STRATA

Solutions for government

STRATA JOINT SCRUTINY COMMITTEE

Date: Thursday 12 March 2015
Time: 5.30 pm
Venue: Rennes Room, Civic Centre, Paris Street, Exeter

Members are invited to attend the above meeting to consider the items of business.

If you have an enquiry regarding any items on this agenda, please contact Howard Bassett, Democratic Services Officer (Committees) Telephone 01392 265107 or email howard.bassett@exeter.gov.uk.

Entry to the Civic Centre can be gained through the Customer Service Centre, Paris Street.

Membership -
Councillors Baldwin, Bialyk, Sheldon, Dewhirst, Haines, Prowse, Dent, Gammell and Wood

The Members of the Joint Scrutiny Committee may nominate a named substitute to attend a meeting of the Joint Scrutiny Committee provided that at last 24 hours notice has been given to the Proper officer of the Relevant Council together with the name of the substitute

Agenda

Part I: Items suggested for discussion with the press and public present

1   **Apologies**

To receive apologies for absence from Committee members.

2   **Appointment of Chair**

In accordance with Standing Orders, the Chair cannot be an Exeter City Councillor, as a City Councillor chairs the Strata Executive Committee.

To elect a Chair - in accordance with procedural rules this shall be in a rotational basis with the Chair to be appointed for 12 months unless agreed otherwise by the Committee.

3   **Declarations of Interest**

Councillors are reminded of the need to declare any disclosable pecuniary interests that relate to business on the agenda and which have not already been included in the register of interests, before any discussion takes place on the item. Unless the interest is sensitive, you must also disclose the nature of the interest. In accordance with the Council's Code of Conduct, you must then leave the room and must not participate in any further discussion of the item. Councillors requiring clarification should seek the advice of the Monitoring Officer prior to the day of the meeting.

4   **Local Government (Access to Information) Act 1985 - Exclusion of Press and Public**

It is considered that the Committee would be unlikely to exclude the press and public during consideration of any of the items on the agenda but, if it should wish to do so, the following resolution should be passed:-

RECOMMENDED that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the consideration of the particular item(s) on the grounds that it (they) involve(s) the likely disclosure of exempt information as defined in the relevant paragraphs of Part I, Schedule 12A of the Act.

5   **Strata - An Orientation**

Verbal report of Chris Powell, Chief Operating Officer Strata Service Solutions Ltd.

6   **Strata Implementation Progress**

To consider the report of Chris Powell, Chief Operating Officer Strata Service Solutions Ltd.   (Pages 5 - 14)

7   **Strata Annual Business Plan**

To consider the report of Chris Powell, Chief Operating Officer Strata Service Solutions Ltd.   (Pages 15 - 18)

8   **New Technology - What is a Customer Portal**

Presentation by David Sercombe, Business Solutions Manager.

Date of Next Meeting

The next scheduled meeting of the Executive will be held on **Thursday** 28 May 2015 at **5.30 pm** in the Civic Centre.

A statement of the executive decisions taken at this meeting will be produced and published on the Council website as soon as reasonably practicable.

Find out more about Exeter City Council services by looking at our web site *http://www.exeter.gov.uk.* This will give you the dates of all future Committee meetings and tell you how you can ask a question at a Scrutiny Committee meeting. Alternatively, contact the Democratic Services Officer (Committees) on (01392) 265115 for further information.

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REPORT TO Strata Joint Scrutiny Committee
Date of Meeting: 12 March 2015
Report of: Chris Powell
  Title: Progress Report on Strata Service Solutions Implementation Plan

Is this a Key Decision? No

Is this an Executive or Council Function? No

1.   What is the report about?
Update on progress of Strata**.**

2.   Recommendations:
To note the progress of the implementation plan for Strata.

3.   Reasons for the recommendation:

To monitor progress of Strata implementation.

4.   What are the resource implications including non financial resources.

All included within the Strata business case.

