Risk Management in Indigenous Housing

NICHI Capacity Building Event

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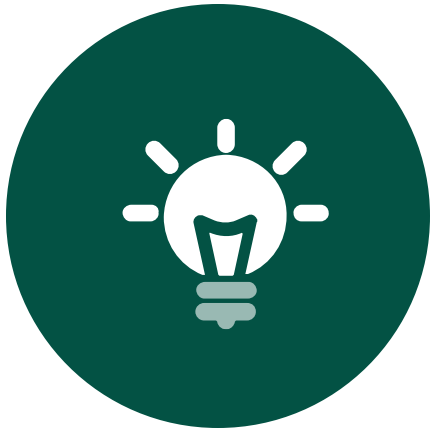
Purpose & Context

Why risk management matters for Indigenous housing governance

Indigenous housing projects face unique financial, cultural, and regulatory challenges.



Effective risk management protect community assets and ensure project sustainability.

Project oversight is critical to identify, assess, and mitigate risks before they impact outcomes.

Session Objectives

- **Clarify risk oversight for Indigenous housing projects.**
  - Set risk responsibilities and expectations and ensure active oversight and transparent reporting.
  - Address common challenges with practical solutions.
- **Introduce a practical risk management framework you can apply immediately.**
  - Outline key steps, use risk register and adapt framework for Indigenous housing needs.
- **Work through a short case study to build a starter risk register.**
  - Review a real project example to identify and score key risks and complete sample risk register.

Introduction to Risk Management

Risk management is a structured and proactive approach used to identify, assess, treat, and monitor risks to support better decision-making, build transparency, and protect community assets.

Ensures sustainability of housing programs and protects financial and physical assets

Improves project and management accountability

Anticipates issues before they impact community members

Supports long-term operational stability

Strengthens transparency and governance

Common Risk Areas

Common risk areas in Indigenous housing projects

Financial & Funding Risks

Unstable or multi-source funding, delays in release of funds, and rising material/labour costs create uncertainty and can stall project progress.

Impact: Project delays, reduced scope, unbudgeted cost increases.

Project Delivery Challenges

Insufficient project management capacity, limited technical expertise, and reliance on external contractors often lead to delays, scope drift, or quality issues.

Impact: Change orders, cost overruns, rework, reduced quality.

Internal Control Weaknesses

Limited documentation, unclear approval chains, or inadequate segregation of duties increase the likelihood of errors, misreporting, or compliance issues.

Impact: Audit issues, inaccurate reporting, financial exposure.

Asset Condition & Maintenance Backlog

Aging infrastructure, deferred maintenance, and insufficient inspections increase long-term risk to safety and housing quality.

Impact: Safety hazards, rising operating costs, community dissatisfaction.

Common Risk Areas

Common risk areas in Indigenous housing projects

Governance & Decision-Making Gaps

Unclear roles between council, housing committee, and administration can slow decisions or create misalignment during project delivery.

Impact: Delays, inconsistent direction, reduced accountability.

Vendor & Contract Risks

Contractors not meeting performance standards, weak procurement processes, or limited competition in remote areas elevate cost and schedule risks.

Impact: Contract disputes, low-quality work, delays.

Community, Cultural & Engagement Risks

Housing decisions that do not incorporate cultural protocols, community expectations, or rightsholder input can lead to resistance or reputational impacts.

Impact: Project pauses, community pushback, redesign requirements.

Regulatory Uncertainty

Expectations for permitting, inspections, and compliance become unclear.

Impact: Quality and safety risks, inconsistent standards, project uncertainty.

What is a Risk Register?

- A Risk Register is a central tool for documenting and tracking risks throughout a project.
- It lists all identified risks, their status, and mitigation actions.
- Purpose: Improve visibility, accountability, and proactive risk management.
- Used by project teams and boards to monitor and communicate risks.

