

<b>TO:</b>	<b>CHAIR AND MEMBERS COMMUNITY SERVICES COMMITTEE MEETING ON DECEMBER 19, 2011</b>
<b>FROM:</b>	<b>LOUISE STEVENS DIRECTOR, MUNICIPAL HOUSING COMMUNITY SERVICES DEPARTMENT</b>
<b>SUBJECT:</b>	<b>MUNICIPAL PARTNERSHIP FOR THE DEVELOPMENT OF AN INFORMATION SYSTEM FOR SOCIAL HOUSING ADMINISTRATION</b>

**RECOMMENDATION**

That, on the recommendation of the Director of Municipal Housing, with the concurrence of the Executive Director of Community Services the following report **BE RECEIVED** for information.

**PREVIOUS REPORTS PERTINENT TO THIS MATTER**

Board of Control (December 12, 2007) – Social Housing Software Purchase Agreement

**BACKGROUND**

**Devolution of Social Housing**

In December 2000, the *Social Housing Reform Act, 2000 (Act)* was enacted requiring municipalities to assume responsibility for social housing programs previously administered by both the Canada Mortgage and Housing Corporation (CMHC) and the Province.

**No Information Technology System for Social Housing**

Despite the change in responsibilities, there was no supporting information technology (IT) platform or system provided to Service Managers at devolution and the Province continues to show little interest or support in developing a single housing IT solution. Other than ensuring that any federal or provincial housing agreements and other requirements are being adhered to, the Ministry collects little information on how well the \$40 billion in social housing stock in Ontario is being maintained or whether there is an adequate supply to meet the local needs.

**Impact on Service Managers**

With the lack of an information technology system, Service Managers had to develop, create, purchase IT systems or find alternative solutions in order to support their business operations. After 10 years in the social housing business, the majority of Service Managers still use a combination of Excel, Access and Adobe PDF files to manage their information needs. The lack of a secure centralized database has exposed Service Managers and the Province to

considerable risk with decentralized data, incompatibility of data formats, data integrity and weak audit trails. This non-systematic use of information reduces administrative effectiveness and capacity to manage internal and external business performance and reporting.

### **Why do we need one information technology system for social housing?**

The social housing sector in Ontario is in need of an automated information technology system to effectively support and align housing with the client-focused housing first program approach to be implemented by Service Managers. Information technology is also necessary to help meet regulatory requirements and to increase efficiency and provide savings.

The systems are not flexible and are difficult, costly and labour intensive to add/change housing programs. The existing systems either do not contain or have difficulty retrieving pertinent data essential in making sound management decisions. They are paper intensive, information is duplicated and numerous functions are managed manually outside the existing system.

A new single system would provide Service Managers with the necessary tool they need to operate their businesses more effectively and efficiently. It would also provide the Province with an adequate accountability mechanism for reporting on the results achieved by Service Managers for the funds provided and monitor how well social housing is being managed.

The ability to easily and directly enter data and access information on such things as housing provider performance, program funding, client demographics, asset management, subsidy allocation, operational reviews, risk management and tenant satisfaction surveys would enable Service Managers to better plan for the future while managing an aging housing stock. A single system would reduce administrative costs and ensure the most effective delivery of limited government resources.

### **What are Service Managers doing to address the problem?**

A CAO initiative was started among four municipalities in Southwest Ontario (Windsor, Hamilton, Waterloo Region and London) at the beginning of 2011. The intention was to establish teams from each city in order to develop potential initiatives that would benefit everyone, particularly in the areas of innovation, efficiencies, cost savings and service delivery. The expectation was to identify initiatives that have been effective in one or more of the cities, document those initiatives, share the findings, and showcase them at an Ivey session that London agreed to sponsor.

As a result of that initiative, the four municipal Service Managers met in the spring of 2011 to discuss the possibility of working together in order to look at potential solutions to the current information technology gap in the social housing sector.

As the lead municipality, London sent out individual emails requesting information on each service areas current IT environment and future plans moving forward, in light of the ministry's indifference in supporting a single provincial IT system for social housing. The responses received showed that each service area was very much dealing/struggling with the same issues and trying to manage their information needs using multiple, independent programs (i.e. Excel, Access, Yardi, Oracle and Archibus). Many were in the process of finding or looking at alternative IT solutions.

From that initial exchange, London facilitated a number of meetings over the summer months to discuss the possibility of establishing a collaboration project to develop a single IT housing system.

The following points highlight the discussion and outcomes from those meetings:

- Service Managers recognize the need and benefit of having one system and are interested in collaborating on a project.
- Service Manager's internal resources are limited including business expertise, IT support and funding.
- The system would need to be web-based with an external front end for housing providers and applicants.
- The system needs to be hosted and supported in one location so that future enhancements and associated costs are shared by all stakeholders. This will also solve the problem that the majority of Service Managers do not have the capacity or interest in software development or hosting. Service Managers IT environment vary considerably in the use and understanding of different IT platforms and databases (Oracle vs SQL Server)
- The system needs to be comprehensive but flexible enough in order to support multiple programs, delivery models and accommodate changes in policy, reporting and auditing requirements.
- An invitation was given to other Service Managers in the southwest region to join in on the discussion and the group quickly expanded to over 10 Service Managers including
  - i. City of Windsor
  - ii. City of London
  - iii. City of Hamilton
  - iv. Region of Waterloo
  - v. Region of York
  - vi. Region of Halton
  - vii. City of Brantford
  - viii. Wellington County
  - ix. Region of Peel
  - x. Region of Durham
  - xi. Municipality of Chatham-Kent
  - xii. Bruce County
- Four potential options were identified:
  - 1) Develop a system from scratch and tender out the entire project to a third party vendor and share the total cost between Service Managers, the Province and the Social Housing Services Corporation (SHSC).
  - 2) Develop a system from scratch but use internal resources of Service Managers, Province, SHSC and Municipal Information Systems Association (MISA) to perform the various functions (ie project management, system requirements, design and development) in order to minimize costs.
  - 3) Redevelop SHAMIS (the Ottawa system purchase by the City of London).
  - 4) Buy into the development of the Niagara system based on their requirements and database design.
- A SWOT analysis was completed for each option to identify strengths and weaknesses and to determine the feasibility of several municipalities collaborating to develop a shared housing information system.
- After a full review of all the available options, the second alternative was selected by the group of Service Managers as the best option moving forward.