5.   What are the legal aspects?
None

6.   Report details:

Progress Report on Strata Service Solutions Implementation Plan

Introduction
The three partner Councils agreed the formation of Strata Service Solutions and its associated Implementation Plan in July 2014. This report is an update on the progress and issues in achieving the plan up till early January 2015 (there will also be a short presentation at the Joint Scrutiny Committee meeting).
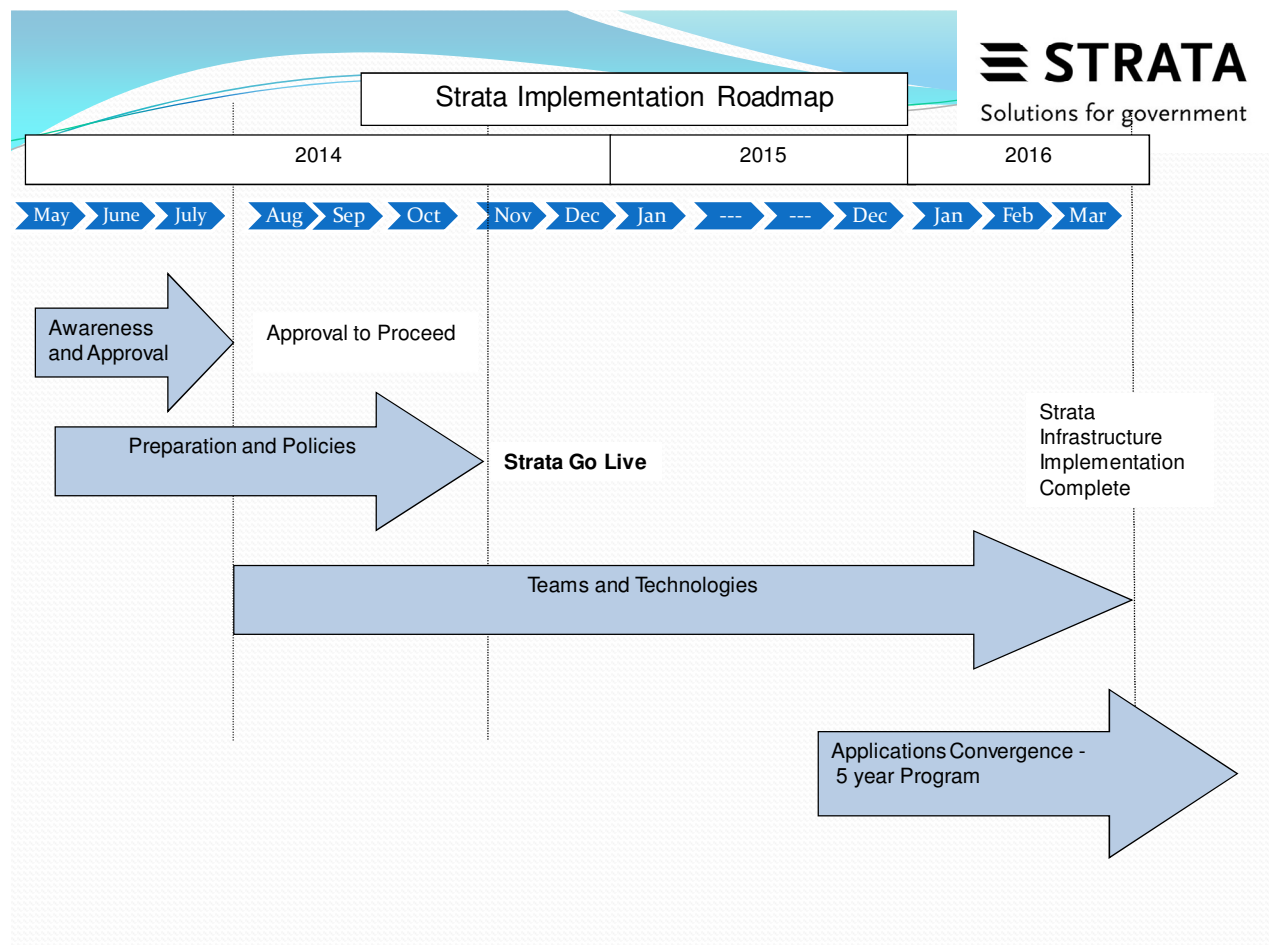The high level plan is illustrated by fig 1 and fig 2

Fig 1 High level plan

Summary
Implementation projects have so far produced few surprises, and none that have significantly altered the plan. The progress highlights are:
• Strata went live on Nov 1 as planned – all staff transferred to Strata under TUPE conditions; agreed budgets were transferred.

	2014						2015												2016		
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Strata implementation agreed ...	X																				
Governance arrangements	X	X	X	X																	
Agree constitution; scrutiny; governance				X																	
Agree Board of Strata				X																	
Transfer budgets to Strata					X																
Obtain asset lists for h/w and s/w																					
Clean up files in Councils to minimise transfer	X	X	X	X																	
Asset lists; contract list clean up	X	X	X	X																	
Appoint interim to Strata - share costs	X																				
Create common IT policies	X	X	X	X	X	X															
Write JDs;get mgt jobs JE	X	X	X																		
Create HR policies; T&Cs	X	X	X	X	X	X															
Create Strata finance and operating policies	X	X	X	X																	
Create payroll		X	X	X	X																
Create finance system		X	X	X	X																
TUPE staff					X	X															
Recruit and appoint Strata managers and key roles				X	X																
Develop structure for all staff								X	X	X	X										
Begin procurement processes	X	X	X	X	X	X	X														
Hire BAU support and project manager			X	X	X																
Build data centres facilities					X	X	X														

