



	<b>REPORT No.: 2021-39</b>
<b>MEETING DATE: SEPTEMBER 16, 2021</b>	<b>DATE PREPARED: AUGUST 20, 2021</b>
<b>SUBJECT: ENTERPRISE RISK MANAGEMENT – ANNUAL UPDATE</b>	

**RECOMMENDATION**

For Information Only.

**REPORT SUMMARY**

To provide The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board) with an update on the organization's Enterprise Risk Management (ERM) Framework.

**BACKGROUND**

Developing an ERM System was identified as a component of the 2017 - 2020 Practical Vision of TBDSSAB; specifically, as a component within Transparent and Sustainable Finances.

To strengthen TBDSSAB risk management functions and develop a fulsome process, Administration began the process of establishing a comprehensive risk management overview and framework.

The Board approved the Enterprise Risk Management Policy at its November 2018 Meeting, which included direction that Administration complete an ERM Framework.

The Board approved the ERM Framework, and resultant risk tolerance at its November 2019 Meeting, and Risk Appetite Statement at its December 2019 meeting.

At its September 17, 2020, meeting, the Board approved the annual reporting template and cycle for the Residual Heat Map and Risk Trajectory Dashboard.

**COMMENTS**

In its first iteration of the ERM Framework, Administration worked to identify all possible risks to the organization with the understanding that through regular monitoring and measuring of the Framework, refinements would be made to identify the Key Risks more accurately or appropriately to TBDSSAB.

In that regard, and based on its continual monitoring, certain updates were recommended and approved by the Chief Administrative Officer (CAO) in accordance with the approved ERM Policy (CS-01:120).

### ***ERM Summary Updates***

#### **1. Change from Primary Risk to Secondary Risk**

The effectiveness of the ERM Framework is reviewed through an ongoing monitoring process. Through this process, the appropriateness of the various risks is confirmed.

As a result of its review of the ERM over the past year risks were identified as either primary or secondary risks based on the history and/or potential exposure, as well as the results of measuring the risks during the year.

Secondary risks would continue to be monitored to ensure the classification to secondary remains relevant, however, would not be reported within the Residual Heat Map, nor the Risk Trajectory Dashboard, due to their low risk assessment and results during the previous year.

In particular, the following risks were reclassified as secondary risks:

#	Description – Nature of Risk
<b>F4</b>	Risk of not being able to borrow funds to meet financial obligations and/or implement the Board's direction
<b>F5</b>	Risk that interest rates will change and negatively impact interest income or borrowing costs
<b>F6</b>	Risk of a change in the value of investments due to external market conditions reducing the value of the available amount in reserve funds to meet TBDSSAB obligations
<b>F8</b>	Risk that suppliers or vendors fail to meet expected performance objectives or service standards, and are not cost effective
<b>F9</b>	Risk that service providers and funded organizations do not meet service standards in providing services to their clients/tenants
<b>F11</b>	Risk that TBDSSAB assets ( <u>phones</u> ) will be misused, and, therefore, limit their ability to support programming
<b>F12</b>	Risk that TBDSSAB assets ( <u>technology</u> ) will be misused, and, therefore, limit their ability to support programming
<b>F13</b>	Risk that TBDSSAB assets ( <u>vehicles</u> ) will be misused, and, therefore, limit their ability to support programming

<b>F14</b>	Risk that staff will falsify expense accounts and/or payroll records
<b>F15</b>	Risk that staff will falsify client/tenant or vendor records
<b>H44</b>	Risk that professional development to support employee growth cannot be completed to retain key positions
<b>H47</b>	Risk of disengaged staff causing negative impact on fellow staff members
<b>H49</b>	Risk that geographic dispersion is too large to ensure effective employee supervision
<b>H52</b>	Risk of staff taking advantage of tenants

## 2. Combined Risks

Certain risks were identified as being fundamentally similar and could be combined without losing the integrity of the nature of risk and its potential impact on TBDSSAB. In particular:

