THE REGIONAL MUNICIPALITY OF PEEL

AUDIT AND RISK COMMITTEE

AGENDA		**ARC - 1/2020**

DATE: Thursday, February 6, 2020

TIME: 11:00 AM – 12:30 PM

LOCATION: Council Chamber, 5th Floor
Regional Administrative Headquarters
10 Peel Centre Drive, Suite A
Brampton, Ontario

MEMBERS: S. Dasko; N. Fairhead; C. Fonseca; N. Iannicca; K. Ras; R. Santos; I. Sinclair; R. Starr; H. Zuberi

Chaired by Councillor R. Starr or Vice-Chair Councillor R. Santos

1. DECLARATIONS OF CONFLICTS OF INTEREST

2. APPROVAL OF AGENDA

3. DELEGATIONS

4. REPORTS

4.1. 2020 Enterprise Audit Services Risk Based Work Plan
Presentation by Michelle Morris, Director, Enterprise Risk and Audit Services and Jennifer Weinman, Manager, Enterprise Audit Services

4.2. Enterprise Risk Management Policy

4.3. 2019 Fraud Information (For information)

4.4. Update on ISO 20000 Program (For information)

5. COMMUNICATIONS

6. IN CAMERA MATTERS

7.   OTHER BUSINESS

8.   NEXT MEETING

Thursday, April 16, 2020, 11:00 a.m. – 12:30 p.m.
Council Chamber, 5th Floor
Regional Administrative Headquarters
10 Peel Centre Drive, Suite A
Brampton, Ontario

9.   ADJOURNMENT

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DATE: January 29, 2020

REPORT TITLE: **2020 ENTERPRISE AUDIT SERVICES RISK BASED WORK PLAN**

FROM: Michelle Morris, Director, Enterprise Risk and Audit Services

RECOMMENDATION

That the 2020 Enterprise Audit Services Risk Based Work Plan as outlined in the report of the Director, Enterprise Risk and Audit Services, titled "2020 Enterprise Audit Services Risk Based Work Plan", be approved.

REPORT HIGHLIGHTS

- The 2020 Enterprise Audit Services Risk Based Work Plan ("Work Plan") was developed based on risk assessment information from various sources and applying a risk management framework.
- The 2020 Work Plan will remain flexible to address emerging risks and issues throughout the year.
- The 2020 Work Plan is intended to provide the Audit and Risk Committee and senior leadership reasonable assurance that higher risk areas in the Region are being audited.
- Based on the resources approved in the 2020 budget, Enterprise Risk and Audit Services will be able to independently and objectively carry out the audit projects presented in the 2020 Work Plan.

DISCUSSION

1. Background

Enterprise Risk and Audit Services has a responsibility to develop an annual work plan in accordance with *the International Standards for the Professional Practice of Internal Auditing* ("*Standards*"). The Work Plan is intended to provide the Audit and Risk Committee and senior leadership reasonable assurance that higher risk areas in the Region are being audited.

The 2020 Enterprise Audit Services Risk Based Work Plan was developed to set the priorities for Enterprise Audit Services activities in 2020. The Work Plan was developed using the following methodology to capture the current and emerging risks:

2020 ENTERPRISE AUDIT SERVICES RISK BASED WORK PLAN

- Surveys of the accountable directors by service area;
- Interviews with the Regional Chair, the Interim Chief Administrative Officer and selected directors;
- Application of a risk management framework to prioritize areas with higher risk;
- Consideration of past audits and auditors' experiences;
- Input from the Regional Corporate Risk Profile;
- Input from the Executive Leadership Team.

Changes to the Work Plan may be required as risks and issues unfold during the year, therefore, the 2020 Work Plan will remain flexible to allow for in-year requests. Enterprise Audit Services will update the Audit and Risk Committee and the Executive Leadership Team of changes to the Work Plan in accordance with the Enterprise Risk and Audit Services Charter and the *Standards*. The *Standards* require that Enterprise Risk and Audit Services review and adjust the Work Plan in response to changes in the business, risks, operations, programs, systems and controls; and that changes related to the Work Plan be reported.

Enterprise Audit Services engaged a third-party consultant to develop a risk-based Information and Technology Audit Work Plan for 2019-2022. Information and Technology projects for 2020 have been selected; they will be conducted by third-party subject matter experts and will be awarded through competitive procurement.

2. **2020 Enterprise Audit Services Risk Based Work Plan Highlights and Comments**

The audit projects in the 2020 Work Plan are aligned with the Region's Services and Sub-services Map, Term of Council Priorities and the Region's Strategic Plan. This alignment helps ensure audits will be conducted on activities and services where associated risks are higher.

In addition to conducting audits, Enterprise Risk and Audit Services reserves space in the Work Plan to:

- Respond to requests for control advice
- Follow up on outstanding management action plans
- Conduct investigations as needed
- Promote and advance the Fraud Prevention Program
- Participate in advisory and governance committees

Details of the 2020 Work Plan are presented in Appendix I of this report. There are three tables in Appendix I:

- Table 1 is the audit projects identified to commence in 2020. Background information and risk associated with the projects are presented in the Table;
- Table 2 is the projects that have started in 2019 and will be concluded in 2020;
- Table 3 outlines other services that Enterprise Audit Services provides and the descriptions of the services.

2020 ENTERPRISE AUDIT SERVICES RISK BASED WORK PLAN

Based on the resources approved in the 2020 budget, Enterprise Risk and Audit Services will be able to independently and objectively carry out the audit projects presented in the 2020 Work Plan.

RISK CONSIDERATIONS

The 2020 Enterprise Audit Services Risk Based Work Plan has been developed using the best available information at the time of development; it is not exhaustive. Inherently, there is a risk the Work Plan may not have allotted time to a higher risk area. As the Work Plan remains flexible, adjustments will be made should such a situation come to Enterprise Audit Services' attention.

CONCLUSION

The 2020 Enterprise Audit Services Risk Based Work Plan was developed to set priorities for Enterprise Audit Services activities for 2020. It is aligned with the Region's Services and Sub-services Map, Term of Council Priorities and the Region's Strategic Plan. The Work Plan is intended to provide the Audit and Risk Committee and senior leadership reasonable assurance that higher risk areas in the Region will be audited.

Michelle Morris, Director, Enterprise Risk and Audit Services

Approved for Submission:

N. Polsinelli, Interim Chief Administrative Officer

APPENDICES
Appendix I – 2020 Enterprise Audit Services Risk Based Work Plan Details

For further information regarding this report, please contact Michelle Morris, Director, Enterprise Risk and Audit Services, extension 4247, michelle.morris@peelregion.ca.

