

SERVICE

Risk Management

Who We Are

Risk Management is responsible for coordinating protection of assets. It contributes towards the effective, efficient management of risk by evaluating controllable and insurable risks, undertaking claims management and optimizing costs through risk transfer to others via contractual agreements and insurance coverage.

What We Do

The goal of the City is to limit risk. Risk Management provides services that sustain or enhance quality of life. Loss prevention plays a key role in the City's risk management culture. Continuous support of risk mitigating initiatives such as assisting in applying best practices within Engineering, Roads, Building and Emergency Management.

Why We Do It

Essential – Effective risk management is essential to the City's ability to deliver services.

\$0.01

per day

for the average ratepayer (2020-2023)

0.05%

of the 2020-2023 City of London Net
Property Tax Supported Budget

The following table provides an overview of the budget for the service

Budget Summary (\$000's)	2020	2021	2022	2023	2020-2023 TOTAL
Gross Operating Expenditures	\$525	\$528	\$530	\$533	\$2,116
Other Revenues	(\$168)	(\$176)	(\$173)	(\$176)	(\$693)
Net Tax Levy Supported Operating Budget	\$356	\$352	\$357	\$357	\$1,423
Total Capital Expenditures	\$0	\$0	\$0	\$0	\$0
Full-Time Equivalents (FTE's)	4	4	4	4	

Reflects 2020 – 2023 Housekeeping Budget Adjustments up to August 31, 2020.

The following section provides an overview of the key activities the service plans to undertake from 2020-2023 to implement the Corporation's 2019-2023 Strategic Plan, as well as an overview of the risks and challenges the service is anticipated to experience during this period:

Service Highlights 2020-2023
<ul style="list-style-type: none"> • The Division will continue to provide a full service in-house claims and insurance procurement with a focus on providing the highest quality, cost-effective risk and insurance services to The Corporation of the City of London. As all municipal corporations have unlimited liability and perpetual succession, it is important that the interests of the municipal corporation and municipal residents/taxpayers be safeguarded against unexpected liabilities. The Division will continue to provide responsive and effective services to ensure that the interests of Municipal Council and the Corporation are protected. • Risk Management will continue to support services by approaching risk management as an integral element of service planning and performance management. This is done by responding to changing social, environmental and legislative requirements while ensuring services have clear accountability for both ownership and cost of risk and given the tools to effectively manage risk. • The Division continues to provide advice and training to other Service Areas - identifying risk exposures, providing options to reduce and/or transfer risk.

Risks and Challenges Anticipated in 2020-2023

- With demographics changing and population increases, this leads to increased demand for City services and the need to undertake renovations or construction of new facilities or to increase or expand existing infrastructure.
- Beyond the traditional risks of property insurance, liability, and auto insurance are emerging risks in the areas of: cyber, extreme weather, construction and social environments. Municipalities are facing increasing public scrutiny of the management of costs. This presents a challenge to those engaged in risk management, in that a balance needs to be found between the reduction of costs and coverage. A city can certainly reduce cost by retaining a greater share of their exposure and intentionally self-insuring the risk, but proper mechanisms need to be in place to ensure that the assumed costs can be projected and budgeted. A city cannot afford the scenario where an uninsured risk has a significant and unexpected financial impact to the city's budget or to the provisions of city services to its residents. Proper management of claims and reserves is vital in managing the City's risks.

For more information:

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