



2023 Year-End Principal Corporate Risk Report

AC2024-0038

2024 January 18

Recommendations

That the Audit Committee recommend that Council:

- 1 Receive this report and presentation for information and the Corporate Record;
- 2 Direct that Attachment 4 remain confidential pursuant to Section 24 of the Freedom of Information and Protection of Privacy Act; to be reviewed by 2029 January 2.



Highlights

- 1 Stable Principal Corporate Risk ratings**

The City's risk environment remained stable for most of 2023 after experiencing a slight increase at the beginning of the year. Risk management strategies have worked to stabilize ratings of most of the Principal Corporate Risks.
- 2 Support in monitoring and responding to pressures**

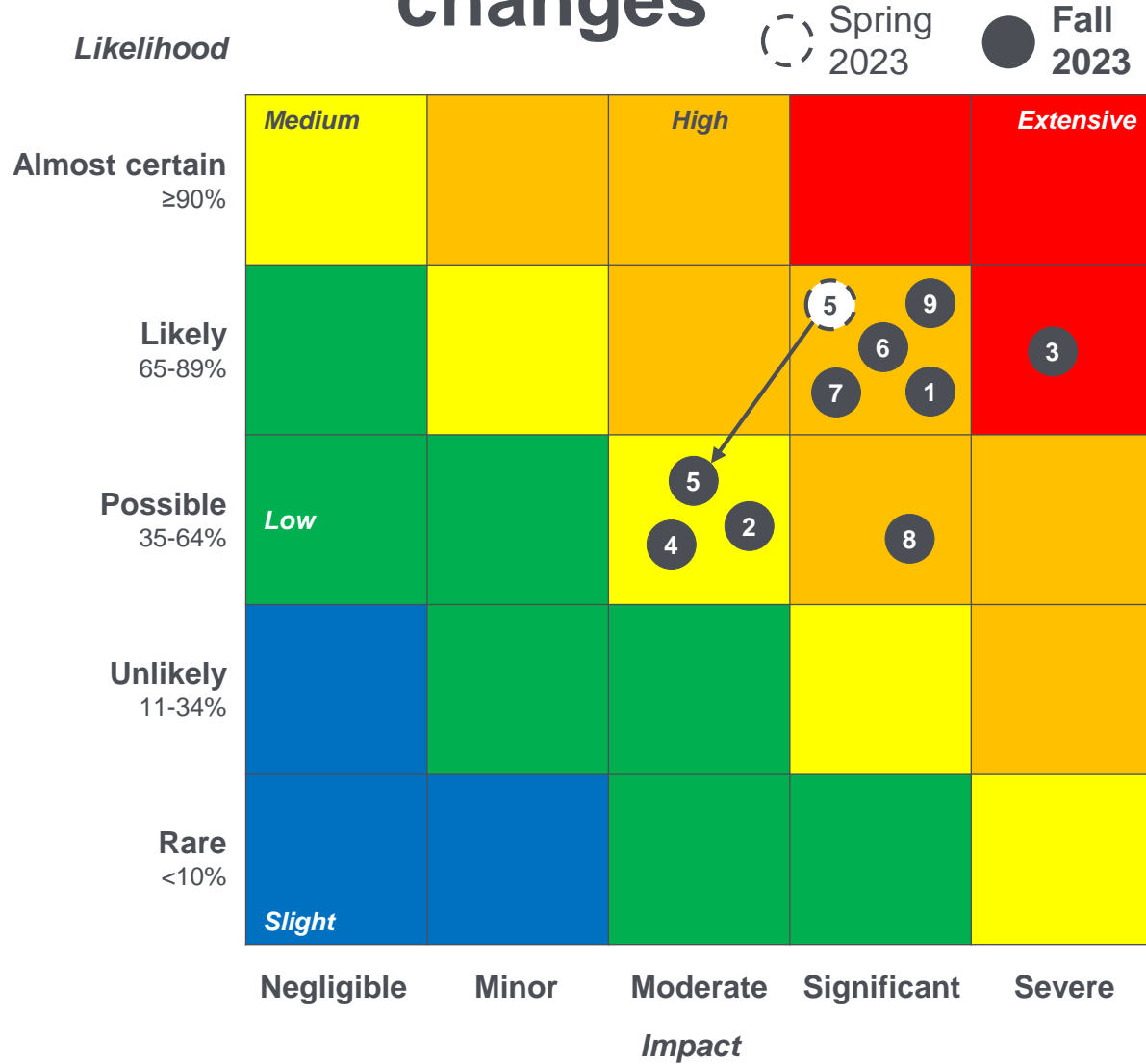
This report underscores the pivotal role of risk management as a management tool, strategically looking to the future context and fostering interconnected discussions to effectively manage strategic impacts. It provides essential information to collectively monitor, engage in strategic discussions, and respond to internal and external pressures that influence The City's ability to meet strategic objectives.
- 3 The City goal is to be nimble in its risk response**

The City tracks and assesses risks regularly to be nimble in its risk response, take advantage of opportunities, and achieve results.
- 4 The City in process of increasing risk maturity**

Several initiatives are underway to advance The City to the desired risk maturity level of "Advanced" (Tier 4).