Authored By: Jennifer Weinman, CPA, CA, CIA, CRMA, Jenny Gong, MPA, CPA, CIA

Table 1 - 2020 Work Plan Audit Projects

Strategic Plan Area of Focus	Service / Sub Service	Last Time Audited	Background and Risk
Living (People's lives are improved in their time of need)	Paramedics	2008	Peel Paramedics provide life-saving, pre-hospital emergency medical care to Peel's residents and visitors. The Region of Peel has more than 650 full-time and part-time paramedics who respond to over 136,000 emergencies each year. Risk: Without adequate controls in processes to support the division, there is a risk that Paramedics may not be able to effectively deliver their core services.
Leading (Government is future-oriented and accountable)	Financial Management - Financial Reporting and Accounting	2011	The Accounts Payable group processes invoices and payments on behalf of the Region of Peel and Peel Housing Corporation. Payments need to be processed accurately, timely and in accordance with Regional policies and procedures. Risk: Without effective controls in place, there is a risk that payments may not be processed in accordance with policies and procedures and unapproved payments may go undetected.
	Financial Management - Insurance and Loss Management	2010	The Loss Management and Insurance Services section partners with program areas to implement and monitor financial planning measures to prepare for loss and manage those measures in the event of loss. Risk: There is a risk that loss events may not be effectively and efficiently managed without controls in place to help mitigate the risks.
	Public Accountability – Legislative Services	N/A	Various areas of the Region collect and access clients' information in order to provide services and conduct regular business. The Region's Access to Information and Privacy section offers consultation and advice on privacy-related practices and enquiries, privacy breach investigations, and customized training on privacy. Risk: There is a risk of privacy breaches given the business requirements to collect, store and access personal information in various areas across the Region.

Strategic Plan Area of Focus	Service / Sub Service	Last Time Audited	Background and Risk
	Workforce - Retention	2011	Payroll is responsible for processing salaries and hourly wages for over 5,000 Regional employees. Compensation for employees is processed and deposited bi-weekly. A Time and Labour system is used in administrating timesheets, employee information as well as pay records. It is important that records are correct, employees are paid according to the time worked and pay cheques are processed accurately and timely. Risk: Without effective controls in place, there is a risk that employees may not be paid correctly or in a timely manner.
	Information and Technology – Information Technology	N/A	The 2019-2022 IT Risk Based Work Plan includes a project to audit Enterprise Architecture. The potential scope of this audit includes reviewing the processes for systems architecture including the adoption of modern technologies and the dependencies and service level monitoring. Risk: Due to the requirements to keep up with modern technology and alignment of IT across the organization, there is a risk that processes may not be effectively carried out.
	Information and Technology – Information Technology	N/A	The 2019-2022 IT Risk Based Work Plan includes a project to audit IT Capability Management. The potential scope of this audit includes assessing the effectiveness of processes and controls to help ensure IT attracts and retains competent and skilled specialized staff. Risk: Due to variations in IT application management and application practices and the potential challenges for attracting and retaining specialized staff, there is a risk that the overall IT capability management processes may not meet the needs of the Region.

Table 2 - 2019 Audit Projects to Be Concluded in 2020

Strategic Plan Area of Focus	Service / Sub Service	Last Time Audited	Description
Thriving (Communities are integrated, safe and complete)	Roads and Transportation – Transportation Management	2010	The Region has a Traffic Signal Operations and Maintenance Agreement with each of the cities: Brampton and Mississauga, however, the ultimate responsibility for the operation of the signals remains with the Region. The Region also oversees contracts that manage the day-to-day operations and maintenance of traffic signals and provides a system of checks and balances to ensure that certain legal standards are met and maintained. Risk: Without effective controls in place to manage and oversight the contracts, there is a risk that services delivered may not meet the expectations of the Region and the cities, including standards and requirements.
	Infectious Disease Prevention – Immunization and Disease Control	2006	The Region provides services to protect the public from infectious diseases. Peel residents of all ages receive confidential counselling and clinical services related to birth control and sexually transmitted infections. Immunization programs are delivered through public health clinics, and vaccines are distributed to all physicians. The efficiency and effectiveness of service delivery is also impacted by increasing population and cases. Risk: Inefficient / ineffective systems, processes and practices may negatively impact the ability to provide services as intended.
	Land Use Planning – Land Use Development	2011	The Region processes and approves development applications that are submitted to the area municipalities. The Region also provides planning consulting services to Regional departments and agencies. This includes reviewing water and sanitary sewer system expansion, processing applicant connections to Peel's water and wastewater system, storm sewer collection system and expansion on Regional roads to service new development. Risk: Without effective controls in place to manage the operations and cash handling there is a risk that the business outcomes may not be achieved.

| Strategic Plan Area of Focus	Service / Sub Service	Last Time Audited	Description
	Water Supply	N/A	In accordance with the Council resolution 2019-696, Enterprise Audit Services is auditing the water meter system testing and will report back to Regional Council with the findings upon completion. The assessment of the Region's water meter system testing against industry best practices and the American Water Works Association Standards will be conducted by a third party. Enterprise Audit Services will undertake the planning and reporting of the audit.
Leading (Government is future - oriented and accountable)	Asset Management – Capital Construction	N/A	The Region provides contract and project management services for Regional owned facilities and Peel Living buildings. The services include contract and project management of facility planning, development, and construction. Construction projects are managed to help ensure the scope and budget are met and completed facilities meet operational requirements. Risk: Without effective controls in place, there is a risk that construction projects may not efficiently and effectively meet operational standards and requirements.

Table 3 - Other Audit Related Services

Strategic Plan Area of Focus	Audit Service	Description
Leading	Advisory Services	Risks and issues emerge and evolve throughout the year. Enterprise Audit Services sets aside time to handle special projects, assignments and advisory work. The objective is to be proactive by addressing client needs on the front-end of changes and new initiatives. In addition, Enterprise Audit Services may be asked to sit on committees or provide education and training as a way to provide proactive control advice to management.
	Follow-up on Enterprise Audit Reports	Audit staff follow up on outstanding audit observations and management action plans from audit reports that have been previously reported to the Audit and Risk Committee.
	Fraud Prevention Program	This service is to advance and promote the fraud prevention program as defined in the Fraud Prevention Policy. The Director, Enterprise Risk and Audit Services has the lead responsibility for advancing, promoting and educating the organization about the fraud prevention program.
	Investigations	The Region is committed to protecting its revenue, property, proprietary information and other assets from any misuse or misappropriation of those assets. It is the Region's intent to fully investigate any suspected acts of 'fraud' as defined in Fraud Prevention Policy. The Director, Enterprise Risk and Audit Services has the lead responsibility for conducting fraud related investigations.

