

**Real Property Business Line  
Action Plan – Audit of Risk Management (Real Property Functions)  
Internal Audit: 2002-724**

Audit Recommendation	Status March 2004	Action	OPI	Timeline
<p>1. Develop a common strategy and comprehensive plan to implement an IRMF for real property functions throughout the organization</p>	<p>The Real Property Services Branch published an Integrated Risk Management Framework in 2001. The organization has since gone through significant organizational change and the IRMF needs to be revisited. RPS participated in a study during 2003 conducted by The Conference Board of Canada and Deloitte Touche identifying the keys to a successful risk management strategy.</p>	<p>Using the results of the 2003 Conference Board of Canada/Deloitte Touche study which identified keys to a successful risk management strategy and the TBS guide to implementing risk management frameworks, RPB in consultation with SIB and other stakeholders will:</p> <ul style="list-style-type: none"> <li>• Sustain support of senior management for a strong risk management function</li> <li>• Clarify the roles and responsibilities of Strategic Planning and Relations Directorate and operational sectors with respect to risk management.</li> <li>• Revisit and update the Real Property Business Line IRMF to reflect changes in the organization and business environment including alignment with corporate risk profile</li> <li>• Develop, approve and communicate strategic risk profiles (for both strategic and operational risks)</li> <li>• Monitoring and reporting of the development of risk profiles and the implementation of a IRMF</li> <li>• Periodic review and adjustment of the framework as necessary</li> </ul>	<p>DG, Resourcing &amp; Strategic Management (Director, Strategic Planning &amp; Relations)</p>	<p>June 30, 2004 June 30, 2004 August 31, 2005 March 31, 2005 August 31, 2005 August 31, 2004</p>

<p>2. Develop and communicate common frameworks and processes for the identification, assessment, and response to both known and emerging operational, and project KRAs;</p>	<p>Risk management tools exist for project managers. There is a need to better incorporate risk tools into the investment decision making process. No common approach to the management of operational risks. The risk management working group did provide a useful forum for discussing issues of risk however it has not met in several months.</p>	<p>In order to systematically identify and manage risk strategically in functional units RPB will in consultation with SIB and other stakeholders:</p> <ul style="list-style-type: none"> <li>• Develop a risk management framework specific to the management of risk on an operational/project level</li> <li>• Implement a requirement to analyze risk in all submissions for approval.</li> <li>• Revitalize risk management working group and ensure comprehensive representation from across the business line</li> <li>• Include the subject of risk management on the agendas of management retreats in order to increase and sustain awareness of risk management and prioritize KRAs</li> <li>• Encourage continuous risk management learning</li> <li>• Identify reporting requirements</li> <li>• Identify monitoring requirements</li> </ul>	<p>DG, Professional Services All business line DGs Director, Strategic Planning &amp; Relations All business line DGs All business line DGs Director, Strategic Planning &amp; Relations</p>	<p>December 31, 2004 August 31, 2004 May 31, 2004 June 30, 2004 June 30, 2004 June 30, 2004</p>
<p>3. Identify and/or modify, as required, the specific frameworks, plans, and processes that would enable the effective management of the strategic and operational KRAs identified in this audit report, as follows: a. <i>Successful Change Management associated with Organizational Transformation</i></p>		<p>In order to ensure the effective management of key risk areas RPB will in consultation with SIB and other stakeholders:</p> <ul style="list-style-type: none"> <li>• Identify key components and outcomes of a successful realignment for Real Property Functions e.g. Key components</li> <li>• Resources: mix (internal vs. Contract); services, staffing, training.</li> </ul>	<p>DG, Resourcing &amp; Strategic Management (Director, Strategic Planning &amp; Relations) DG, Renewal</p>	<p>March 31, 2005 March 31, 2005</p>

			<ul style="list-style-type: none"> <li>assessment tools, etc</li> <li>Information management (Sr mgt + other levels): planning, monitoring, performance reporting</li> <li>IRMF</li> <li>Policy Framework: strategic, operational and project</li> <li>Vision</li> <li>DM and Government priorities</li> <li>Define key activities for each area, OPI and results expected</li> <li>Identify monitoring and reporting requirements</li> </ul>	<p>March 31, 2005</p> <p>March 31, 2005</p>
b. <i>Building Internal Capacity</i>	<p>Research and analysis are currently underway in collaboration with Human Resources and the Real Property Renewal Team to establish a framework on internal capacity/HR Strategy for presentation to RPBMC in March 2004.</p>	<ul style="list-style-type: none"> <li>Develop an HR strategy and related plans to: <ul style="list-style-type: none"> <li>Identify services (current and future) : strengths and weaknesses i.e. Capacity of people, ability to deliver, ongoing requirements for services</li> <li>Decide on core services</li> <li>Mix of internal vs. contract (business case : horizontal + vertical consultation</li> <li>Define resourcing plans: competency profiles, staffing, training / development and assessment tools</li> <li>Implement the established framework on internal capacity</li> <li>Identify monitoring and reporting requirements</li> </ul> </li> </ul>	<p>DG. Resourcing &amp; Strategic Management (Director, Professional Development &amp; Change Management)</p> <p>DG. Renewal</p>	<p>August 31, 2004</p>
c. <i>Consolidated Information on Environmental Risks</i>	<p>Information is gathered through several avenues including: Key Performance Indicator Reports, Environmental Report Cards, Sustainable Development Strategy Implementation Plans, and</p>	<ul style="list-style-type: none"> <li>Strengthen the tools and processes used for gathering, disseminating and analyzing information including: <ul style="list-style-type: none"> <li>a revision of the EMS Manual to</li> </ul> </li> </ul>	<p>DG. Architectural &amp; Engineering Services (Director, Environmental Services)</p>	<p>October 31, 2005</p>