Task	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Buy and Install new production computers						X	X	X	X	X	X												
Buy and Install DR equipment							X	X	X	X	X												
Implement Ad and Exchange design								X	X	X	X	X	X										
Order and install WAN and network in place							X	X	X	X	X	X											
Order and install Lync systems								X	X	X	X	X											
Design, buy and install security systems			X	X	X	X	X	X	X	X	X	X	X										
Implement common helpdesk system and process		X	X	X	X	X	X																
Single Telecomms contract and transfer to SIP						X	X	X	X	X	X	X	X	X	X	X	X	X					
Systems transfer to VDI																							
Virtualise and test applications						X	X	X	X	X	X	X	X	X	X	X	X	X					
develop golden VDI images								X	X	X	X	X	X										
Transfer East Devon to VDI													X	X	X	X							
Transfer Exeter to VDI															X	X	X	X					
Transfer Teignbridge to VMWare and VDI																			X	X	X	X	x

Fig 2 First level of plan detail

- Main elements of plan are on schedule – main exceptions are:
  - Strata time and attendance system incomplete – now likely March
  - Councils yet to be asked to begin process of file and email clean-up

- COO and all of Strata management team recruited and in post. Compliance and Security Manager started post in February after external recruitment.

- As expected, the organisation change is making some posts redundant. This process is continuing with due tact and consultation. However, redundancy costs are expected to be higher than anticipated but these extra costs will be met by the Technology Challenge Award grant.

- The TCA grant has allowed the two data centres to be built with additional safeguards and improved electrical efficiency.

- Data centre builds are being hit by the most surprises – concrete plinth for generator; reinforced floor for DR site; lack of electrical contactors – which may result in a delay of up to 3 weeks for this part of the project.

- The major infrastructure procurements have so far come in under the budget identified in the Business Case. Contracts have been awarded for:

  - The main servers and storage systems
  - Thin-client server infrastructure
  - Wide area data network
  - Enterprise agreement for Microsoft licences

- Creation of a common Service Desk across the sites has produced early benefit with instances of mutual support being provided across sites to reduce risks due to absence of key staff.

- JEC and Scrutiny committee meetings set for year ahead

Financial Highlights
- Strata is fully functioning from a finance perspective with the following appointments having been made:
  - Insurance – Zurich Municipal;
  - External Accountants / Audit – Francis Clark;
  - Banking & Credit Cards – Lloyds Bank;
- The Company is registered for VAT and Corporation Tax and has amended its year-end to 31 March to tie in with the year-end of its owners.

- **Budget Monitoring 2014-15**
  - o Appendix A sets out the Revenue and Capital expenditure to date;
  - o Within Revenue, the income is made up of the Transformation Challenge Awards funds and predominantly salaries budgets transferred to the Company from the three owners. At the end of the year an analysis will be undertaken to identify any costs paid for by Strata for which a budget has not been transferred and any costs paid for by the Councils for which a budget had been transferred. An invoice for each amount will be raised;
  - o Within Capital, the budget represents the initial implementation plan, which was set out in the Business Plan. Expenditure to date covers the equipment and software required for the data centre.
- **Budget 2015-16**
  - o The budget for 2015-16 is currently being finalised and will be presented to the next round of meetings.

Main objectives for the next period

The Strata organisation is in the early days of developing it's operating processes, creating it's culture and establishing relationships with the Councils. The immediate main challenges ahead are:

- Understanding each Council's current IT project and change requirements and developing Strata project plans and resource plans to deliver as many of the requirements as possible.

- Developing the communication processes between Strata and Councils, especially at SMT/CMT level to ensure good dialogue about performance and business issues and to ensure that projects requiring IT are discussed with Strata from the very start.

- Developing a process to enable Application Convergence decisions by the JEC.

- Developing the Strata performance measures for reporting to the various groups.

7.   What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

None

8   Are there any other options?

N/A

Contact for enquires:
Democratic Services (Committees)
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BUDGET MONITORING
28 FEBRUARY 2015

STRATA SERVICE SOLUTIONS				
REVENUE BUDGET	COMMITMENTS TO DATE	ACTUAL SPENT TO DATE	ACTUAL & COMMITMENTS	BUDGET REMAINING
£		£	£	£
EMPLOYEES	856,500	0	629,419	629,419	(227,081)
SUPPLIES & SERVICES	2,830,319	198,165	899,110	1,097,275	(1,733,044)
TRANSPORT	0	0	1,932	1,932	1,932
INCOME - REVENUE	(1,003,234)	0	(1,003,234)	(1,003,234)	0
INCOME - TCA FUNDS	(970,882)	0	(970,882)	(970,882)	0
INCOME - CAPITAL GRANTS	(1,712,703)	0	(1,712,703)	(1,712,703)	0
INVESTMENT INTEREST	0	0	(3,805)	(3,805)	(3,805)
Net Expenditure	**0**	**198,165**	**(2,160,163)**	**(1,961,998)**	**(1,958,193)**