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2020 Enterprise Audit Services Risk Based Work Plan

Michelle Morris,
Director, Enterprise Risk and Audit Services

Jennifer Weinman,
Manager, Enterprise Audit Services
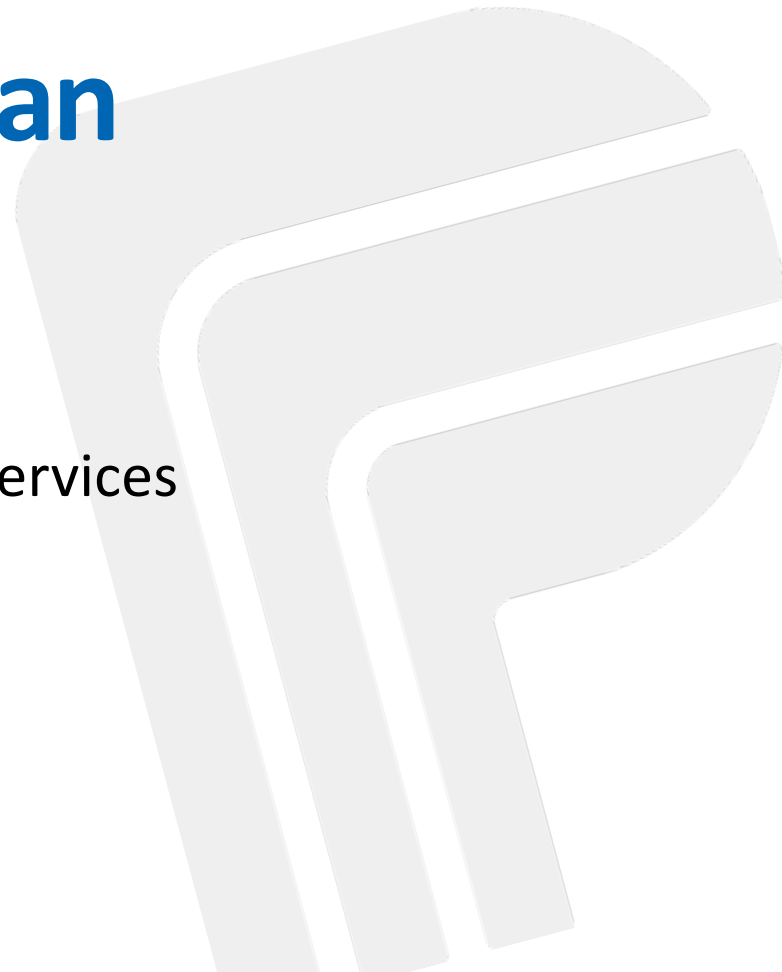
Background

Professional Internal Audit Standards require:

- Organizations to establish an internal audit work plan, consistent with the organizations' goals.

- Specifically:

  – Develop an annual risk-based work plan

  – Submit work plan to the Audit and Risk Committee for approval

  – Update the Audit and Risk Committee and Executive Leadership Team of changes to the work plan

Purpose

- 2020 Enterprise Audit Services Risk Based Work Plan:

  - Provides reasonable assurance that higher risk areas will be audited

  - Aligns with the Region's services and sub-services, Terms of Council Priorities and Regional Strategic Plan

  - Reflects current and emerging risks

  - Remains flexible for in year requests

  - Received input from senior management

Methodology

- Methodology used to develop the 2020 work plan includes:
  - Surveys of the accountable directors by service/sub-service
  - Interviews with the Regional Chair, the Interim Chief Administrative Officer, and selected directors
  - Application of risk management framework
  - Consideration of past audits and auditors' experience
  - Input from the Regional Corporate Risk Profile
  - Input from the Executive Leadership Team
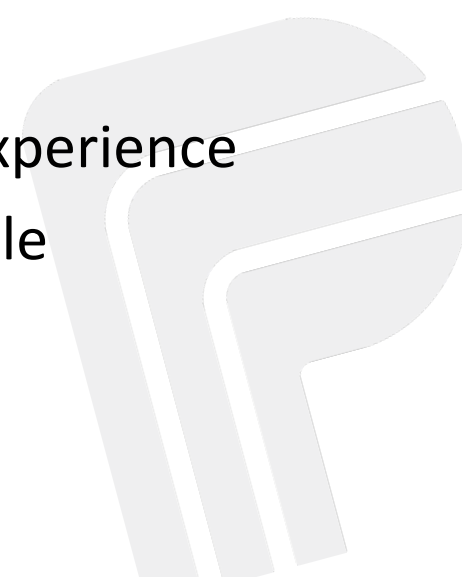
Region of Peel Risk Universe

Risk

Corporate
Risk

Vision: *Community for life*

Living
People's lives are improved
in their time of need

Thriving
Communities are integrated
safe and complete

Leading
Government is future-
oriented and accountable

Term of Council Priorities

Services

Sub-services and Processes

Risk

Audit

Risk Based Work Plan Components

- Three components of the work plan:
  - Projects that will commence in 2020
  - Projects started in 2019 to be concluded in 2020
  - Other types of audit related services

- Work plan is flexible and leaves room for in-year requests for audit services

2020 Work Plan Alignment with Strategic Plan

Living	Thriving	Leading
People's lives are improved in their time of need	Communities are integrated, safe and complete	Government is future-oriented and accountable
• Paramedics	❖ Traffic Signal Maintenance ❖ Immunization and Disease Control ❖ Land Use Planning ❖ Water Metering System (These audits started in 2019 and to be completed in 2020)	• Accounts Payable • Insurance and Loss Management • Privacy • Payroll • IT Enterprise Architecture • IT Capability Management

Conclusion

- Audit projects cover higher risks identified
- Enterprise Audit Services has sufficient resources to carry out the audit projects noted in the work plan

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Thank you!

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DATE: November 11, 2019

REPORT TITLE: **ENTERPRISE RISK MANAGEMENT POLICY**

FROM: Michelle Morris, Director, Enterprise Risk and Audit Services

RECOMMENDATION

That the revised Enterprise Risk Management Policy, attached as Appendix I to the report of the Director, Enterprise Risk and Audit Services, titled "Enterprise Risk Management Policy", be approved.

REPORT HIGHLIGHTS
- The Integrated Risk Management program (now called Enterprise Risk Management) was launched in the Region in 2011.
- Enterprise Risk Management encompasses both a framework and a process to assist an organization to identify risks, analyze their impact and mitigate risk in accordance with an organization's risk appetite.
- An Integrated Risk Management Policy (now called Enterprise Risk Management) was developed and approved by Regional Council in 2013 to support the framework and process.
- Enterprise Risk and Audit Services is responsible to review and update the Enterprise Risk Management Policy periodically. The revised policy is brought forward for the Audit and Risk Committee's review and recommendation for Regional Council's approval.

DISCUSSION

1. Background

An Integrated Risk Management Policy (Policy) was developed and approved by Regional Council in 2013 to support the framework and process. Enterprise Risk Management may assist an organization to identify risks, analyze their impact and mitigate risk in accordance with an organization's risk appetite. The Policy has been updated to align with the Region's Strategic Plan's areas of focus and outcomes, updated roles and responsibilities for risk management activities and further reflects the proposed name change from Integrated Risk Management to Enterprise Risk Management.

ENTERPRISE RISK MANAGEMENT POLICY

2. Enterprise Risk Management Policy

The Policy was reviewed in 2019 and has been updated to align with the Region's Strategic Plan's areas of focus and outcomes. The revised Enterprise Risk Management Policy is attached as Appendix I (redline changes are provided in Appendix II).

Key changes to the policy are described as follows:

a) Modernize the language to align with the Region's Strategic Plan's areas of Focus and outcomes.
b) Policy is renamed to reflect industry standard from Integrated Risk Management to Enterprise Risk Management.
c) Enterprise Risk Management definition adopted from the Treasury Board of Canada Secretariat's Enterprise Risk Management Framework as it is a more holistic definition.
d) Practical ways to embed risk management activities within the Region's business practices.
e) Updated roles and responsibilities that enable effective management of the Enterprise Risk Management program.