	<p>specific environmental audits for regulatory and environmental aspects</p> <p>The primary database used to collect environmental information is the PBMS Catchall module. This database is being used with mixed success. Functionality needs to be improved through better integration with other modules. I.e. BMP, PM, IRRS...</p> <p>Tools and processes for data collection and input to Catchall are evolving. Methodologies for gathering of the data are now identified through several avenues including: EMS Manual, and other specific tools including: Catchall Database Input Guide, KPI Reference Guide, KPI Evaluation Guide, National 5 Phase Solid Waste Protocol, Contaminated Sites Management Plan, Contaminated Site Risk Management Best Practices, training, workshops</p> <p>Instructions and directions to users are through training courses, e-mails, call letters, National and Regional meetings, various guide documents, one to one mentoring, best practices, Environmental Services guide, EMS Manual</p>	<p>include adequate user information on data input controls (including acceptable standards for the input of environmental information);</p> <ul style="list-style-type: none"> <li>• Improve the functionality of Catchall through integration with the Building Management Planning (BMP) and the Project Management (PM) modules.</li> <li>• evolution and maturing of communication pathways and instruments, re-aligning and strengthening Environmental Management System</li> <li>• Review, strengthen, and consolidate the existing tools and add tools to provide improved consistency for data gathering, analysis and reporting. This will mean re-aligning and strengthening CatchAll, the EMS, and building consensus with the Stakeholders.</li> <li>• Ensure adequacy of resource allocation and assign priority.</li> <li>• Develop the Communication tools necessary to meet the requirements of users including guidelines, manuals and training.</li> </ul>	<p>October 31, 2005</p> <p>October 31, 2005</p> <p>October 31, 2005</p>
<p>d. Compliance with Government Security Policy for the Physical Security of Assets</p>	<p>Risk criteria for base building Threat and Risk Assessments (TRAs) have been defined and a Request for Standing Offer has been prepared. A national</p>	<ul style="list-style-type: none"> <li>• Define Risk Criteria in RFP for building TRA selection</li> <li>• Ensure adequacy of resource allocation and assign priority</li> </ul>	<p>December 31, 2004</p> <p>December 31, 2004</p>
		<p>DG, Property &amp; Facilities Management DG, Accommodation &amp; Portfolio Management</p>	

	<p>proposal for \$6M in program funding was submitted once for 03-04 and once for 04-05, but was not approved. Some TRAs are being funded out of individual building budgets. There is no central repository for TRAs. As a result, the national status of TRAs is unknown. Inventory systems such as CAPS are being evaluated for reporting purposes. A process for TRA review and update to be developed in consultation with Corporate Security.</p>	<ul style="list-style-type: none"> <li>• Monitor, assess and report results to the appropriate level</li> <li>• Establish process for regular TRA review and update</li> </ul>		<p>December 31, 2004 December 31, 2004</p>
<p>e. <i>Developing the Accommodation Planning Framework</i></p>	<p>An action plan for improving the Accommodation Planning Framework is being developed in response to the AG Audit Report and subsequent SCOPA Report. Accommodation is also a major consideration in the Real Property Renewal Project.</p>	<ul style="list-style-type: none"> <li>• Action Plan to be tabled by March 31, 2004</li> <li>• The framework will be developed in consultation with SIB and other stakeholders and will be: <ul style="list-style-type: none"> <li>▪ Revised standards (base-building and fit-up)</li> <li>▪ Enhanced data quality and systems</li> <li>▪ Increased use of Memorandum of Agreement (MOAs) with tenants</li> <li>▪ Increased focus on obtaining demand information</li> </ul> </li> </ul>	<p>DG, Accommodation &amp; Portfolio Management – Accommodation Management</p> <p>DG, Accommodation &amp; Portfolio Management &amp; SIB DG, Strategic Planning, DG, Strategic Planning, SIB</p>	<p>March 31, 2004</p> <p>September 30, 2004</p> <p>March 31, 2005 and ongoing March 31, 2005 (60%) and then ongoing March 31, 2005 and then ongoing</p>
<p>f. <i>Building Alliances with TBS</i></p>	<p>Even in the absence of a formal plan, RPB has, directly or in support of Corporate Policy's role used every opportunity to work proactively with TBS. Most recent examples include the</p>	<p>The Real Property Branch in consultation with the Service Integration Branch, Corporate Services, Human Resources, Communications Branch and other relevant stakeholders will:</p>	<p>DG, Resourcing &amp; Strategic Management DG, Renewal</p>	