MNP Risk Register (RR)									
Project				Date					
Description				Project Number					
Risk Event Identification					Risk Severity	Risk Response	Mitigation	Contingency Plan	Risk Owner
Risk Event	Threat or Opportunity?	As a result of (risk cause)	This event may occur (uncertain event)	Which leads to (effect on objectives)					

Risk Register Framework Overview

1

Risk Event Identification

Identify the specific risk event that could impact the project.

2

Threat or Opportunity?

Determine if the risk event is a threat or an opportunity.

3

Risk Cause

Specify the underlying cause(s) of the risk event.

4

Uncertain Event

Describe the uncertain event or scenario that could happen due to the risk cause.

5

Effect on Project Objectives

State the potential impact or effect on project objectives if the event occurs.

Risk Register Framework Overview (Cont.)

6

Risk Severity

Assess the severity of the risk (Critical, Serious, Important, Acceptable).

7

Risk Response

Decide how to address the risk (Avoid, Transfer, Reduce, Accept).

8

Mitigation

List the specific actions to manage or mitigate the risk.

9

Contingency Plan

Define what will be done if mitigation fails and the risk event occurs.

10

Risk Owner

Assign the person responsible for managing the risk.

Outcome: A proactive, repeatable, and accountable approach to managing risks in Indigenous housing projects, grounded in MNP's standardized tools and templates

Risk Management Plan (RMP) User Guide

MNP

Heading	Description
Project	Project name
Description	Description of the project
Date	Date (format: MM/DD/YYYY)
Project Number	Project number
Risk Event	Identify the Risk Event
Threat or Opportunity?	Select the option from the drop-down list within the cell
As a Result of (Risk Cause)	Identify the cause of the Risk Event
This Event may occur (Uncertain Event)	Identify what specific Event will occur
Which Leads to (Effect on Objectives)	Identify the result of the Risk Event

Heading	Description
Risk Severity	Decide the severity of the risk and select one of the following Severity Options from the cell's drop-down list: Critical, Serious, Important, or Acceptable. See the Risk Severity Options and Chart below.
Risk Response	Identify how the risk will be addressed based on a specific category. Click the red triangle in the column's heading for an explanation of the Responses. Select one of the following Response Options from the cell's drop-down list: Avoid, Transfer, Reduce or Accept.
Mitigation	Identify the specific actions that will be undertaken to manage the risk. These actions will need to be reviewed by the PM on a regular basis as part of the Risk Management activities.
Contingency Plan	Identify what action(s) will be undertaken should the risk mitigation or other activities not address the risk and the risk event occurs.
Risk Owner	The individual who is in the best position to be responsible for managing the risk.

Risk Severity Options

Critical	Risk has a high consequence and likelihood of impacting the objectives of the project and is unacceptable. The response is to eliminate the Risk Event.
Serious	Risk that needs to be eliminated if no acceptable option is available to manage or reduce the risk consequence or likelihood.
Important	Risk that is tolerable but needs to be managed or transferred with a Risk Management Plan.
Acceptable	Risk that can be dealt with as part of the project or when the product is transferred to the Business Owner.

Risk Responses

What are the Risk Responses and what each one Means

Response Type	Description
Avoid	Eliminate the risk entirely from the project or process so that it cannot occur.
Transfer	Shift the risk to another party (such as an insurer or contractor) so they manage the consequences.
Reduce	Take proactive actions to lower the likelihood or impact of the risk.
Accept	Acknowledge the risk and plan to manage its consequences if it occurs, without specific actions to remove or transfer it.

Housing Projects Risk Prompts

Funding & Financial Prompts

Uncertain funding timelines, multi-source funding requirements, and ongoing cost escalation can impact budgeting, scope, and project timelines.

Regulatory

The absence of an Authority Having Jurisdiction creates ambiguity in building standards and inspection requirements, increasing quality and compliance risks.

Governance & Leadership

Unclear roles and decision-making authority between Council and the Housing Department can slow approvals, create misalignment, and delay progress.

Procurement & Vendor Management

Limited contractor availability, low competition, and unclear contract terms can drive cost risk, schedule delays, and inconsistent quality, especially in remote regions.