CONCLUSION

Enterprise Risk and Audit Services is responsible to review and update the Enterprise Risk Management Policy periodically and bring forward the revised policy to the Audit and Risk Committee for approval. The Policy has been revised to align with the Region of Peel's Strategic Plan's areas of focus and outcomes.

Michelle Morris, Director, Enterprise Risk and Audit Services

Approved for Submission:

N. Polsinelli, Interim Chief Administrative Officer

APPENDICES

Appendix I - Enterprise Risk Management Policy
Appendix II – Enterprise Risk Management Policy with Redline Changes

For further information regarding this report, please contact Michelle Morris, Director, Enterprise Risk and Audit Services, extension 4247, michelle.morris@peelregion.ca.

Authored By: Michelle Morris, CPA, CGA, FCCA, CIA, CRMA and Anila Lalani, CPA, CGA, CIA, CISA

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Corporate Policies		**Policy Number:**	G00-21
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CATEGORY: **GOVERNMENT SERVICES**

SUBCATEGORY: **GENERAL**

SUBJECT: **ENTERPRISE RISK MANAGEMENT**

A. PURPOSE

The Region of Peel shall design, implement, and maintain an effective, structured and integrated enterprise risk management program to ensure the Region of Peel is a well-managed, future-oriented and accountable government.

This policy outlines the Region of Peel's approach and responsibilities for Enterprise Risk Management activities. It is designed to support:

1. Client, customer, citizen and stakeholder trust and confidence,
2. The achievement of the Region of Peel's strategic outcomes, Term of Council Priorities and operational objectives,
3. Key decision-making processes,
4. Planning and budgeting efforts,
5. The identification and analysis of current and emerging risks and opportunities facing the Region of Peel,
6. The evaluation of the effectiveness of risk mitigation techniques and resource allocations, and
7. Regular reporting on the Corporate Risk Profile.

B. SCOPE

This policy applies to Regional Council and all Regional Departments.

C. DEFINITIONS

Risk Management: Coordinated activities to direct and control an organization with regard to risk (ISO 31000 adapted).

Enterprise Risk Management: is a continuous, proactive and systematic process to understand, manage and communicate risk from an organization-wide perspective. It is about supporting strategic decision-making that contributes to the achievement of an organization's overall objectives (TBS ERM Framework adapted)

Risk: Effect of uncertainty on objectives or outcomes.

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Corporate Policies	**Policy Number:**	**G00-21**
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CATEGORY: **GOVERNMENT SERVICES**

SUBCATEGORY: **GENERAL**

SUBJECT: **ENTERPRISE RISK MANAGEMENT**

Risk Appetite/ Attitude: The level of uncertainty an organization is willing to assume in the pursuit of its objectives and outcomes.

Risk Tolerance: The limits of an organization's capacity for taking on risk.

Risk Categories: A comprehensive and common set of risks that are used within the Region and are categorized by governance activity.

Risk Management Framework: A set of inter-connected steps that provide the foundation and organizational structure for risk management.

D. POLICY

1. Risk Management

The purpose of risk management is to protect and create value, for example, manage key risks that can significantly impact the achievement of objectives and outcomes and take advantage of opportunities that can facilitate achievement of outcomes. As such risk management shall be,

        a) Embedded within existing planning and budgeting processes
        b) Embedded within decision-making processes
        c) Included within decision-making reports to Regional Council and the Executive Leadership Team
        d) Considered in new initiatives and projects
        e) Considered regarding new services or changes to existing services

It should be adaptive to the Region's business needs and support the evaluation of the value, risk and cost of Regional strategies, outcomes and objectives.

2. Where this policy conflicts with any applicable statue, regulation, or by-law or resolution of Regional Council, the statue, regulation, by-law or resolution shall prevail.

3. Risk Assessment Methodology

The Region of Peel's risk assessment methodology focuses on strategic and business outcomes and objectives to deliver customer, client, citizen and stakeholder value. The business environment in which the Region operates exposes it to several risks both internal and external which may impact the Region's ability to meet its

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CATEGORY: **GOVERNMENT SERVICES**

SUBCATEGORY: **GENERAL**

SUBJECT: **ENTERPRISE RISK MANAGEMENT**

objectives and outcomes. The Enterprise Risk Management process assists the Region to identify and understand the breadth of risk to which it is exposed to and help ensure appropriate risk management strategies are in place. Risks can be viewed in five broad categories as follows:

Strategic Risk	Operational Risk
• Risks of meeting business objectives or risks that prevent the Region from meeting business objectives; Exposure to loss resulting from lack of response to changes in the business environment, adverse business decisions, and/ or improper implementation of decisions.	• The risk of loss from people, systems, internal procedures or events which have the potential for the organization to deviate from its objectives. For example, day-to-day risks typically managed by managers, supervisors and staff.
Financial Risk	**Reputational Risk**
• Risk that the organization will not have adequate cash flow to sustain financial obligations. This is an umbrella term for any risk associated with any form of financing.	• Risk associated with negative publicity, perceived or real, regarding Regional business practices, actions or inactions which could cause a decline in the public's trust and confidence.
Compliance Risk	
• Risks associated with not complying with laws, legislation or policy arising from the complexity and uncertainty regarding legislation, its interpretation, the judicial process and various regulatory requirements across multiple business lines.	

The risk management methods and tools used to conduct risk assessments will continue to evolve and mature over time. The focus will be on the identification, evaluation and mitigation of risks. The amount of formal risk assessments conducted within each area will take into consideration the cost and benefits of obtaining the additional risk information.

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CATEGORY: GOVERNMENT SERVICES

SUBCATEGORY: GENERAL

SUBJECT: ENTERPRISE RISK MANAGEMENT

E. RESPONSIBILITIES

1. Council

a. Approve this policy.
b. Understand the significant risks to which the organization is exposed to through the review and approval of the Corporate Risk Profile.
c. Sets the acceptable level of risk (risk appetite) for the Corporation in delivering its strategy and operations, programs and services.

2. Audit and Risk Committee

a. Review and evaluate policies and processes to manage significant risks exposures and steps taken to monitor risks.
b. Review the risk management framework and the associated procedures for effective identification and management of risks.
c. Review the impact of the risk management framework on the control environment.
d. Review and recommend for Regional Council approval of the Enterprise Risk Management Policy.
e. Review and recommend for Regional Council approval of the Corporate Risk Profile.

3. Senior Management

a. Provide leadership on risk management including the assignment of risk managers for corporate risks and the appointment of departmental risk champions to continue to advance enterprise risk management practices within the Region.
b. Provide direction on risk management and ensure the level of risk accepted by the Region of Peel is aligned with Council's risk appetite level.
c. Ensure strategic risks are identified, assessed and managed and the appropriate mitigation strategies and/ or controls are in place and operating as intended.
d. Implement and maintain sound risk management practices.
e. Oversee appropriate management of operational risks.
f. Ensure a supportive learning environment that encourages effective risk management, appropriate risk taking and appropriate communication.

Region of Peel
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Corporate Policies	**Policy Number:**	G00-21
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CATEGORY: **GOVERNMENT SERVICES**

SUBCATEGORY: **GENERAL**

SUBJECT: **ENTERPRISE RISK MANAGEMENT**

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g. Communicate the value of Enterprise Risk Management including the importance of understanding this discipline to deal with uncertainty in decision-making.