- **P20, P21 and P22** were reworked to encompass the concepts into one Environmental risk category, rather than three; **P20** is now defined as: Risk that Acts of Nature / Extreme weather events (fire, storm, wind, flood) or other events (explosion, power failure, biohazard) would negatively impact building operations and possibly displace tenants.
- **P38 and P39** were combined into one as they reflected similar processes and ownership. **P38** is now defined as: Risk of errors in calculating RGI rent subsidy, portable housing benefit, rent supplements, and supplier contracts (landlord contracts)
- **H46 and H48** were combined into one as they reflected the same risk. **H48** is now defined as: Risk of unexpectedly losing a key member of the leadership team, or a high turnover rate (internal operations and public perception).

## 3. Risks Removed

Risks were considered for removal if, after monitoring for the past year, it was determined that they are not a risk for TBDSSAB.

One risk was identified for removal:

- **R19** - Risk that Trades' licenses and requirements could require additional reliance on external contractors to maintain properties.

The updated ERM Summary is provided in Attachment #1.

## **Summary**

With the updated ERM Summary, and based on the experiences across the organization, the Assessed Residual Risk was also updated. Overall, the risk exposure has remained consistent from the original assessment of the Types of Risk identified within the ERM Summary, and that the key controls continue to be effective to treat the risks.

The one exception, P20, is based on the experience with the COVID-19 global pandemic. Although this global pandemic is still impacting the organization, experiences from this public health crisis have increased the evaluation of the level of impact the organization would experience, and moved this risk from *monitoring the impact* to *proactively focusing on best practices* to deal with future risk events of this nature.

The updated Residual Heat Map is provided in Attachment #2, and the Risk Trajectory Dashboard is provided in Attachment #3.

## **FINANCIAL IMPLICATIONS**

There are no immediate additional financial implications associated with this report. Future decisions related to the management of risk may impact resource allocation, and will be identified during the annual budget process, or as required.



## **CONCLUSION**

It is concluded that the monitoring and updating of the ERM has been completed, and the results have been presented through the residual heat map and risk trajectory dashboard.

It is also concluded that the Key Controls remain relevant to support the treatment of risk across the organization.

**REFERENCE MATERIALS ATTACHED**

- Attachment #1 [Updated Enterprise Risk Management Summary](#)
- Attachment #2 [Residual Heat Map](#)
- Attachment #3 [Risk Trajectory Dashboard Template](#)

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<b>APPROVED / SIGNATURE:</b>	 Georgina Daniels, FCPA, FCA, Director - Corporate Services Division The District of Thunder Bay Social Services Administration Board
<b>SUBMITTED / SIGNATURE:</b>	 William (Bill) Bradica, Chief Administrative Officer The District of Thunder Bay Social Services Administration Board

Category	Type of Risk	#	Nature of Risk	Key Controls	Likelihood	Impact	Residual Risk Level
<b>STRATEGIC</b>  Risk of not being able to respond well to external changes as a result of inaction, ineffective strategies, or poor implementation of strategies	Management Information Risk	<b>S1</b>	Risk that information is not available, timely, or accurate about program operations to enable informed decision-making	Proactively planning for local client/tenant needs, economic trends, and other factors impacting program delivery; monitoring monthly operational statistics.	2	1	2
				Proper communication channels are in place to effectively communicate direction, program changes, etc.			
				Internal processes for finance, purchasing, IT; membership, effective management, professional development, best-practice research.			
				Proactively planning, process reviews, program realignment.			
		<b>S2</b>	Risk that we do not maximize the use of technology to achieve identified outcomes (appropriate training/process reviews/updated procedures)	Training, continuous improvement, Job Aids, support for external funded organizations on technology use; Internal training and policies.	1	2	2