	<p>discussions related to the review of the TB RP policy suite and the "leveling of the playing field" discussions in the context of the Expenditure Management Review and the Costing and Charging Review.</p>	<ul style="list-style-type: none"> <li>Identify and action opportunities and mechanisms;</li> <li>Define RPB agenda, including specific interests for alliances in context of the renewal project.</li> <li>Identify monitoring requirements</li> <li>Undertake developmental assignments between RPB and Program Sector, TBS</li> <li>Brief and engage TBS as part of the Renewal Steering Committee.</li> </ul>	<p>August 31, 2004 August 31, 2004 March 31, 2004 March 31, 2004 March 31, 2004</p>
<p><i>g. Achieving Single Window Integrated Service Delivery</i></p>	<p>PWGSC announced a new organizational structure in November 2003. To provide single window to services provided by PWGSC's business lines, Service Integration Branch has been created to strategically manage relations with government departments. Among other things, its role is to:</p> <ul style="list-style-type: none"> <li>Act as Account Manager, providing the principal point of contact to PWGSC for client departments</li> <li>Be knowledgeable about client department's needs, plans and strategic directions, and work closely with them to integrate short and long term service demands into PWGSC's service development/delivery plans</li> <li>Coordinate service delivery to departments and resolve associated issues.</li> </ul>	<p>In order to ensure the effective management of key risk areas Service Integration Branch will:</p> <ol style="list-style-type: none"> <li>Develop the integrated service business model and supporting framework (principles, framework of relationships, operations, decision making, funding, accountability) consistent with the November 2003 reorganization and under the oversight of the Service Management Board;</li> <li>Integrate service delivery by defining skills required to support the business model, and adequately resourcing Service Integration Teams and Regional Offices through a combination of resident employees and experts provided on assignment by the real property, acquisition and information technology resource pools under a matrix management model</li> <li>Develop integrated client service strategies and opportunity assessments</li> <li>Identify key outcomes, results, and performance information necessary to demonstrate successful single-window integrated service delivery</li> </ol>	<p>June 30, 2004 June 30, 2004 Sept. 30, 2004 Dec. 31, 2004</p>

<p>4. Develop and implement a comprehensive plan to address the management, business, and risk information needs of senior management for effective decision making</p>	<p>Through implementing the actions in this plan the real property business line will be revising the management control framework for risk management.</p>	<p>e) harmonize performance management between SIB and business lines (to the extent practicable)  f) enhancing strategic and operational alliances with federal government clients  g) The Service Integrated Branch work plan will be developed in consultation with its partners and will identify appropriate mechanisms for monitoring, assessing and reporting results to SIB Senior Management and stakeholders.</p> <ul style="list-style-type: none"> <li>• Take steps to reduce the use of black book records keeping by making mandatory the use of systems.</li> <li>• Develop an enterprise architecture and governance framework for IMIT which will focus direct investments in business systems on priority areas.</li> <li>• Assess the short-term risk management needs of the organization.</li> <li>• Assess the long-term risk management needs of the organization based on the redesigned program once that is defined.</li> </ul>	<p>DGs SITs and DG, SM, Services Integration Branch  DG Strategic Management, Business Integration and Shared Services, SIB</p>	<p>April 1, 2005  Sept. 30, 2004  Ongoing</p>
<p>4. Develop and implement a comprehensive plan to address the management, business, and risk information needs of senior management for effective decision making</p>	<p>The quality of business information needs to be improved for senior management decision-making. The primary oversight controls used by senior management for strategic and operational activities are dependant upon financial information derived from black books and non-financial information obtained from other methods such as meetings and ad-hoc reports.</p>	<ul style="list-style-type: none"> <li>• All business line DGs</li> <li>• DG, Resourcing &amp; Strategic Management (Director, Policy Systems and Special Initiatives)</li> <li>• DG, R&amp;SM (Director, SPR)</li> <li>• DG, R&amp;SM (Director, SPR)</li> </ul>	<p>All business line DGs  DG, Resourcing &amp; Strategic Management (Director, Policy Systems and Special Initiatives)  DG, R&amp;SM (Director, SPR)  DG, R&amp;SM (Director, SPR)</p>	<p>May 31, 2004  May 31, 2004  June 30, 2004  March 31, 2005</p>