Project Delivery & Capacity

Limited internal capacity, gaps in technical expertise, and inconsistent contractor performance often lead to delays, quality issues, and increased project risk.

Asset Lifecycle & Maintenance

Aging infrastructure and maintenance backlogs increase safety risks, long-term costs, and pressure on operational capacity.

Community & Cultural

Community expectations, cultural protocols, and levels of engagement can affect timelines, design decisions, and overall project acceptance.

Environmental & Site Conditions

Site access constraints, environmental requirements, and seasonal weather conditions can directly affect construction plans and delivery timelines.

Sample Risk Assessment Table

MNP Risk Register (RR)										
Project				Date						
Description				Project Number						
Risk Event Identification										
Risk Event	Threat or Opportunity?	As a result of (Risk Cause)	This event may occur (Uncertain Event)	Which leads to (Effect on objectives)	Risk Severity	Risk Response	Mitigation	Contingency Plan	Risk Owner
Bridge foundation re-design and de-watering pump station (temporary and permanent pumps required)	Threat	Excavation for bridge foundation	Ground water table is hit	Extra costs to pump and re-design of the bridge foundation	Critical	Reduce	Perform Geotechnical Drilling – Analysis. Allow Contingency for Construction de-watering.	Have Typical Design for Permanent Dewatering Station available.	PM
Design Scope increase due to railway demands	Threat	Railway negotiations not being completed	Additional Design scope is needed	Cost for Design modifications and additions	Serious	Reduce	Early discussion with Railway Engineers to understand requirements.	Ensure Design Consultant has experience with Railway requirements and has staff to address this risk.	PM
Construction cost increase due to land purchase delays	Threat	Land not being secured in a timely fashion	Access to land is delayed	Delay in construction starting	Critical	Reduce	Have City realtors engage landowners early and ensure urgency of land purchases is understood. Do not tender contract if not confident that land can be secured.	Use Contingency to pay added construction costs due to inflation. Pay more $ for land.	PM
Cost to public engagement activities over budget	Threat	More involvement of Councillor and local citizen	Additional PE activities and communication requirements than budgeted	More costs than estimated	Acceptable	Accept	Allow for additional PE session in Cost Estimate.	Take funds from General Contingency as will be in the $20k range.	PM

Risk Prompts

Questions to identify risks

- What could prevent us from meeting project objectives?
- Are there financial constraints or funding risks?
- What external factors (regulatory, environmental) could impact success?
- Do we have adequate resources and skills?
- What dependencies exist that could introduce risk?
- Are there cultural or community-specific considerations?

MNP Project Case Study: Northern Indigenous Nation Project – Risk Mitigation

Issue

- The general contractor (GC) did not pour piles for a deck/stair below the frost depth, which is a code requirement in northern climates.

Risk

- Foundation instability due to frost heave, leading to safety hazards (e.g., uneven surfaces, risk of injury).

Mitigation Action

- MNP's PM hired a local building inspector to review the work and identify deficiencies.
- The inspector's report was used to require corrections before final payment to the contractor.
- Advocacy for the client ensured the deck/stair was rebuilt to code, protecting long-term safety and project quality.

Lesson Learned

- In remote Indigenous projects without formal inspection authorities, bringing in third-party technical expertise is essential for risk mitigation.
- Early intervention and advocacy can prevent costly rework and safety incidents.