Category	Type of Risk	#	Nature of Risk	Key Controls			
					Likelihood	Impact	Residual Risk Level
	Political Risk	<b>S3</b>	Risk that there is significant change in Government policies and funding that requires major changes to TBDSSAB infrastructure (human resources, systems, equipment, buildings, staffing programs)	Internal controls, fiduciary management, value-for-money approach; Process reviews for continuous improvement; Pro-active planning and flexible structures to adapt to change; Planning and forecasting, effective succession planning.	3	4	12
<b><u>FINANCIAL AND LIQUIDITY</u></b>  Risk that TBDSSAB will be unable to meet its financial commitments in a timely manner (suppliers, lenders, investments, compensation, and benefits)	Liquidity Risk	<b>F7</b>	Risk of running an in-year operating deficit overall that can't be mitigated	Management processes, Levy Stabilization Reserve Fund, quarterly monitoring processes (i.e., variance reports); exceeding cost-sharing ratio, if required, with the ability to levy under <i>DSSAB Act</i> .	2	1	2
	Political Risk	<b>F10</b>	Risk that rent revenues could decrease due to changes in tenant mixture and/or Provincial programs	Reserves, mixed income models, revenue-generating opportunities.	2	2	4

Category	Type of Risk	#	Nature of Risk	Key Controls	Likelihood	Impact	Residual Risk Level
<b><u>REGULATORY/ COMPLIANCE</u></b>  Risk of not complying with regulatory and other obligatory authoritative requirements	Regulatory Compliance	<b>R16</b>	The risk of inadvertent or negligent errors, acts or omissions of employees or agents that are inconsistent with, and/or in breach of, regulatory or other obligatory authoritative requirements (QMS is the treatment)	Robust infrastructure/decision-making processes to meet/deliver on numerous and competing priorities.	1	1	1
				Policies and Procedures, employee training, orientation, communication, technology (laptops vs. thumb drives, encrypted thumb drives vs. unprotected).			
				Quality Management Systems (QMS); Service Agreements, Job Aids, Training for changes in legislation/regulations.			
		<b>R17</b>	Risk of not meeting requirements in <i>OH&amp;S Act</i> and Regulations	Processes exist so that situations are responded to in a timely manner, and the risk of repeat incidents is minimized.	1	3	3
	Client/tenant files are properly recorded, managed, stored and safeguarded, including safety flags, etc.						
	Satellite Office procedures (e.g. Modified Emergency Handbook for Satellite Offices).						
	Appropriate policies, procedures and training to ensure compliance with the <i>Act</i> .						



Category	Type of Risk	#	Nature of Risk	Key Controls			
					Likelihood	Impact	Residual Risk Level
			Risk of not meeting requirements in <i>OH&amp;S Act</i> and Regulations ( <i>cont'd.</i> )	Incidents and injuries are responded to, and appropriate corrective action is taken in a timely manner to minimize the risk of repeat incidents.	1	3	3
				Active Joint Health and Safety Committee (certified members).			
				Annual audit of Health and Safety Program.			
				Regular Health and Safety inspections and risk assessments.			
	Regulatory Change	<b>R18</b>	Risk that changes in building codes, fire safety requirements or regulatory inspections could have a financial and operational impact on current and future building operations	Planning, communication, capital reserves, external program funding.	1	3	3

Category	Type of Risk	#	Nature of Risk	Key Controls			
					Likelihood	Impact	Residual Risk Level
<p><b><u>OPERATIONAL/ PROGRAMS</u></b></p> <p>The risk of operational/ program impact resulting from inadequate or failed internal processes, people and systems, or from external events</p>	Environmental Risk	<b>P20</b>	Risk that Acts of Nature, including extreme weather events (fire, storm, wind, flood) or other events (explosion, power failure, biohazards) would negatively impact building operations and possibly displace tenants	Disaster Recovery Site; Property Insurance; HQ and Satellite Offices emergency plans; Reserve Funds.	4	4	16
	Property/ Equipment System Risk	<b>P23</b>	Risk that building systems' failures (heating, water heating, potable water, air exchange, emergency generators) could impact tenants and require financial investment	Emergency and Evacuation Plans, Property Insurance, Purchasing processes, Reserve Funds.	3	3	9
		<b>P24</b>	Risk that server recovery is not timely or complete so that client/tenant service is impacted (Hardware/software applications)	In-house expertise; Vendor/Partner Maintenance Agreements and SLAs (Service-Level Agreements); Off-site and On-site back-ups; Disaster Recovery Site; Network Security protocols; property insurance.	1	3	3

