



COMMITTEE: Governance Committee

PASSED: [June 2017]

TOPIC: Governance

AMENDED:

REVIEW PERIOD: 2019

PURPOSE

Risk management is an approach designed to:

- identify and evaluate potential events that affect the operations, assets and ongoing viability of the North Vancouver District Public Library (the “Library”) and
- establish mitigations and controls as needed to minimize risk to Library assets, services, the public, volunteers and employees, consistent with the District of North Vancouver (the District) and Library’s tolerance for risk.

This Policy explains the Library’s approach to risk management, and outlines key aspects of the risk management program, process, reporting procedures and responsibilities. Per the Library Act, a municipal library is managed by the Library Board, and this Policy supports the Board’s overall responsibility for Library risk management.

APPROACH TO RISK MANAGEMENT

The following key principles outline the Library’s approach to risk management.

- an appropriate awareness of the Library’s full risk management profile and how it is managed will be maintained.
- a sound risk management approach will be established to support the achievement of policies, aims and objectives while safeguarding property, services, the public, volunteers and employees.
- an open and receptive approach to mitigating risk will be pursued.
- conservative and prudent recognition of risks will be made, accompanied by disclosure of the financial and non-financial implications of risks.
- good risk management practices will be established within the Library, including collaboration with the District and North Shore Emergency Management on joint risk management areas of concern.
- Early warning mechanisms will be put in place and monitored so that appropriate actions, including required internal controls, can be taken to manage potential hazards.

SCOPE

This Policy encompasses the Library's full risk management profile, including all operations, activities and assets of the Library, and applies to the Board and all Library staff. Where specific policies exist to address risk mitigation in key categories, these are identified in RELATED POLICIES.

POLICY

The Library will make reasonable and duly diligent efforts to safeguard the Library's property, services, the public, volunteers and employees from risks. To the best of its ability, the Library will ensure that an effective risk management program is in place so that Library risks are identified, evaluated and managed to a level which meets the Library's tolerance for risk.

Library risk management will be done in alignment and in coordination with risk management requirements, programs and approaches of the District, and will be consistent with generally accepted standards for risk management, drawing on best practices where appropriate.

The Library's approach to risk management will comprise a program that includes, but is not limited to:

- an annually updated Risk Management Plan,
- developing and maintaining a Risk Register,
- Board and Library management oversight, and
- embedment of a risk management culture into major decision-making through risk education, high level policies, internal controls and procedures.

The Risk Management Plan will document results and recommendations resulting from the periodic identification, evaluation and treatment of Library risks, including the methodology used, which will be consistent with the requirements of the standard: *ISO 31000:2009 Risk Management – Principles and Guidelines*.

The Risk Register, prepared in accordance with the Risk Management Policy and Plan, will document, under defined risk categories, known or emerging credible risk events that may affect the Library. Emerging risks are added as required.

RESPONSIBILITIES

Library Board:

- Has overall responsibility for Library risk management, and will maintain an appropriate awareness of the Library's risk management profile and how it is managed.
- Sets the tone and influences the culture of risk management within the Library. This includes:
 - determining whether the Library is 'risk taking' or 'risk averse' as a whole or on any relevant individual issue;
 - determining which risks are acceptable and which are not; and
 - setting the standards and expectations of staff with respect to conduct and probity.

- Determines the risk tolerance of the Library (that is, the appropriate risk appetite and/or levels of exposure for the Library) in consultation with the Director of Library Services, the CFO and the District, and approves major decisions affecting the Library's risk profile or exposure.
- Oversees the on-going effectiveness of the Library's risk management approach and controls, reviews annually the Library's approach to risk management, and approves changes or improvements to key elements of its processes and procedures.
- Ensures all Board policies related to managing risk are maintained and revised where needed

Governance Committee of the Board:

- The Governance Committee oversees the risk management approach of the Library on behalf of the Board.
- Recommends to the Board a suitable risk management policy and approach for the Library.
- Recommends to the Board an appropriate risk appetite or level of exposure for the Library
- Works with the Director of Library Services and the CFO to determine the Library's risk prioritization protocol.
- Ensures that the identification and quantifications of fundamental risks affecting the Library, along with arrangements are in place to manage those risks are done in accordance with the Risk Management Policy.
- At least annually, reviews fundamental risks and their controls and reports to the Board.
- Works with staff on risks and controls that should be included in the Board's risk management approach, and ensures, through the CFO, the integration of Internal Audit into risk management.
- Oversees arrangements for emergency and continuity management on behalf of the Board, in collaboration with District and North Shore Emergency Management staff including the results of annual reviews of local emergency action plans and the outcomes of associated exercises to test them.
- Helps embed a risk management culture into major decision-making supporting workshops, risk education, high level controls and procedures.
- Considers major decisions affecting the Library's risk profile or exposure, along with required actions, for communication to the Board for decision-making.

Director of Library Services:

- Implements the Risk Management Policy, as well as risk management aspects of other Library Policies and required internal control.
- Provides an annual Risk Management Report to the Governance Committee as well as adequate information in a timely manner on Library risk management and the status of the Risk Register, including timely reporting of known and emerging risks.
- Develops and maintains the Risk Management Plan.
- Develops and maintains the Risk Register, including identification and evaluation of the fundamental risks faced by the Library for consideration by the Governance Committee, as and when necessary.
- Ensures, in conjunction with the Governance Committee, that all Board policies related to managing risk are maintained and revised where needed.
- Oversees the on-going effectiveness of risk management controls and, in conjunction with the Governance Committee.

- Works through the CFO on the integration of Internal Audit into risk management.

Chief Financial Officer:

- Supports this policy and related procedures, in particular the development and maintenance of the Risk Management Plans and Risk Register by the Director of Library Services.
- Attends Board and Governance Committee meetings when requested as a resource in discussions on risk-related matters.
- Ensures that the financial impacts of fundamental risks are duly considered in both Board and Council budget deliberations.
- Engages the District’s Internal Auditor on risk related matters as deemed appropriate by the CFO.

District of North Vancouver:

- Works with the Library to ensure Library risk is identified and mitigated for shared services including but not limited to Finance, Human Resources, Information Technology and Facilities.
- Works in collaboration with the Board and North Shore Emergency Management on disaster planning, response and recovery.
- Supports the Board as identified in Risk Management and Related Policies.

RELATED POLICIES

- Library Act – Sections 4, 9 & 54
- Local Government Act – Sections 735 to 741, 751
- Community Charter – Sections 186, 187
- District Bylaw 6475 - Municipal Public Officer Indemnifications Against Proceedings Bylaw
- District Bylaw 7304 - Emergency Plan Bylaw
- B-GOV-04 CONTINUITY OF LIBRARY DIRECTORSHIP
- B-GOV-08 STRATEGIC PLANNING
- B-GOV-09 INTERNAL AUDIT (under development)
- B-FIN-09 FINANCE- REPORTING OF FRAUDULENT OR RELATED DISHONEST ACTS
- B-FIN-10 FINANCE- INSURANCE
- B-HR-01 FOSTERING A SUPPORTED AND EMPOWERED STAFF
- B-HR-09 APPOINTMENT OF DIRECTOR OF LIBRARY SERVICES
- B-HR-14 CONFLICT OF INTEREST
- B-OP-07 COLLECTION POLICY
- B-OP-10 PUBLIC INTERNET ACCESS AND COMPUTER USE POLICY
- B-OP-11 PROTECTION OF PRIVACY AND CONFIDENTIALITY
- B-OP-14 INTELLECTUAL FREEDOM
- B-OHS-01 OCCUPATIONAL HEALTH AND SAFETY
- B-OHS-02 PREVENTION OF VIOLENCE IN THE WORKPLACE
- MG-HR-01.8 SOCIAL MEDIA