Risk Based Management program sets a positive and proactive risk management culture for the corporation through the adoption of a systematic, practical and ongoing process for understanding and managing risk.

Report

Annual Report

A key component of the Risk Based Management (RBM) Program was the establishment of a Corporate Risk Committee (CRC). The CRC was established in early 2015 with the mandate "...to promote a proactive risk management practice and culture within the City of Saskatoon so as to assist with the achievement of corporate goals through the timely identification and effective treatment of corporate risk."

The CRC consists of the Senior Administration (City Manager, General Managers of the four departments, City Solicitor, and Director of Government Relations), Fire Chief, Police Chief, and the Director of Corporate Risk.

The Terms of Reference for the CRC requires the Committee to report, on an annual basis, to the Standing Policy Committee on Finance and City Council a summary of risk management activity for each calendar year.

The 2016 Corporate Risk Annual Report (Attachment 1) provides a summary of the following:

- RBM Program, including its principles, framework and process;
- Corporate Risk Division's accomplishments in 2015 and 2016 as they relate to the RBM Program's two main objectives;
- key mitigation activities being undertaken to manage each of the City's strategic risks that were identified through the strategic risk assessment; and
- Corporate Risk Division's objectives for 2017.

Reductions in Risk Severity

The Administration has successfully reduced the risk severity for each of the City's key strategic risks as a result of current risk management activities, in some cases significantly. Further, for 11 of the strategic risks, the risk severity has decreased from high severity (i.e. high likelihood, high impact) to medium severity (i.e. medium likelihood, medium impact), and 3 strategic risks are now rated within the target residual risk zone that the Administration had set for it.

Even with these improvements, the Administration will continue to work on enhancing its understanding of corporate risks, expand the risk assessment process throughout the organization, and implement additional risk management strategies to further reduce risk severity.

Communication Plan

Producing a detailed *2016 Corporate Risk Annual Report* will ensure that internal and external stakeholders, along with the public, are provided with the most accurate and appropriate information on the City's ongoing commitment to an RBM Program for the corporation.

In addition to issuing a News Release regarding the publication of the *2016 Corporate Risk Annual Report*, hard copies of the report will be distributed to key stakeholders. A digital version of the annual report will also be made available on the Corporate Risk webpage on saskatoon.ca.

Due Date for Follow-up and/or Project Completion

A report summarizing risk management activity will be submitted annually to the Standing Policy Committee on Finance and City Council.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachment

1. 2016 Annual Report - Corporate Risk Division

Report Approval

Written by: Nicole Garman, Director of Corporate Risk
Reviewed by: Kerry Tarasoff, CFO/General Manager, Asset & Financial
Management Department
Approved by: Catherine Gryba, Acting City Manager

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