Category	Type of Risk	#	Nature of Risk	Key Controls			
					Likelihood	Impact	Residual Risk Level
<b>OPERATIONAL/ PROGRAMS</b> (cont'd.)  The risk of operational/ program impact resulting from inadequate or failed internal processes, people and systems, or from external events	Property/ Equipment System Risk (cont'd.)	P25	Risk that telecommunication system cannot be recovered on a timely basis so that client/tenant service is impacted	In-house expertise; Vendor/Partner Maintenance Agreements and SLAs (Service-Level Agreements); Off-Site and On-Site back-ups; Disaster Recovery Site; Network Security protocols; property insurance, mobile phones.	1	2	2
		P26	Risk that Satellite Offices cannot connect for an extended period of time	Manual processes (paper documentation); back-up internet connection.	3	2	6
	Third-Party Risk	P27	Risk that tenant activities (negligence or criminal) could impact building operations and displace tenants or require financial investment	Property Insurance, emergency plans, use of alternate accommodations.	3	2	6
		P28	Risk of tenant health issues impacting staff, other tenants, stakeholders, or themselves	Policies and PPE, removal of persons, public health, appropriate preventative, investigative, reporting and corrective action measures.	2	3	6
		P29	Risk that tenant behaviours impact staff, stakeholders and other tenant safety	Emergency plans, security systems, Resource Centres, insurance, use of alternate accommodations.	3	3	9
	Appropriate policies, procedures, protocols and training are in place.						
	Appropriate investigative, reporting and corrective measures are in place.						
	Regular completion of Risk Assessments.						

Category	Type of Risk	#	Nature of Risk	Key Controls			
					Likelihood	Impact	Residual Risk Level
<b>OPERATIONAL/ PROGRAMS</b> (cont'd.)  The risk of operational/ program impact resulting from inadequate or failed internal processes, people and systems, or from external events	Third-Party Risk (cont'd.)	P30	Risk that vendor enters wrong tenant unit	Purchasing specifications, contract management, training, procedures/protocols.	1	1	1
		P31	Risk that community at large (e.g., gangs, drugs) negatively impacts TBDSSAB property (vandalism, dumping, theft)	Emergency plans, security systems, Resource centres, insurance, use of alternate accommodations.	5	3	15
		P32	Risk that third-party labour disputes disrupt/interrupt TBDSSAB operations and programs	Contingency plans, Emergency plans, Tenant communication process/protocols.	4	1	4
		P33	Risk that patrons' behaviours/ actions impact the safety of TBDSSAB staff (HQ and offices, TBDSSAB facilities, vehicles, travel)	Alarms, procedures, emergency response schedule, security presence at HQ Intake.	3	2	6
				Emergency plans, alarm systems, police presence, security.			
Appropriate policies, procedures, and training are in place.							
Appropriate investigative, reporting and corrective measures are in place.							
Regular completion of Risk Assessments.							

Category	Type of Risk	#	Nature of Risk	Key Controls	Likelihood	Impact	Residual Risk Level
<b>OPERATIONAL/ PROGRAMS</b> (cont'd.)  The risk of operational/ program impact resulting from inadequate or failed internal processes, people and systems, or from external events	Third-Party Risk (cont'd.)	P34	Risk that clients/tenants/vendors take advantage of internal control weaknesses in third-party operations (bank software)	Appropriate preventative, investigative, reporting and corrective measures are in place for suspected and known fraudulent activities; electronic payment processes for clients and vendors.	4	1	4
				Mandatory DBD, RPC in testing, likelihood will be further reduced as electronic payments increase.			
	Process Risk	P35	Risk of applicant receiving assistance, not receiving accurate information (all programs)	Processes established to ensure staff receive timely updated program information (Intake provides initial contact with the client/tenant).	1	1	1
				Training, Cross team communication, awareness; team meetings, cross-divisional training, weekly updates to staff.			
	P36	Risk of errors in granting Ontario Works benefits (Financial and Employment)	Playlist review in process.	1	2	2	
			Signing Authority process for CW; Supervisory File Review for new CW, Staff training.				
	P37	Risk of errors in granting Child Care Fee Subsidy	Practices exist to ensure clients/tenants are notified in a timely manner of changes or updates to their payments, benefits, eligibility, as well as program information.	1	1	1	
			Process in place where all files are reviewed by Supervisor. Fee Subsidy Process review is in the early stages of development.				