- A comprehensive governance model, including a Memorandum of Understanding must be developed in order to identify potential partners, responsibilities, deliverables and the full commitment in terms of a cost sharing agreement with other Service Managers.
- A neutral and fair cost sharing agreement would need to be established between other interested Service Managers to cover the cost of future development, hosting and support related expenses.
- A project of this size requires a clear plan and it must be well managed to ensure that the deliverables are met on time and it is successful.
- Lessons learned from other collaborative projects to design or build an IT system should be taken into consideration.
- In order to achieve the goal of having one Province wide system, all Service Managers must be kept informed from the beginning and given the opportunity to join and/or contribute to the project in multiple ways throughout its entire lifecycle.

### **Municipal Information Systems Association (MISA)**

The Municipal Information Systems Association (MISA) is an established Canadian association of municipal government representatives and others interested in the effective use of information technology to provide better and more cost-effective services to municipal taxpayers and clients.

#### MISA Ontario Call for Projects

The MISA Ontario Strategic Plan encourages the Association to promote collaborative projects that can provide broad benefit to the membership. In a large number of subject areas many, if not all, municipal members will be tackling similar challenges (e.g. AODA compliance, PCI compliance, Continuity Planning) and would benefit from collaboration that may be coordinated by MISA Ontario. MISA Ontario will support initiatives from an administrative and communications perspective, and in some cases, financially as well.

#### MISA Project Submission

A Project Outline Form was submitted on behalf of the Service Manager IT committee before the October 15, 2011 deadline to MISA for consideration to manage a collaborative project to develop a web-based IT solution for social housing administration in Ontario. The submission also included a business case that provided more information on the current business environment of the majority of Service Managers and a project overview which included the purpose, objectives, benefits, scope, vision, assumptions, risk, constraints and critical success factors for this project.

If the submission is selected and supported by MISA, it is anticipated that the project will commence in January 2012. The proposal has been reviewed and the project passed MISA's first stage of the review. In order to get a better understanding of Service Manager requirements, MISA is requesting that a project charter and statement of work be completed.

MISA needs to understand better what resources and funding is in place, what is missing that Service Managers are requesting from MISA and where the project is at in terms of the participants' readiness to begin. It is anticipated that this work will be completed and submitted to MISA by their December 2, 2011 deadline.

## **Overview of the Project Purpose and System Objectives**

The purpose of the project is to create/build upon and implement a housing information system with the focus on producing an integrated database system which provides added value analysis and information for Housing Programs, Housing Providers, Senior Management and Council, resulting in improved financial conditions and delivery of Social Housing services.

The priority is to increase service capacity while streamlining housing program(s) operations. Service Managers will have an expanded ability to better serve their public by harnessing collective knowledge, skills and abilities which will enable them to provide added value analysis and information for Housing Providers, Senior Management and Council.

This project is required to eliminate/reduce the following:

- Excess of data/paper documents and deficiency of consolidating information across projects
- Deficiency of performance visibility and predictability
- Lack of performance measurements

The benefits of successfully completing this product are:

- Streamline the Housing Program(s) operations
- Eliminate multiple data entry and eliminate human error
- Improve report generation capabilities and paperless office
- Potential for reduced and/or controlled subsidies to Housing Providers
- More time for added value analysis
- More proactive approach to the Housing Programs and Housing Providers' needs
- More capability to anticipate projects in difficulties and make timely decisions
- More performance visibility of all Housing Programs and Housing Providers
- More information, less data
- Development and measurement of Performance Measurements as required by the Housing Services Act

To provide maximum value to Service Managers, a housing information system for housing programs should:

- support informed decision-making
- provide a foundation for identifying and sharing best practices among Service Managers
- help demonstrate value and accountability to stakeholders, both internal and external
- establish a framework from which Service Managers could develop more refined measurement tools for their own use
- Be flexible enough to handle existing and new housing programs, including being web-enabled in order to provide an extranet or public access for housing providers to input data electronically through the internet

## **Sector Collaboration and Next Steps**

The aforementioned Service Managers have expressed their interest in pursuing a consolidated effort regarding the development of a housing information system for social housing. To support the project and guide the work of the committee, the following objectives have been established:

- Promote a system that is meaningful to the social housing business that Service Managers perform;
- Ensure consistency in housing data application;
- Pursue maximum usability of the system among all Service Managers, regardless of size or location;
- Foster development of tools that help identify trends and enable comparisons of results among all Service Managers;
- Advance understanding of Service Manager performance trends and underlying factors in order to identify and share best practices.

Over the next couple of months, the committee will be working to review potential governance models, developing a memorandum of understanding, documenting the high level system requirements and working on a project charter and statement of work be completed for MISA.

**Financial Implications**

The financial impacts associated with the implementation of a social housing collaborative IT solution will be addressed through the municipal budget process. There are no financial impacts related to this report.

**Acknowledgements**

Representatives from each Service Manager, including staff from Housing, IT and Legal, should be recognized for their contribution and commitment to the success of this project.

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- cc. J. Fielding, City Manager
- J. Edward, Chief Technology Officer