

The Status of Enterprise Risk Management in the Government Ministries of British Columbia

As at: August 15, 2012

Released: 23 June 2011

Discussed by the Public Accounts Committee: 11 June 2012

Self-assessment conducted by Risk Management Branch.

Comments:

Revised Government risk management policy (CPPM Chapter 14) addressing the recommendations of the OAG report has been drafted. It is currently with Office of the Comptroller General for review and is expected to be published shortly.

Recommendations

RECOMMENDATION AND SUMMARY OF PROGRESS	SELF-ASSESSED STATUS
<p>We recommend that government develop an appropriate accountability mechanism to ensure ministries are held accountable for enterprise risk management. This should include (recommendations 1-4):</p>	
<p>Recommendation 1: Regular assessments of ERM maturity for every ministry.</p>	<p>Partially implemented</p>
<p>Actions taken, results and/or actions planned</p>	
<p>Accepted. Incorporated into revised ERM policy. Using the OAG Report as a baseline, ministry risk maturity will be self-assessed every three years using the Risk Maturity Self-Assessment tool.</p>	
<p>Recommendation 2: ERM targets within Deputy Minister accountability letters.</p>	<p>No action taken</p>
<p>Actions taken, results and/or actions planned</p>	
<p>Will be considered as new accountability letters are produced along with other strategic goals.</p>	
<p>Recommendation 3: Annual reporting of ministry-level risk registers.</p>	<p>Partially implemented</p>
<p>Actions taken, results and/or actions planned</p>	
<p>Accepted. Incorporated into revised ERM policy. Communications developed and rolling out. Several ministries undertaking activity, facilitated by Risk Management Branch.</p>	
<p>Recommendation 4: Regular reporting of ministry ERM performance to the Deputy Ministers' Council.</p>	<p>Partially implemented</p>
<p>Actions taken, results and/or actions planned</p>	
<p>Accepted. Incorporated into revised ERM policy. RMB to coordinate semi-annual reports.</p>	

Recommendations (Cont.)

<p>Recommendation 5: The Risk Management Branch report to the Deputy Ministers' Council on ministries' progress towards full implementation of ERM.</p>	<p>Partially implemented</p>
<p>Actions taken, results and/or actions planned</p>	
<p>Accepted. Incorporated into revised ERM policy. RMB to report based on ministries' Risk Maturity Self-Assessment results.</p>	
<p>Recommendation 6: The Risk Management Branch create and maintain an overall risk register for all ministries in the Province of B.C. based on annual ministry-level risk registers.</p>	<p>Partially implemented</p>
<p>Actions taken, results and/or actions planned</p>	
<p>Accepted. Incorporated into new policy. RMB to report based on Ministry-level risk registers.</p>	
<p>Recommendation 7: Ministries maintain up to date ministry-level risk registers that clearly assess the likelihood and consequences of identified risks.</p>	<p>Partially implemented</p>
<p>Actions taken, results and/or actions planned</p>	
<p>Accepted. Current policy strengthened by requiring semi-annual updates to RMB.</p>	
<p>Recommendation 8: Ministries utilize the Risk Management Branch's approved ERM process, tools, training and guidance, or consult with the Risk Management Branch to modify the tools if needed.</p>	<p>Fully or substantially implemented</p>
<p>Actions taken, results and/or actions planned</p>	
<p>Standard tools, process, and guidelines have been updated and posted to RMB website. Support and facilitation offered by RMB to all ministries.</p>	
<p>Recommendation 9: Ministries appoint an ERM coordinator to assist with risk management and the maintenance of ministry-wide risk registers.</p>	<p>Fully or substantially implemented</p>
<p>Actions taken, results and/or actions planned</p>	
<p>All ministries have identified an ERM coordinator (most at the ADM level) to RMB.</p>	
<p>Recommendation 10: Ministries require their program areas to maintain a risk management process that includes a risk register, as appropriate, which can be rolled up to a ministry-wide risk register.</p>	<p>Alternative action taken</p>
<p>Actions taken, results and/or actions planned</p>	
<p>This is current policy but not a reporting requirement of revised policy. Ministry executive to determine whether program area risk registers are required.</p>	