



**CITY OF HAMILTON**  
**HEALTHY & SAFE COMMUNITIES**  
**Ontario Works**

<b>TO:</b>	Chair and Members Emergency and Community Services Committee
<b>COMMITTEE DATE:</b>	July 13, 2020
<b>SUBJECT/REPORT NO:</b>	Leveraging a Provincial Contract for Digitizing Ontario Works Client Files (HSC20023) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Terry Quinn (905) 546-2424 Ext. 3080
<b>SUBMITTED BY:</b>	Bonnie Elder Director, Ontario Works Division Healthy and Safe Communities Department
<b>SIGNATURE:</b>	

### RECOMMENDATION

- (a) That Council approve the single source procurement, pursuant to Procurement Policy #11 – Non-competitive Procurements with Nimble Information Strategies Inc., at an estimated cost of \$580,839, for the digitization of Ontario Works active case files and that the General Manager, Healthy and Safe Communities Department or designate be authorized to negotiate, enter into and execute a Contract and any ancillary documents required to give effect thereto, in a form satisfactory to the City Solicitor; and,
- (b) That Appendix “A” of Report HSC20023 remain confidential and not be released as a public document.

### EXECUTIVE SUMMARY

Report HSC20023 requests authority for Healthy and Safe Communities to enter into a non-competitive contract with Nimble Information Strategies Inc. for the digitization of the paper files of Ontario Works’ (OW) clients in the City of Hamilton (City). Digitizing client files is a key part of the Province’s social assistance modernization strategy.

The Province of Ontario has implemented electronic document management in their Ontario Disability Support Program (ODSP) offices. Nimble Information Strategies Inc.

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OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

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(Nimble) was the successful proponent of the provincial RFP for the digitization of ODSP client files. Utilizing Nimble provides the opportunity for the City to leverage the provincial infrastructure created to modernize the delivery of social assistance and realize administrative efficiencies and future savings estimated at \$151,000 (gross) (\$75,500 net levy) per year.

With this project, Ontario Works would pay for costs to scan and index Hamilton's active case files. The contract will leverage the Province's negotiated pricing with Nimble which is based on a much larger volume than Hamilton would have on its own. The City of Toronto chose to leverage the Province's contract with Nimble and several other Ontario municipalities are considering similar decisions.

As the Ontario Works division is in the process of consolidating office locations, an additional benefit of digitizing Ontario Works file rooms is it will eliminate the need for large dedicated file rooms and significantly reduce our office footprint.

**Alternatives for Consideration – See Page 6**

**FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

**Financial:**

The estimated cost to digitize the City's Ontario Works active client files is estimated to be \$580,839. These costs will be shared with the Province on a 50/50 cost share basis. The City's \$290,419 net levy portion will be funded from within the existing Ontario Works 2020 Operating Budget. No additional funds are being requested in Report HSC20023. This one-time cost, as well as costs for ongoing digitization of new documents, will result in service improvements and annual savings estimated at \$151,000 gross/\$75,500 net levy.

**Staffing:**

Confidential staffing implications attached as Appendix "A" to Report HSC20023.

**Legal:**

Legal Services staff will assist with contract preparation and execution in a form acceptable to the City Solicitor.

**HISTORICAL BACKGROUND**

Ontario Works provides financial assistance to over 11,400 individuals/families using the Social Assistance Management System (SAMS). Provincial regulations require that case related documents be maintained for all cases. In Hamilton, active case files are estimated to include over 1,708,000 pages. These active case files, as well as files from inactive cases, are stored in paper form in each Ontario Works office.

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Hamilton's Ontario Works offices receive and handle over 20,000 additional paper documents each month with many of these added to the active case files. Significant effort is required to file these documents and maintain the case files.

In 2016, the Province of Ontario began implementing electronic document management in their Ontario Disability Support Program (ODSP) offices. Nimble was the successful proponent of the provincial RFP for the digitization of ODSP client files *and* all new documents received monthly. Together with the Province, Nimble developed a process to scan, index and upload images of all documents related to case management to a secure server managed by the Province. The process and technology developed meets provincial privacy and security standards and is currently in use in most ODSP offices. ODSP workers are able to access images of all required documents through the same SAMS system used by Ontario Works.

In 2018, Ministry of Children, Community and Social Services (MCCSS) made electronic document management part of their modernization plan for Ontario Works. In response, Hamilton's Ontario Works Division put electronic document management on their multi-year workplan for 2020. Discussions were underway with Procurement to establish a contract with Nimble that would result in the City's Ontario Works files being digitized later this year.

In 2019, the City of Toronto's Ontario Works offices leveraged the Provinces Nimble contract to scan all active case files and all paper documents received monthly. Currently, several of Toronto's offices have fully converted to using electronic documents for all Ontario Works case management activities and no longer rely on paper files. Ontario Works staff are able to access images of all required documents through SAMS.

As a result of COVID-19 office closures in March, Hamilton Ontario Works staff were unable to manage incoming documents mailed or dropped off at Ontario Works offices. A significant backlog of documents resulted, and the temporary process that was developed was not sustainable. Officials at MCCSS suggested that Hamilton advance our efforts for digitizing incoming documents and consider using Nimble, leveraging the tools and processes already demonstrated in ODSP and OW Toronto.

Purchasing approval was received for Ontario Works to work with Nimble to digitize new incoming documents. That project has been successfully completed. However, no commitment was made to Nimble to undertake the work of scanning our existing active case files. This work remains on our multi-year business plan.

**POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

None

## **RELEVANT CONSULTATION**

MCCSS: Ministry officials have digitization of Ontario Works documents as a key element in their modernization plan for social assistance. In discussions with them regarding revised business processes during COVID-19, they suggested leveraging their provincial solution and track record with Nimble to fast-track Hamilton's digitization efforts for new incoming documents. Ministry staff have confirmed all privacy and data security requirements were met with the Nimble solution.

City of Toronto Employment and Social Services (TESS): TESS has confirmed their successful use of Nimble for digitization of Ontario Works existing active case files as well as all incoming documents. Ontario Works staff can manage their caseload and meet all provincial requirements using the digital documents. TESS has accelerated digitization of their remaining offices as a result of COVID-19.

City Information Technology Division: City IT staff have reviewed the completed project to digitize incoming Ontario Works documents. The project successfully met requirements from the security, privacy, business applications and infrastructure/architecture sections of Information Technology and was approved to proceed. There is no additional risk with digitization of the existing active case files as they will be treated identically to incoming Ontario Works documents.

Office of the City Clerk: Corporate Records were consulted on retention guidelines. This plan meets all document retention requirements.

Procurement: The Manager of Procurement was consulted on Procurement Policy #11 – Non-competitive Procurements.

Finance and Administration: Finance and Administration were consulted regarding the net levy impact and ongoing annual savings associated with Report HSC20023.

## **ANALYSIS AND RATIONALE FOR RECOMMENDATION**

The Province made document digitization a key element in their modernization strategy for social assistance. Replacing paper documents with images provides opportunities to improve client service, realize administrative efficiencies and save file management and storage costs.

The Province completed a competitive RFP that resulted in Nimble being the vendor. The system developed by Nimble in collaboration with the Province eliminates paper files (active case files) and digitizes all incoming documents used in social assistance case management. This system is fully integrated with the SAMS system used by both Ontario Works and the provincially managed Ontario Disability Support Program

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(ODSP). It has been used extensively in ODSP for over a year and was to be rolled out to Ontario Works locations over the next two years.

Benefits of leveraging the Province's contract with Nimble to digitize Hamilton's active case files include:

- The approach uses the same proven tools and procedures used to digitize ODSP office across the province and currently in use in TESS;
- The approach leverages functionality available within SAMS that has been in use in ODSP offices and Toronto's Ontario Works;
- The recently completed COVID-19 project in Hamilton to digitize new incoming documents tested all of the technology required to digitize existing active case files. Digitizing existing active case files does not require hardware, software or resources from the City's IT department;
- With the proposed approach, Hamilton has no hardware or software costs. Efforts to recreate a digitization process (in-house or with another vendor) would significantly increase costs, time and effort;
- MCCSS has prioritized working with municipalities that agree to follow their developed procedures that work with Nimble. This allows them to better leverage Ministry technical staff required to support each municipality sending documents to the Province's secure server;
- Ministry and City IT staff have confirmed that the proposed approach meets all data security and information privacy requirements. Significant work would be required to ensure this level of security could be met with another vendor; and,
- Hamilton is currently in the process of renewing office leases. Elimination of the file rooms will support a considerable reduction in the required office space. To impact the office space decision, active case files must be digitized in Q3, 2020.

Contracting with a vendor other than Nimble would result in the City incurring significant costs to recreate the required infrastructure, processes and security reviews for digitized documents to communicate with the Province's network and interface with the Province's secure electronic document repository. In addition to added costs, savings that result from file digitization would be delayed. If we choose to utilize Nimble, there is no cost to the City for this design, infrastructure, or security/privacy work.

## **ALTERNATIVES FOR CONSIDERATION**

Hamilton could choose to pursue document digitization with another vendor selected through the City's RFP process. There are no known benefits of pursuing this alternative. The risks of pursuing this alternative include:

- Significant time required (12-month estimate) for a new vendor to develop the processes and tools that meet the Province's technical, security and privacy specifications. This would forgo annual savings estimated at \$151,000 gross/ \$75,500 net levy;
- Effort and time for the City's IT resources to complete the full infrastructure risk assessment and privacy assessment that would be required of any new vendor managing confidential client documents;
- Cost for the City to purchase and manage a secure FTP server for receiving document images from the new vendor (if not Nimble) and forwarding them to the Province. (The Province has indicated that they will only receive images from Nimble or an approved municipality);
- Availability of Provincial resources to test and approve the new processes. MCCSS has indicated that their IT resources will prioritize onboarding municipalities that use the already developed Nimble process;
- The costs to develop the processes and tools by the successful vendor will be paid by Hamilton on the 50/50 cost share basis with the Province, either in direct project costs or higher page cost to scan and digitize. With the Nimble process, the development costs were paid fully by the Province;
- Ongoing costs with Nimble were negotiated by the Province based on the much larger monthly volume of all ODSP offices in Ontario plus an estimated number of Ontario Works offices.

For these reasons, the alternative of not directly entering a contract with Nimble that leverages the Province's vendor and technical solution is not recommended by staff.

## **ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

### **Healthy and Safe Communities**

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

**Our People and Performance**

Hamiltonians have a high level of trust and confidence in their City government.

**APPENDICES AND SCHEDULES ATTACHED**

Appendix "A" to Report HSC20023: Confidential Staffing Implications