



2024 Mid-Year Principal Corporate Risk Report with Information Technology

AC2024-0518

2024 July 25

Recommendations

That the Audit Committee recommend that Council:

- 1 Receive this report and presentation for information and the Corporate Record;

Direct that Attachments 4 and 5 remain confidential pursuant to Section 24 of the Freedom of Information and Protection of Privacy Act; to be reviewed by 2029 July 31.
- 2

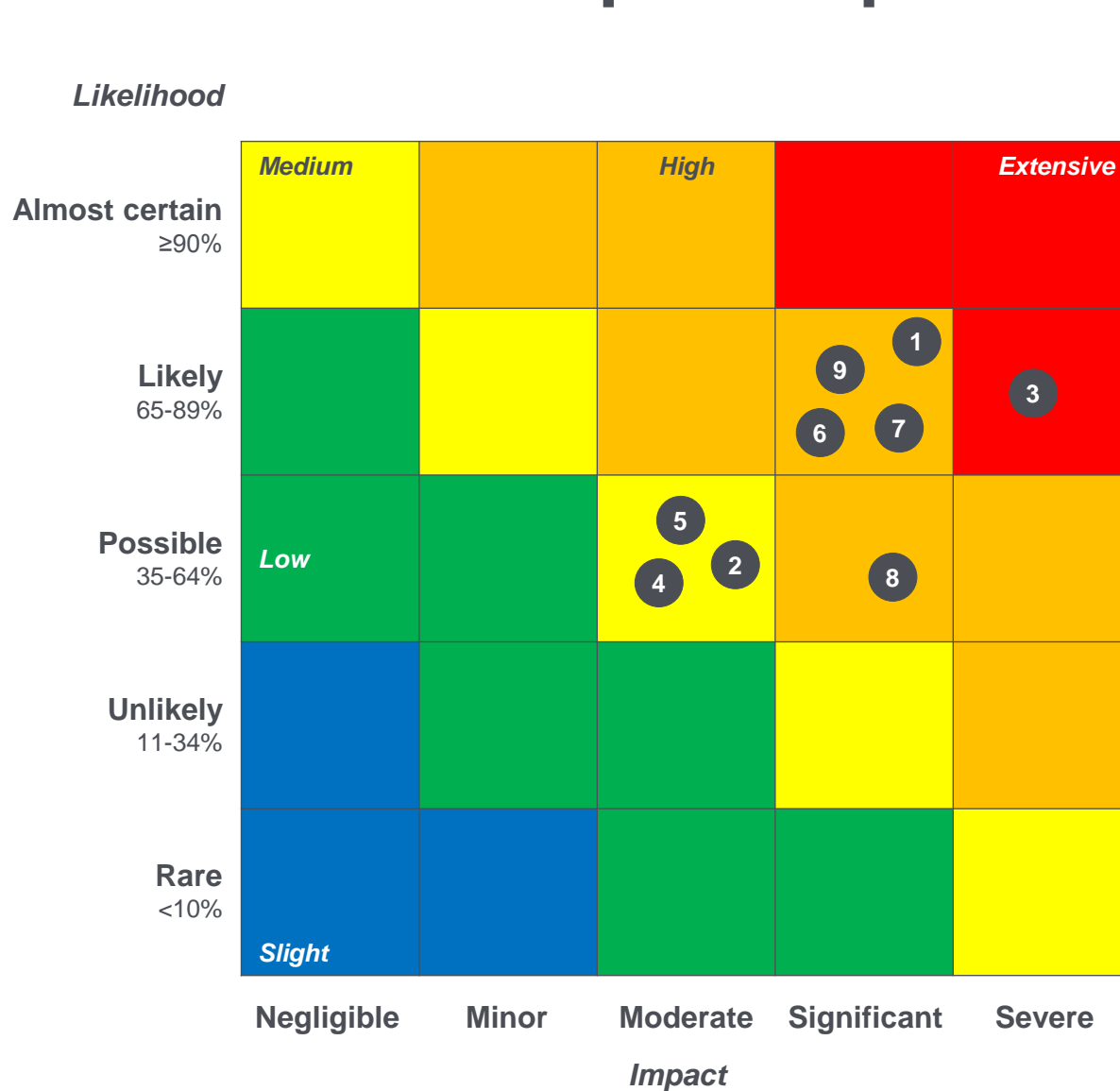


Highlights

- 1 Stable Principal Corporate Risk ratings
- 2 Increasing Information Technology Risks
- 3 Delivering Value to Calgarians through Risk Management



Principal Corporate Risk heatmap



Principal Corporate Risk

- 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

Mid Year
2024
Residual
Risk Rating



The City's Principal Corporate Risks

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

There were **no changes** in The City's PCR residual risk ratings

The City is employing **strategic approaches to risk response**, including financial management, advocacy, and leveraging technology for efficiency and security.

On Track: All risk responses are on track
In Progress: Some risk responses are delayed

Monitor: Within risk tolerance
Maintain: Within risk appetite



Key Risk Metrics: Enhancing PCR Data-Driven Decision Making

KRM Criteria



PCR	# KRMs	Confidential	Public
Capital Infrastructure	8	0	8
Employee Experience	9	1	8
Technological Disruption	10	10	0
Financial Sustainability	3	0	3
Legal	<i>Will be shared in Fall 2024</i>		
Reputation	3	0	3
Social Wellbeing	22	0	22
Service Delivery	5	0	5
Sustainable City	4	0	4



Information technology risk trends

Risk	2023		2024	
	Risk Rating	Trend	Risk Rating	Trend
Technology Security	■ Extensive	↑	■ Extensive	↑
Staff Resources	■ High	↑	■ Extensive	↑
Capacity	■ High	↑	■ High	↑
Loss of Data	■ Extensive	↑	■ Extensive	↑
Insufficient Funding	■ High	↑	■ Extensive	↑
Dependency on External Vendors	■ High	↑	■ High	↑
System Failure	■ High	↑	■ High	↑
Information Management	■ High	↔	■ High	↔
Technology Procurement	■ High	↑	■ Extensive	↔
Service Interruption	■ High	↔	■ High	↔

More sophisticated
cyber activity
towards government

New risks from new
technology (e.g.
artificial intelligence)

*Additional information on
identified risks can be
found in
Attachment 5
(Confidential)*



ERM Program – Key Highlights



We're on a journey to advance risk maturity at The City.

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