4. Service, Program and Business Managers

a. Assess and manage the level of risk to service, program and business outcomes and objectives within the Region of Peel's risk appetite.
b. Incorporate risk management principles within decision-making processes and business planning.
c. Ensure that there is appropriate ongoing risk management planning, communication, training, control and monitoring.
d. Document completed risk assessments.

5. All Employees

a. Stay informed on risk management issues related to their operations.
b. Consider risk as part of every business decisions and take prompt action to manage risk (including communicating information on risk).

6. Enterprise Risk and Audit Services

a. Develop and maintain the Enterprise Risk Management Framework, Policy, supporting tools, and monitor their application.
b. Provide risk assessment support, training, facilitation and advisory services to management and staff at the Region of Peel.
c. Work with management and staff to annually update the risk information in the Corporate Risk Profile.
d. Develop and maintain an Enterprise Risk Management corporate communication strategy for the organization.

APPROVAL SOURCE:	Regional Council Resolution 2013-1052
ORIGINAL DATE:	November 28, 2013
LAST REVIEW DATE:	April 1, 2019
LAST UPDATE:	October 1, 2019
EFFECTIVE DATE:	November 1, 2019
RESPONSIBILITY:	Corporate Services / Enterprise Risk and Audit Services

Region of Peel
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Corporate Policies	Policy Number:	G00-21
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CATEGORY: **GOVERNMENT SERVICES**

SUBCATEGORY: **GENERAL**

SUBJECT: ~~INTEGRATED~~**ENTERPRISE** **RISK MANAGEMENT**

A. PURPOSE

The Region of Peel shall design, implement, and maintain an effective, structured and integrated enterprise ~~level~~ risk management program to ~~invest in employee engagement, inspire client satisfaction and instill trust and confidence~~. ensure the Region of Peel is a well-managed, future-oriented and accountable government.

This policy outlines the Region of Peel's approach and responsibilities for ~~Integrated~~Enterprise Risk Management ~~(IRM)~~ activities. It is designed to support:

1. Client, customer, ~~and~~ citizen and stakeholder trust and confidence,
2. The achievement of the Region of Peel's strategic outcomes, Term of Council Priorities and operational objectives ~~and outcomes~~,
3. Key decision-making ~~activities~~processes,
3.4. Planning and budgeting efforts,
4.5. The identification and analysis of current and emerging risks and opportunities facing the Region of Peel,
5.6. The evaluation of the effectiveness of risk mitigation techniques and resource allocations, and
6.7. Regular reporting on the Corporate Risk Profile.~~the adherence to the E~~IRM ~~policy.~~

B. SCOPE

This policy applies to Regional Council and all Regional Departments.

C. DEFINITIONS

~~Integrated~~ **Risk Management**: Coordinated activities to direct and control an organization with regard to risk (ISO 31000 adapted).

Enterprise Risk Management: is a continuous, proactive and systematic process to understand, manage and communicate risk from an organization-wide perspective. It is about supporting strategic decision-making that contributes to the achievement of an organization's overall objectives (TBS ERM Framework adapted)

Risk: Effect of uncertainty on objectives or outcomes.

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Corporate Policies	**Policy Number:**	G00-21
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CATEGORY: **GOVERNMENT SERVICES**

SUBCATEGORY: **GENERAL**

SUBJECT: ~~INTEGRATED~~ENTERPRISE **RISK MANAGEMENT**

Risk Appetite/ Attitude: The level of uncertainty an organization is willing to assume in the pursuit of its objectives and outcomes.

Risk Tolerance: The limits of an organization's capacity for taking on risk.

Risk Categories: A comprehensive and common set of risks that are used within the Region~~,~~ and are categorized by governance activity.

Risk Management Framework: A set of inter-connected steps that provide the foundation and organizational structure for risk management.

D. POLICY

1. Risk Management

~~All organizations are exposed to risk in the environment in which they operate.~~ The ~~goal~~purpose of risk management is to protect and create value, for example, ~~i.e. The purpose of risk management is not to~~ manage ~~all~~ key risks ~~but to consider key risks~~ that can significantly impact the achievement of objectives and outcomes and take advantage of opportunities that can facilitate achievement of outcomes. ~~the plans in place or that need to be in place to manage them.~~ As such risk management shall be,

> a) Embedded within existing planning and budgeting processes ~~(Integrated Planning Framework)~~
> b) Embedded with~~in~~ decision-making processes
> c) Included within decision-making reports to Regional Council and the Executive Leadership Team
> d) Considered in new initiatives and projects
> ~~a)~~e) Considered regarding new services or ~~to~~ changes to existing services

~~Risk management is an iterative process of continuous improvement that is best embedded into existing decision-making strategies, corporate planning, budgeting, divisional programs and services, project management and business processes.~~ It should be adaptive to the Region's business needs and ~~it should~~ support the evaluation of the value, risk and cost of Regional strategies, outcomes and objectives.

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CATEGORY: **GOVERNMENT SERVICES**

SUBCATEGORY: **GENERAL**

SUBJECT: ~~INTEGRATED~~ENTERPRISE **RISK MANAGEMENT**

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2. Where this policy conflicts with any applicable statue, regulation, or by-law or resolution of Regional Council, the statue, regulation, by-law or resolution shall prevail.

2~~3~~. Risk Assessment Methodology

The Region of Peel's risk assessment methodology focuses on ~~business~~strategic and business outcomes and objectives to deliver customer, client, ~~and~~ citizen and stakeholder value. The business environment in which the Region operates exposes it to ~~a number of~~several risks both internal and external which may ~~affect~~impact the Region's ~~its~~ ability to meet its objectives and outcomes. The ~~IRM~~ Enterprise Risk Management process assists the Region to identify and understand the breadth of risk to which it is exposed ~~and~~ to and help ensure appropriate risk management strategies are in place. Risks can be viewed in five broad categories as follows:

Strategic Risk	Operational Risk
• Risks of meeting business objectives or risks that prevent the Region from meeting business objectives; Exposure to loss resulting from lack of response to changes in the business environment, adverse business decisions, and/ or improper implementation of decisions.	• The risk of loss from people, systems, internal procedures or events which have the potential for the organization to deviate from its objectives. For ~~example~~example, day- to- day risks typically managed by managers, supervisors and staff.
Financial Risk	**Reputational Risk**
• Risk that the organization will not have adequate cash flow to sustain financial obligations. This is an umbrella term for any risk associated with any form of financing.	• Risk associated with negative publicity, perceived or real, regarding Regional business practices, actions or inactions which could cause a decline in the public's trust and confidence.
Compliance Risk	
• Risks associated with not complying with laws, legislation or policy arising from the complexity and uncertainty regarding legislation, its interpretation, the judicial process	

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Corporate Policies	**Policy Number:** G00-21 **Page:** 4 of 6

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SUBJECT: ~~INTEGRATED~~**ENTERPRISE RISK MANAGEMENT**

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and various regulatory requirements across multiple business lines.	