Category	Type of Risk	#	Nature of Risk	Key Controls				
					Likelihood	Impact	Residual Risk Level	
<b>OPERATIONAL/ PROGRAMS</b> (cont'd.)  The risk of operational/ program impact resulting from inadequate or failed internal processes, people and systems, or from external events	Process Risk (cont'd.)	P38	Risk of errors in calculating RGI rent subsidy, portable housing benefit, <b>rent supplement, and supplier contracts (landlord contracts)</b>	Oversight, staff training, reviews.	1	2	2	
	Demographic Risk	P40	Risk of lack of suitability of housing units to meet tenant need	Long-range planning, reviews, external supports.	2	2	4	
	Legal Risk	P41	Risk of liability in third-party landlord properties (H&S, contracts)	Programs, incentives, financial reserves.	2	3	6	
	Program Delivery Risk	P42	Risk of inadequate and/or inappropriate employment planning for clients/tenants so that clients/tenants do not receive the services they need	EUREKA! Process review in progress to focus on enhanced employment outcomes through PA follow up; impacted by client co-operation/participation; reduced caseworker:caseload ratio to align with Ministry [informal] ratio target. Residual risk expected to be impacted once process review is fully implemented.	5	3	15	
			P43	Risk of not following policies and procedures	Training and orientation practices in place so that management skills are developed and sufficient to ensure effective employee supervision.	1	1	2
					Processes exist so that policies and procedures are reviewed with staff.			
Supervisory oversight and monitoring; staff training, management training.								

Category	Type of Risk	#	Nature of Risk	Key Controls			
					Likelihood	Impact	Residual Risk Level
<b>OPERATIONAL/ PROGRAMS</b> (cont'd.)	Program Delivery Risk (cont'd.)	P43 (cont'd.)	Risk of not following policies and procedures (cont'd.)	Appropriate training and orientation practices are in place for all staff.	1	1	2
				Comprehensive Management training and orientation to ensure effective employee supervision.			
				Annual review of Policies and Procedures, accompanied by Staff Acknowledgement Sign-off.			
<b>HUMAN CAPITAL</b>	Hiring/ Retention Risk (cont'd.)	H45	Risk that we cannot attract suitable qualified candidates for key positions (skilled trades, technical, management )	Position description are monitored to ensure up-to-date requirements are identified; recruitment and selection practices/process.	2	2	4
Risk associated with inadequate human resource policies, processes and practices to hire, develop and retain resources and appropriate competencies to operate the programs and maintain a safe, ethical, and non-discriminatory work environment that complies with employment law							

Category	Type of Risk	#	Nature of Risk	Key Controls			
					Likelihood	Impact	Residual Risk Level
		H48	Risk of unexpectedly losing a key member of the leadership team, or a high turnover rate (internal operations and public perception concerns)	Succession planning, documented policies and procedures, training.	2	2	4
				Training, recruitment.			
				Active participation in local and District job fairs, including Confederation College and Lakehead University.			
				Comprehensive quarterly review of recruitment activities to identify trends.			
		H50	Risk that labour disruption impacts TBDSSAB operations	Strong labour relations, planning, recovery site, use of external partners.	2	2	4
Employee Misconduct		H51	Risk of harassment and bullying in the workplace (also brand reputation) is not addressed, and leads to negative legal/reputation outcomes.	Appropriate policies, procedures, training, supervision and corrective action.	2	2	4
				Promote and foster respectful and professional workplace with wellness/recognition initiatives.			
				Annual review, and sign-off, of Policies and Procedures.			