Principal Corporate Risk heatmap & key changes



Principal Corporate Risk

Fall 2023 Residual Risk Rating

- 1 Capital infrastructure High
- 2 Employee experience Medium
- 3 Technological disruption Extensive
- 4 Financial sustainability Medium
- 5 Legal Medium
- 6 Reputation High
- 7 Social wellbeing High
- 8 Service delivery High
- 9 Sustainable City High



The City's Principal Corporate Risks

Principal Corporate Risk	Spring 2023		Fall 2023 (Current)			
	Residual risk rating	Risk trend	Residual risk rating	Risk response	Risk trend	Risk tolerance / appetite
Capital Infrastructure	High	→	High	On Track	→	Monitor
Employee Experience	Medium	↑	Medium	On Track	↑	Monitor
Technological Disruption	Extensive	↑	Extensive	On Track	↑	Monitor
Financial Sustainability	Medium	↑	Medium	On Track	↑	Maintain
Legal	High	↑	Medium	On Track	→	Maintain
Reputation	High	→	High	On Track	→	Maintain
Social Wellbeing	High	↑	High	On Track	↑	Monitor
Service Delivery	High	→	High	In Progress	↑	Monitor
Sustainable City	High	→	High	In Progress	→	Monitor



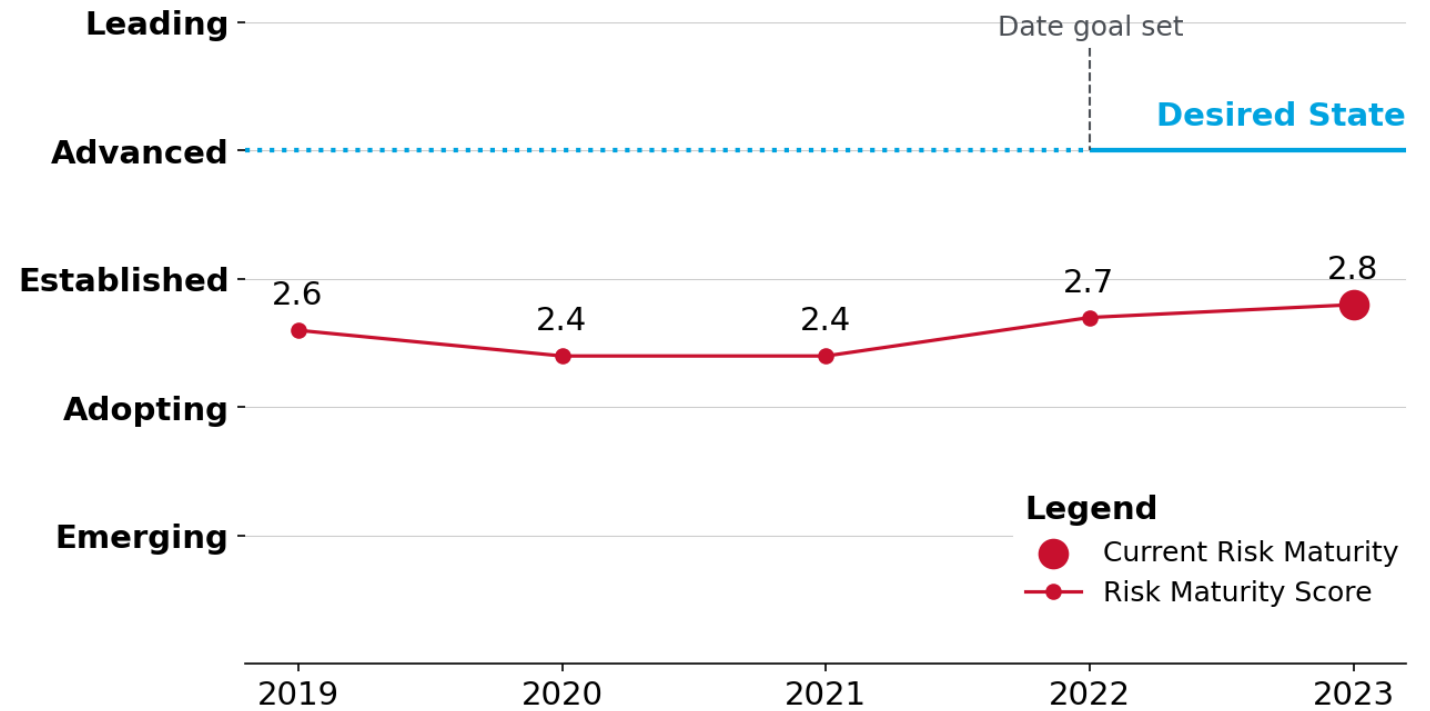
Risk Maturity Survey Update

2.8

Average Risk Maturity Score

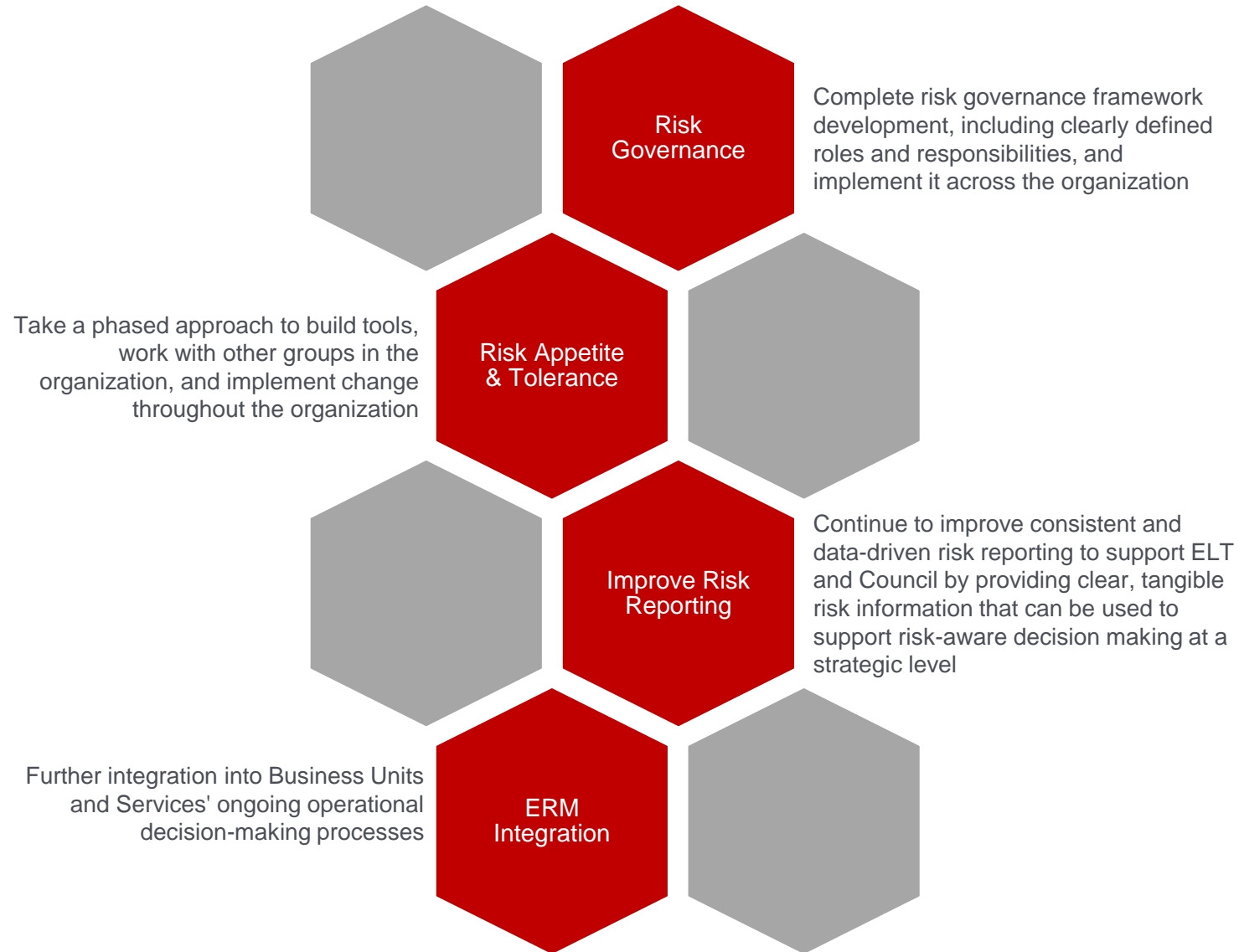
2023

Average Risk Maturity Scores





Next Steps



Recommendations

That the Audit Committee recommend that Council:

- 1 Receive this report and presentation for information and the Corporate Record;
- 2 Direct that Attachment 4 remain confidential pursuant to Section 24 of the Freedom of Information and Protection of Privacy Act; to be reviewed by 2029 January 2.