The risk management methods and tools used to conduct risk assessments will continue to evolve and mature over time. The ~~main~~ focus will be on the identification, evaluation and mitigation of risks. The amount of formal risk assessments conducted within each area will take into consideration the cost and benefits of obtaining the additional risk information.

E. RESPONSIBILITIES

1. Council

    a. Approve ~~and authorize~~ this policy.
    b. Understand the significant risks to which the organization is exposed to through the review and approv~~eal of~~ the Corporate Risk Profile.~~.~~
    c. Sets the acceptable level of risk (risk appetite) for the Corporation in delivering its strategy and operations, programs and services.

2. Audit and Risk Committee

    a. ~~Periodically r~~Review and evaluate policies and processes to manage significant risks exposures and steps taken to monitor risks. ~~this policy.~~
    b. Review the risk management framework and the associated procedures for effective identification and management of risks.
    c. Review the impact of the risk management framework on the control environment.
    ~~d. Review information and reports that assess key themes and issues affecting risk and control from an organizational perspective.~~
    d. Review and ~~approve~~ recommend for Regional Council approval ~~for~~ of the Enterprise Risk Management Policy.
    e. Review and recommend for Regional Council approval of the Corporate Risk Profile.

~~**Director Enterorise Risk and Audit Services**~~

~~Enterprise Risk Management is a service that the Director, Enterprise Risk and Audit Services provides on behalf of leadership that include:~~

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Working for you

Corporate Policies	**Policy Number:**	**G00-21**
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CATEGORY: **GOVERNMENT SERVICES**

SUBCATEGORY: **GENERAL**

SUBJECT: ~~INTEGRATED~~ENTERPRISE **RISK MANAGEMENT**

~~Evaluating the risk management process within the Region to determine that risks are aligned with risk appetite or tolerances and that relevant risk management information is captured and communicated throughout the organization.~~

~~Developing and maintaining the Enterprise Risk Management Framework, Policy and supporting tools and training and monitor their application.~~

~~Facilitating the Enterprise Risk Management Program.~~

3. **Senior Management**

   a. Provide leadership on risk management including the assignment of risk managers for corporate risks and the appointment of departmental risk champions to continue to advance enterprise risk management practices within the Region.~~assign departmental risk owners and Risk Champions' roles within the context of organizational governance.~~
   b. Provide direction on risk management and ensure the level of risk accepted by the Region of Peel is ~~in line~~aligned with Council's risk appetite level.
   c. Ensure strategic risks are identified, assessed and managed and the appropriate mitigation strategies and/ or controls are in place and operating as intended.
   d. Implement and maintain sound risk management practices.
   e. ~~Identify and report each Department's risk profile, including significant risks and the strategies used by management~~Oversee appropriate management of operational risks.
   f. Ensure a supportive learning environment that encourages effective risk management, appropriate risk taking and appropriate communication.
   g. Communicate the value of Enterprise Risk Management ~~IRM~~ including the importance of understanding this discipline to deal with uncertainty in decision-making.

4. **Service, Program~~Program~~ and Business Managers**

   a. Assess and manage the level of risk to ~~their programs and~~ service, program and business outcomes and ~~objectives within the ~~Region of~~Region of Peel's risk appetite.
   b. Incorporate risk management principles within decision-making processes and business planning.
   c. Ensure that there is appropriate ongoing risk management planning, communication, training, control and monitoring.

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Corporate	**Policy Number:** G00-21
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CATEGORY: **GOVERNMENT SERVICES**

SUBCATEGORY: **GENERAL**

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    d. Document ~~and report on~~ completed risk assessments.

5. All Employees

    a. Stay informed on risk management issues related to their operations.
    b. Consider risk as part of every business decisions and take prompt action to manage risk (including communicating information on risk).

6. Enterprise Risk and ~~Internal~~ Audit Services

    a. Develop and maintain the Enterprise Risk Management ~~IRM~~ Framework, Policy, ~~and~~ supporting tools, ~~-~~and monitor their application.
    b. Provide risk assessment support, training, facilitation and ~~assessment~~ advisory services to management and staff at the Region of Peel.
    c. Work with management and staff to annually update the ~~IRM work plan,~~ risk information in the ~~and~~ Corporate Risk Profile.
    ~~d. Prepare risk reports for Executive Leadership Team and Management and Audit and Risk Committee.~~
    ~~e.~~d. Develop and maintain an Enterprise Risk Management ~~IRM~~ corporate communication strategy for the organization.

APPROVAL SOURCE:	Regional Council Resolution 2013-1052
ORIGINAL DATE:	November 28, 2013
LAST REVIEW DATE:	~~November 28, 2013~~ April 1, 2019
LAST UPDATE:	~~November 28, 2013~~ October 1, 2019~~April 1, 2019~~
EFFECTIVE DATE:	~~November 28, 2013~~ November 1, 2019~~April 15, 2019~~
RESPONSIBILITY:	Corporate Services / ~~Internal~~Enterprise Risk and ~~-~~Audit Services

Region of Peel
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DATE: January 29, 2020

REPORT TITLE: **2019 FRAUD INFORMATION**

FROM: Michelle Morris, Director, Enterprise Risk and Audit Services

OBJECTIVE

To provide the members of the Audit and Risk Committee with information to respond to fraud related enquiries from the external auditor.

REPORT HIGHLIGHTS

- The external auditors are required to obtain feedback from members of the Audit and Risk Committee on their perception of fraud risk, fraud allegations and the anti-fraud program at the Region of Peel.
- Enterprise Risk and Audit Services conducted a survey on fraud risk and fraud allegations to assist the members of the Audit and Risk Committee to respond to the enquiry from the external auditor.
- Ninety-eight per cent of survey respondents agreed there are effective controls and oversight that may detect or prevent fraud in their areas of responsibility and 78 per cent agreed the risk of fraud in their areas was low.
- There were seven confirmed occupational fraud instances in 2019.
- In 2019, eight referrals related to eligibility for Ontario Works Assistance were referred to Peel Regional Police for police investigation.

DISCUSSION

1. Background

The external auditors are required by their professional standards to gather feedback from members of the Audit and Risk Committee on their perception of fraud risk, fraud allegations and the anti-fraud program at the Region.

The Audit and Risk Committee Charter (February 2019) outlines the role of the Committee that includes:

- Review the results of the annual fraud survey on fraud risk and fraud allegations
- Respond to the external auditor's questions related to the Committee Members' views of the fraud risk, fraud allegations and the Committee's role in the Region's anti-fraud program

2019 FRAUD INFORMATION

At the April 16, 2020 meeting of the Audit and Risk Committee, the external audit firm Deloitte LLP will ask members of the Audit and Risk Committee questions related to the following:

- Their views of the risk of fraud at the Region
- Their knowledge of any actual, suspected or alleged fraud incident
- The role that the Audit and Risk Committee exercises in the oversight of management fraud prevention programs

Enterprise Risk and Audit Services conducted a fraud survey across the organization in 2019 to gather information to assist the members of the Audit and Risk Committee to address the external auditor's questions.