Category	Type of Risk	#	Nature of Risk	Key Controls			
					Likelihood	Impact	Residual Risk Level
<p><b><u>TECHNOLOGICAL</u></b></p> <p>The risk associated with inappropriate access or use of information</p>	Information Security Risk	<b>T53</b>	Risk of cyber threats and IT security vulnerabilities	<p>IT architecture is current so that programming is supported to the extent possible/under the control of TBDSSAB.</p> <p>In-house expertise; Vendor/Partner Maintenance Agreements and SLAs (Service-Level Agreements); Off-site and On-site back-ups; Disaster Recovery Site; Network Security protocols.</p>	1	3	3
	Information Security Risk - Breach	<b>T54</b>	<p>Risk that there is a breach of confidential data:</p> <p>A) Risk that confidential/client/tenant files/sensitive documents leave the building</p> <p>B) Risk that email with key information is sent to incorrect individuals</p> <p>C) Risk that storage and communication devices will be stolen or misplaced or fail (laptops, phones, etc.)</p> <p>D) Risk that hard-copy files are lost, misplaced or destroyed</p>	<p>Confidentiality Agreements upon hire; security protocols for vendors within the building; records' management processes; policies and procedures; file encryption; file transportation security protocols, client communication protocols.</p>	2	2	4

Category	Type of Risk	#	Nature of Risk	Key Controls			
					Likelihood	Impact	Residual Risk Level
	Third-Party Risk	<b>T55</b>	Risk that programs will be offline for extended periods of time, and impact operations (externally-hosted software)	Manual processes (paper documentation), redundancy plans; back-up internet connection.	4	2	8
<b>BRAND/ REPUTATION</b>  The risk of the potential for negative publicity, public perception or uncontrollable events to have an adverse impact on TBDSSAB's reputation, thereby affecting program delivery.	Third-Party Risk	<b>B56</b>	Risk that a serious occurrence in a funded agency is reflected on TBDSSAB	Initiated Agreements process.	2	2	4
		<b>B57</b>	Risk that unfavourable events (e.g., security breach) impact TBDSSAB's reputation	Policies, communications.	1	2	2
	Public Perception /Brand Risk	<b>B58</b>	Risk of <i>perceived</i> unfair procurement activities	Broader Public Sector procurement directives; internal procurement policies and procedures; E-Bids and Tenders (transparent procurement processes); debriefing process.	2	2	4
		<b>B59</b>	Risk that complaints from clients, tenants, applicants, general public through MP/MPP office, or municipal councillor, Board Member, are not prevented or mitigated	Policy and Processes exist so that complaints are addressed in a timely manner and in accordance with standard process.	2	2	4

Category	Type of Risk	#	Nature of Risk	Key Controls			
					Likelihood	Impact	Residual Risk Level
	Employee Misconduct	<b>B60</b>	Risk of misuse of social media platforms by staff, resulting in negative brand	Appropriate policy, procedure and training.	2	2	6
				Appropriate investigative, reporting and corrective measures.			
				Annual staff review, and sign-off, of Policy and Procedure.			
				Discipline issued for violation of Social Media Policy.			

**The District of Thunder Bay Social Services Administration Board  
Assessed Residual Risk Heat Map  
August, 2021**

Likelihood	Definitely			P31, P42		
	Probable	P32, P34	T55		P20	
	Possible		P26, P27, P33	P23, P29	S3	
	Unlikely	S1, F7	F10, P40, H45, H48, H50, H51, T54, B56, B58, B59, B60	P28, P41		
	Improbable	R16, P30, P35, P37	S2, P25, P36, P38, P43, B57	R17, R18, P24, T53		
		Negligible	Minor	Moderate Impact	Major	Severe /Catastrophic