Case Study 1: Risk Register

MNP Risk Register (RR)										
Project	Northern Indigenous Nation			**Date**						
Description	Foundation not built to code, Contractor disputes deficiencies identified by inspector			**Project Number**						
Risk Event Identification					**Risk Severity**	**Risk Response**	**Mitigation**	**Contingency Plan**	**Risk Owner**	
Risk Event	**Threat or Opportunity?**	**As a result of (risk cause)**	**This event may occur (uncertain event)**	**Which leads to (effect on objectives)**						
GC did not pour piles below frost depth	Threat	Lack of local inspection authority; GC did not follow code	Foundation instability, uneven surfaces, safety hazard	Injury risk, costly rework, project delays	Serious	Reduce	Hire building inspector; require corrections before final payment.	Withhold payment until corrections are made; escalate to technical experts if needed.	Owner's Representative / Project Lead	
Contractor claims work meets code, disputes deficiencies	Threat	No formal oversight; contractor resistance	Delay in corrections, possible cost escalation	Project delays, incomplete corrections, increased costs	Serious	Reduce	Use inspector's report to enforce corrections; withhold payment until resolved.	Escalate dispute to technical experts or legal if unresolved.	Owner's Representative / Project Lead	
Previous builds had shifting ramps, inadequate foundation	Threat	Poor design for local climate; lack of expertise	Injury, reputational damage, costly rework	Safety risk, reputational damage, extra costs	Serious	Reduce	Specify code-compliant foundations; require technical review.	Advocate for client; require third-party review if issues persist.	Owner's Representative / Project Lead	

MNP Project Case Study 2: Indigenous Nation

Risk Event Identification

- Housing project faced funding challenges and complex permitting processes, requiring high energy efficiency standards and climate adaptation.

Risk Event Outcome

- Project delays and increased costs resulted from coordination among multiple agencies and stakeholders.
- Early engagement with funders and technical experts, along with community-driven planning, proved critical to project success.

Consequence

- Project delays, increased costs, and the need for innovative partnerships.

Lesson Learned

- Sustainable design, transparent governance, and community engagement are essential for reducing long-term risks and improving outcomes.

Case Study 2: Risk Register

MNP Risk Register (RR)									
Project	Indigenous Nation			**Date**					
Description	Housing project faced funding challenges and complex permitting processes			**Project Number**					
Risk Event Identification					**Risk Severity**	**Risk Response**	Mitigation	**Contingency Plan**	**Risk Owner**
Risk Event	**Threat or Opportunity?**	**As a result of (risk cause)**	**This event may occur (uncertain event)**	**Which leads to (effect on objectives)**					
Difficulty securing adequate funding for new construction	Threat	Limited local funding, complex permitting, high energy efficiency requirements	Delays or inability to proceed with construction	Project delays, increased costs, need for innovative partnerships	Serious	Reduce	Secure multiple sources of funding (CMHC, BC Housing, regional funds); engage technical experts early.	Seek additional grants or adjust project scope if funding gaps arise.	Project Lead / Wachiay Friendship Centre
Challenges in obtaining rezoning and building permits	Threat	Complex municipal processes, stringent energy efficiency standards	Delays in project approval or increased compliance costs	Project delays, increased costs, possible redesign	Serious	Reduce	Work closely with municipal authorities to secure rezoning and permits.	Adjust design or timeline to meet regulatory requirements.	Project Lead / Developme nt Consultant
Difficulty coordinating among multiple agencies and stakeholders	Threat	Multiple agencies involved, diverse stakeholder interests	Miscommunicati on, conflicting priorities, delays	Project delays, increased costs, need for innovative partnerships	Serious	Reduce	Facilitate early and ongoing engagement with funders, technical experts, and community members.	Hold additional workshops or consultations to resolve issues.	Project Lead / Wachiay Friendship Centre

Workbook Activity

Identify Risks

- List 3 key risks for your next housing project: threat or opportunity

Risk Cause/Event/Effect

- For each risk identify its cause/event/effect.

Risk Severity and Risk Response

- For each risk, determine its severity and select a risk response.

Mitigation and Contingency Plan

- Identify mitigation actions to be undertaken and contingency plan.

Assign Risk Owner

- Assign a risk owner

Templates & Tools Available

Risk Brainstorming Prompt List

A collection of targeted questions or topics designed to help teams identify a wide range of potential risks. It encourages thorough discussion and ensures important risks are not overlooked during planning or workshops.

Risk Register Template

A structured table or spreadsheet used to document, track, and manage risks throughout a project. It helps teams record risk details, assign owners, and monitor mitigation actions to ensure risks are addressed effectively.

Q&A

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