2. Survey Results and Analysis

A definition of fraud can be found in the Region's Fraud Prevention policy (G00-22):
"Fraud is an act of using dishonesty as a tool for personal gain. Fraud includes any misuse or attempt to misuse the Region's assets for personal gain or purpose unrelated to the Region's business."

a) Results

A total of 44 Directors, three Managers and four Associate Medical Officers of Health were surveyed, and a 100 per cent response rate was received. Three questions were asked in the survey.   The results are as follows:

1. *"There is a low risk of fraud occurring in my area of responsibilities."*
   - Agree: 78 per cent
   - Disagree: 22 per cent

2. *"There are effective controls and oversight that will detect or prevent fraud in my area."*
   - Agree: 98 per cent
   - Disagree: 2 per cent

3. *"Has there been any actual suspected or alleged fraud in your area over the past year?"*

   Four respondents indicated on the survey that there was actual, suspected or alleged fraud in their area. Enterprise Risk and Audit Services followed up on the responses with management.   As a result of that follow up, there were seven confirmed instances of fraud. Details of the confirmed instances and outcomes of the related investigations are in the section that follows.

b) Analysis

Twenty-two per cent of respondents indicated they agree there is a high risk of fraud occurring in their area of responsibility. These areas have an inherently higher risk of fraud occurring by virtue of services offered; performing financial transactions or dealing with vendors. All but one respondent indicated, in response to the second survey

2019 FRAUD INFORMATION

question, they agree there are effective controls and oversight in their area that will detect or prevent fraud.

Ninety-eight per cent of the respondents indicated that there were effective controls and oversight that will detect or prevent fraud in their areas. There was one respondent to the second survey question who indicated they disagree there are effective controls and oversight in place in their area of responsibility that will detect or prevent fraud. This respondent also responded to the first survey question that they agree there is a high risk of fraud occurring in their area, the Ontario Works program. There is an inherently high risk of fraud occurring in the Ontario Works program due to the nature of the services provided. As such, this area has dedicated staff known as Eligibility Review Officers that perform two functions: they follow up on staff referrals related to allegations of fraud which could potentially lead to police investigations, and they perform regular reviews of files that have been "flagged" by the Ministry of Community of Social Services. In addition, work is currently underway to strengthen fraud controls. For further information about fraud instances in the Ontario Works program, see section 4 below.

3. **2019 Occupational Fraud**

Occupational fraud is defined as the use of one's occupation for personal enrichment through the deliberate misuse or misapplication of the employing organization's resources or assets.

The table below shows the confirmed Occupational Fraud Instances at the Region in 2019:

Types of Fraud	Number of Instances
Confirmed Occupational Fraud Instances under $1000	
Theft of Regional property	2
Alteration of documents	1
Confirmed Occupational Fraud Instances over $1000	
Falsification of health benefits claims	4

In all the above cases, management has addressed the matters with employees including appropriate disciplinary actions. Further, one instance of alleged fraud was reported but unable to be substantiated.

The table below shows the comparison of Occupational Fraud Instances at the Region from 2015-2019:

Types of Fraud	Number of Instances				
	2015	**2016**	**2017**	**2018**	**2019**
Theft of Regional property	0	0	1	2	2
Alteration of documents	0	0	0	0	1
Theft of time	1	2	0	3	0
Falsification of health benefits claims	0	0	0	0	4

2019 FRAUD INFORMATION

4. **2019 Human Services Client Subsidy Fraud**

The nature of the services provided to clients of the Human Services Department is inherently at high risk for clients committing fraud. All material subsidy fraud allegations against clients are referred to the Human Services Eligibility Review Unit for investigation. Cases demonstrating a clear intent to commit fraud are measured against an established set of Police referral criteria. If an investigation is determined to have met the referral criteria, the case is reviewed by the Eligibility Review Unit Supervisor and the Peel Regional Police-Fraud Unit. Following Peel Regional Police endorsement of a referral, the Eligibility Review Unit schedules a formal intake for the referral with Peel Regional Police, which is then assigned to an investigating officer.

In 2019, eight referrals were made to Peel Regional Police. The eight referrals related to eligibility for Ontario Works Assistance.

The table below shows the number of Human Services Client Subsidy Fraud referrals to Peel Regional Police from 2015-2019:

Number of Instances				
2015	2016	2017	2018	2019
0	0	0	9	8

In late 2017, Human Services made a decision to refer more serious cases of client fraud to Peel Regional Police; from 2015-2017 client fraud was managed internally through establishing overpayments and terminating cases.

5. **Region's Anti-Fraud Program**

The Region of Peel's Code of Conduct states that "all employees of the Region are responsible for immediately reporting grounds for suspected fraud to their supervisors, or more senior management". To support this, the Region has an anti-fraud program, led by Enterprise Risk and Audit Services. The program consists of the following:

- Mandatory fraud training for all employees

- Additional mandatory fraud training for all people leaders

- Fraud Prevention Policy

- Employee Reporting Program

- Employee Anonymous Reporting Line

- Annual fraud awareness events

- Whistleblower Protection Policy

- Fraud page on the Region's intranet

- Educational and outreach on fraud prevention

2019 FRAUD INFORMATION

CONCLUSION

The 2019 fraud survey results captured in this report provide members of Audit and Risk Committee the information related to fraud risk, fraud allegations and the anti-fraud program at the Region of Peel in order to meet the requirements of the external audit.

[signature]

Michelle Morris, Director, Enterprise Risk and Audit Services

Approved for Submission:

[signature]

N. Polsinelli, Interim Chief Administrative Officer

For further information regarding this report, please contact Michelle Morris, Director, Enterprise Risk and Audit Services, extension 4247, michelle.morris@peelregion.ca.

Authored By: Jennifer Weinman, CPA, CA, CIA and Jayrani Bungsy, CIA, FCCA

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REPORT
Meeting Date: 2020-02-06
Audit and Risk Committee

For Information

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DATE: January 29, 2020

REPORT TITLE: **UPDATE ON ISO 20000 PROGRAM**

FROM: Sean Baird, Commissioner of Digital and Information Services

OBJECTIVE

To provide the Audit and Risk Committee an update on the Region's ISO 20000 program, including implemented processes and future plans.

REPORT HIGHLIGHTS

- ISO 20000 is an international standard for IT service management (ITSM). The standard enables organizations to demonstrate reliability and commitment to a high quality of service.
- ISO 20000 represents a goal or metric of high quality IT service management.
- ISO 20000 certification can be obtained by an organization or an individual. There are approximately 47 organizations certified in the US and one in Canada.
- The Region's IT department has adopted Information Technology Infrastructure Library (ITIL) service management framework since early 2000. ITIL provides best practice and guidance to transform IT into an IT service-oriented organization.
- ITIL and ISO 20000 complement each other – ISO 20000 is ITIL based and ITIL is designed and maintained in alignment with ISO 20000.
- The adoption and continued implementation of ITIL at the Region will increase the ITSM maturity level and better position the Region for ITSM certification if it chooses to do so in the future.

DISCUSSION

1. Background

This report is presented at the request of the Audit and Risk Committee under Council Resolution 2019-1099.