Red	Immediate Focus/Action Required
Gold	Focus on best practice improvement
Yellow	Monitor, with a view to Best Practice improvement
Green	Monitor
Blue	No action required

The District of Thunder Bay Social Services Administration Board  
Enterprise Risk Management: Risk Trajectory Dashboard

Category	Type of Risk	#	Nature of Risk	Risk Exposure - Original Assessment*	Risk Exposure at August, 2021	Trajectory**
<b><u>STRATEGIC</u></b>  Risk of not being able to respond well to external changes as a result of inaction, ineffective strategies, or poor implementation of strategies	Management Information Risk	S1	Risk that information is not available, timely, or accurate about program operations to enable informed decision-making			⇒
		S2	Risk that we do not maximize the use of technology to achieve identified outcomes (appropriate training/process reviews/updated procedures)			⇒
	Political Risk	S3	Risk that there is significant change in Government policies and funding that requires major changes to TBDSSAB infrastructure (human resources, systems, equipment, buildings, staffing programs)			⇒
<b><u>FINANCIAL AND LIQUIDITY</u></b>  Risk that TBDSSAB will be unable to meet its financial commitments in a timely manner (suppliers, lenders, investments, compensation, and benefits)	Liquidity Risk	F7	Risk of running an in-year operating deficit overall that can't be mitigated			⇒
	Political Risk	F10	Risk that rent revenues could decrease due to changes in tenant mixture and/or Provincial programs			⇒
<b><u>REGULATORY/ COMPLIANCE</u></b>  Risk of not complying with regulatory and other obligatory authoritative requirements	Regulatory Compliance	R16	Risk of inadvertent or negligent errors, acts or omissions of employees or agents that are inconsistent with, and/or in breach of, regulatory or other obligatory authoritative requirements (QMS is the treatment)			⇒
		R17	Risk of not meeting requirements in <i>OH&amp;S Act</i> and Regulations			⇒
	Regulatory Change	R18	Risk that changes in building codes, fire safety requirements or regulatory inspections could have a financial and operational impact on current and future building operations			⇒

<p><b>OPERATIONAL/ PROGRAMS</b></p> <p>The risk of operational/ program impact resulting from inadequate or failed internal processes, people and systems, or from external events</p>	Environmental Risk	<b>P20</b>	<b>Risk that Acts of Nature, including extreme weather events (fire, storm, wind, flood) or other events (explosion, power failure, biohazards) would negatively impact building operations and possibly displace tenants</b>			↑
	Property/ Equipment System Risk	<b>P23</b>	Risk that building systems' failures (heating, water heating, potable water, air exchange, emergency generators) could impact tenants and require financial investment			⇒
		<b>P24</b>	Risk that server recovery is not timely or complete so that client/tenant service is impacted (Hardware/software applications)			⇒
		<b>P25</b>	Risk that telecommunication system cannot be recovered on a timely basis so that client/tenant service is impacted			⇒
		<b>P26</b>	Risk that Satellite Offices cannot connect for an extended period of time			⇒
		<b>P27</b>	Risk that tenant activities (negligence or criminal) could impact building operations and displace tenants or require financial investment			⇒
	Third-Party Risk	<b>P28</b>	Risk of tenant health issues impacting staff, other tenants, stakeholders, or themselves			⇒
		<b>P29</b>	Risk that tenant behaviours (physical, violent, harassment) impact staff, stakeholders and other tenant safety			⇒
		<b>P30</b>	Risk that vendor enters wrong tenant unit			⇒
		<b>P31</b>	Risk that community at large (e.g., gangs, drugs) negatively impacts TBDSSAB property (vandalism, dumping, theft)			⇒

<b>OPERATIONAL/ PROGRAMS (cont'd.)</b>	Third-Party Risk (cont'd)	<b>P32</b>	Risk that third-party labour disputes disrupt/interrupt TBDSSAB operations and programs			⇒
		<b>P33</b>	Risk that patrons' behaviours/actions impact the safety of TBDSSAB staff (HQ and offices, TBDSSAB facilities, vehicles, travel)			⇒
		<b>P34</b>	Risk that clients/tenants/vendors take advantage of internal control weaknesses in third-party operations (bank software)			⇒
	Process Risk	<b>P35</b>	Risk of applicant receiving assistance, not receiving accurate information (all programs)			⇒
		<b>P36</b>	Risk of errors in granting Ontario Works benefits (Financial and Employment)			⇒
		<b>P37</b>	Risk of errors in granting Child Care Fee Subsidy			⇒
		<b>P38</b>	Risk of errors in calculating RGI rent subsidy, portable housing benefit, <b>rent supplement, and supplier contracts (landlord contracts)</b>			⇒
	Demographic Risk	<b>P40</b>	Risk of lack of suitability of housing units to meet tenant need			⇒
	Legal Risk	<b>P41</b>	Risk of liability in third-party landlord properties (H&S, contracts)			⇒
	Program Delivery Risk	<b>P42</b>	Risk of inadequate and/or inappropriate employment planning for clients/tenants so that clients/tenants do not receive the services they need			⇒
		<b>P43</b>	Risk of not following policies and procedures			⇒

<b>HUMAN CAPITAL</b>  Risk associated with inadequate human resource policies, processes and practices to hire, develop and retain resources and appropriate competencies to operate the programs and maintain a safe, ethical, and non-discriminatory work environment that complies with employment law	Hiring/ Retention Risk	<b>H45</b>	Risk that we cannot attract suitable qualified candidates for key positions (skilled trades, technical, management )			⇒
		<b>H48</b>	Risk of unexpectedly losing a key member of the leadership team, or a high turnover rate (internal operations and public perception concerns)			⇒
		<b>H50</b>	Risk that labour disruption impacts TBDSSAB operations			⇒
	Employee Misconduct	<b>H51</b>	Risk of harassment and bullying in the workplace (also brand reputation) is not addressed, and leads to negative legal/reputation outcomes.			⇒
<b>TECHNOLOGICAL</b>  The risk associated with inappropriate access or use of information	Information Security Risk	<b>T53</b>	Risk of cyber threats and IT security vulnerabilities			⇒
	Information Security Risk - Breach	<b>T54</b>	Risk that there is a breach of confidential data: A) Risk that confidential/client/tenant files/sensitive documents leave the building B) Risk that email with key information is sent to incorrect individuals C) Risk that storage and communication devices will be stolen or misplaced or fail (laptops, phones, etc.) D) Risk that hard-copy files are lost, misplaced or destroyed			⇒
	Third-Party Risk	<b>T55</b>	Risk that programs will be offline for extended periods of time, and impact operations (externally-hosted software)			⇒



<b>BRAND/ REPUTATION</b>  The risk of the potential for negative publicity, public perception or uncontrollable events to have an adverse impact on TBDSSAB's reputation, thereby affecting program delivery.	Third-Party Risk	<b>B56</b>	Risk that a serious occurrence in a funded agency is reflected on TBDSSAB	Blue	Blue	→
		<b>B57</b>	Risk that unfavourable events (e.g., security breach) impact TBDSSAB's reputation	Blue	Blue	→
	Public Perception /Brand Risk	<b>B58</b>	Risk of <i>perceived</i> unfair procurement activities	Blue	Blue	→
		<b>B59</b>	Risk that complaints from clients, tenants, applicants, general public through MP/MPP office, or municipal councillor, Board Member, are not prevented or mitigated.	Blue	Blue	→
	Employee Misconduct	<b>B60</b>	Risk of misuse of social media platforms by staff, resulting in negative brand	Green	Blue	↓
<b>*Risk Exposure Legend</b>			<b>**Trajectory Legend</b>			
Red	Immediate Focus/Action Required		Significant Increase	↑		
Gold	Focus on best practice improvement		Moderate Increase	↕		
Yellow	Monitor, with a view to best practice improvement		No Change	→		
Green	Monitor		Decrease	↓		
Blue	No action required					