ISO 20000 is the international standard for service management that was introduced in 2005. It is the only international service management standard that exists. It is based on the earlier BS 15000 which became obsolete in 2007. ISO 20000 has been revised twice – once in 2011 and again in 2018. The standard enables organizations to demonstrate reliability and commitment to a high quality of service. The standard specifies requirements for establishing, implementing, maintaining and continually improving a service management system. A service management system (SMS) is a complete system that was created to

UPDATE ON ISO 20000 PROGRAM

serve the needs and purposes of service-oriented organizations. It supports the management of the service lifecycle, including the planning, design, transition, delivery and improvement of services, which meet agreed requirements and deliver value for customers, users and the organization delivering the services.

The ISO 20000 standard is split into two parts, the first part ISO 20000-1 gives the requirements of a service management system and the second part, ISO 20000 -2 provides guidance on best practices for the application of service management systems.

Certification is obtained by passing an audit procedure where the organization must show they are familiar with the processes and principles of the standard, evidence that the processes are adhered to and all the relevant documentation that the standard calls for.

Organizations can become certified against ISO 20000 to provide the evidence that best practices have been implemented. This is a process that generally takes several years with dedicated staff to implement the minimum requirements.

There are approximately 47 organizations certified in the US and one in Canada. Of the 47 in the US, one is a public sector organization - Florida Revenue.

2. **Risk in IT Service Management**

An effective IT Service Management framework is intended to address many of the fundamental risks inherent in the work of IT.

The lack of these processes can result in higher IT operations costs, frequent service outages, inefficient use of resources, lack of clarity on roles and responsibilities and increased risk of failures from improper implementation of IT changes, to name a few.

Following are some benefits of service management, which evidence shows other organizations have achieved:
- Improve efficiency
- Lower operation costs
- Risk-free implementation of IT changes
- Improved accountability within business functions
- Increased self-service productivity
- Better service and customer experience
- Improved access to IT operations and support (single point of contact)
- Reduced unnecessary workload
- Manage change more efficiently
- Better transparency into IT processes and services
- Higher return on IT investments

3. **Region of Peel Perspective**

Although the Region has not pursued ISO 20000 certification, Information Technology Infrastructure Library (ITIL) was adopted by IT as the IT Service Management (ITSM) framework in early 2000. ITIL training was provided to all IT staff and several staff obtained Foundation certification. ITIL was chosen as it was the most adopted framework at the time and is still considered the leader.

UPDATE ON ISO 20000 PROGRAM

ITIL is a best practice framework that provides the guidance to transform IT into an IT service-oriented organization, delivering services aligned with business needs in a cost-effective manner. It provides information regarding what should be done and there are no certifications for organizations, only individual certifications are available. ITIL and ISO 20000 complement each other

ISO 20000 focuses on what organizations need to accomplish and ITIL focuses on how to accomplish these tasks. ITIL was initially published in 1989 and has had several revisions; the current edition (ITIL 4) was released in February 2019. ITIL processes have evolved over the years and with the latest version the well-known processes are now named 34 practices which are grouped into:

- General management practices
- Service management practices
- Technical management practices

See Appendix I: ISO 20000 Process Diagram

The following table depicts the ISO processes and describes what the Region has implemented within those processes.

ISO Processes	Process Description	What RoP is doing in this area
Service Management System General Requirements	The general requirements of the SMS are (APCD) - **Act:** Continually improve performance of the SMS and Services - **Plan**: Establish, Document and agree to policies, objectives, plan and process - **Check**: Monitor, measure and review SMS and service performance indicators - **Do**: Implement and operate the design, transition, delivery and improvement.	The ISO processes are well aligned to current documented processes at the ROP. ROP has guidelines for all ITIL management processes. The Region's ITSM tools are significantly outdated and have been identified for replacement for a number of years. Work is currently underway to identify and implement new and improved ITSM tools to support all aspects of IT Service Management.
Design and Transition of new or changed services	Deals with establishing or changing existing services. This section contains the following sub-processes: - Service Delivery - Control - Resolution - Relationship	Region of Peel IT has well-established processes in service delivery and control. Processes for resolution and relationship have been identified for improvement, and work plans will be established.
Service Delivery processes	Processes the service provider shall consider for service delivery including:	Region of Peel IT has implemented SLAs with some departments; and established an IT Service

UPDATE ON ISO 20000 PROGRAM

	- Capacity management - Service continuity and availability management - Information security management - Service level management - Service reporting - Budgeting and accounting for services	Management Prioritization Model. SANS critical controls are currently followed for Security Management. SANS is based on ISO 27001. Region of Peel IT has established a Capacity Management Process Guide.
Control Processes	Controls the configuration of the elements of the services. The primary objective is to ensure that the integrity of the live environment is protected and that the correct components are released effectively. - Configuration Management - Change Management - Release Management	Region of Peel IT has established documented processes for all Configuration, Change and Release Management. Change and release management processes are more mature than configuration management. With the addition of the right ITSM tool the organization will be ready to move to a more mature state for all processes.
Resolution Processes	This process focuses on the capacity of an organization to tackle the three sub-processes below: - Incident Management - Service Request Management - Problem Management	Region of Peel IT has established a strong Incident and Request Management Process. Work is underway to improve Problem Management Practices.
Relationship Management	Relationship management refocuses IT to the customer and their needs; creates better working relations with vendors and introduces constant feedback. - Business Relation Management - Supplier Management	Region of Peel IT has business relation management processes in place. A strategic vendor management role was introduced recently and will continue to evolve over time. ISO 20000 offers standards for vendor management where ITIL does not.

Future of ITSM at the Region

The goal is to provide efficient services to internal clients to improve the delivery of services to residents. The Region adopted ITIL as the ITSM framework to improve the design, transition, delivery and improvement of services provided by IT.

UPDATE ON ISO 20000 PROGRAM

Before considering potential formal certification to ISO 20000 standards, work must be completed on foundational processes and ITSM supporting tools. This work would be required in any event before certification could be sought.
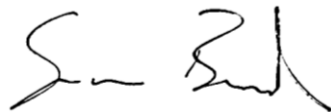
Planned work

Work to replace the Region of Peel's ITSM supporting tool is currently funded and underway starting with Incident Management, Service Management, Knowledge Management, Asset Management, Configuration Management and Change Management. Work to develop and refine further processes will be identified and planned as part of ongoing IT Planning and Budgeting for 2020 and beyond.

CONCLUSION

The Region recognizes the importance of ITSM processes in order to deliver cost effective, reliable, efficient IT services. Work is underway to address needed tools and processes. Consideration for further certification could be reviewed at a later date once these core issues have been addressed.

The current use of ITIL ITSM processes mitigates many of the risks associated with the lack of certified ISO 20000 processes.

The adoption and continued implementation of ITIL will increase the ITSM maturity level and better position the Region for ISO 20000 certification if it chooses to do so in the future.

Sean Baird, Commissioner of Digital and Information Services

Approved for Submission:

N. Polsinelli, Interim Chief Administrative Officer

Appendix I – ISO 20000 Process Diagram

For further information regarding this report, please contact Steve Van De Ven, Director, IT Operations, extension 4451, steve.vandeven@peelregion.ca..

Authored By: Janette Myers-Sinclair

APPENDIX I
UPDATE ON ISO 20000 PROGRAM

Appendix I: ISO 20000 Process Diagram