CAPITAL PROJECTS				
CAPITAL BUDGET	COMMITMENTS TO DATE	ACTUAL SPENT TO DATE	ACTUAL & COMMITMENTS	BUDGET REMAINING
£		£	£	£
* Included in Supplies & Services above					
TOTAL CAPITAL BUDGET					0
DATA CENTRE - INFRASTRUCTURE	113,200		22,659	22,659	(90,541)
DATA CENTRE - HARDWARE	500,000	51,104	0	51,104	(448,896)
DATA CENTRE - SOFTWARE	600,000		585,184	585,184	(14,816)
DISASTER RECOVERY	163,368		0	0	(163,368)
AD & EXCHANGE	55,719		0	0	(55,719)
SERVICE DESK	2,000		0	0	(2,000)
TELECOMS	182,623		0	0	(182,623)
WAN	93,936		0	0	(93,936)
SECURITY	87,150		0	0	(87,150)
					0
Net Expenditure	**1,797,996**	**51,104**	**607,843**	**658,947**	**(1,139,049)**

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REPORT TO JSC
Date of Meeting: 12 March 2015
Report of:Chris Powell
Title:COO Strata Service Solutions

Is this a Key Decision? Yes. Decision was made by JEC on 3 Feb meeting

* One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

1.   What is the report about?
The Annual Business Plan FY15/16 for Strata

2.   Recommendations:
That the JSC note the Annual Business Plan FY15/16 as agreed by JEC on 3 Feb 2015

3.   Reasons for the recommendation:
Strata is required to have an approved Annual Business Plan before the next financial year. The timing of the first Strata JEC and JSC meetings means that the Annual Business Plan needed to be submitted for approval to the JEC without JCS scrutiny.

4.   What are the resource implications including non financial resources.

Identified in the original Strata business case and in this report.

5. Report details:

Strata Annual Business Plan for FY15/16

1. Summary

The complete Strata business case and implementation plan was only relatively recently signed off (July 2014) with Strata going live in Nov 2014. Consequently this FY 15/16 annual business plan is a close match to the original plan with a few exceptions and so is presented as a summary only.

2. **Programme of Work 2015/16**

Infrastructure implementation
The company and infrastructure deliverables are as original business case (two cost exceptions) and are:

	Set-up cost	Notes
Company costs	£202,300	Mostly complete. Redundancy costs likely to be higher than expected but this difference will be funded by the TCA grant.
AD & Exchange	£55,719	
Service Desk	£2,000	Mostly complete
Printing with post and scanning	£15,000	
MS Licensing	£0	Subscription license model
Software assets	£0	Subscription license model
Desktop	£0	All hardware in place
Datacentre with VDI	£1,100,000	
Datacentre facilities build	£194,000	This is an increase of around £80,000 with the extra funding provided by TCA grant. Design has been upgraded to reduce risk and reduce ongoing electricity costs.
Back-up and DR systems	£163,368	
Telecoms convergence on single supplier	£182,623	
WAN	£219,488	
Security systems	£164,180	
Total	**£2,217,878**	

Application Convergence Deliverables
In the original business case no business applications were planned to become common until year 2, after the new infrastructure had been installed. However, circumstances within Councils make it opportune to develop business cases for at least the following IT systems in the next 12 months:

- HR and payroll

- Time and attendance

- Member IT system

- Mobile working security applications

- Web site

- Customer portal with CRM functionality

- Potentially the Planning suite of systems

3. Budgets 2015-16

Revenue
The following budget payments have been agreed with the three owners.

	Annual Revenue Budget
Exeter City Council	£1,879,550
Teignbridge District Council	£1,558,430
East Devon District Council	£2,147,933
Total Revenue Budget	**£5,585,913**

Capital
There are two additional amounts of capital expenditure to be transferred from the three owners. The unused amounts of Capital held by Strata towards implementation from the first payment will be carried forward and added to the second implementation payment.

	Second Implementation Payment
Exeter City Council	£30,651
Teignbridge District Council	£23,347
East Devon District Council	£31,296
Additional Implementation Budget	**£85,294**

	Annual Capital Budget
Exeter City Council	£53,904
Teignbridge District Council	£41,058
East Devon District Council	£55,038
Annual Capital Budget	**£150,000**

6.   How does the decision contribute to the Council's Corporate Plan?
All Councils have approved Strata as the ICT shared service.

17.   What risks are there and how can they be reduced?
The risks are identified in the full Strata business case

11.   What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

The Strata business case enables IT to be used to best advantage to provide the tools and mechanisms to help officers and customers interact effectively.

12.   Are there any other options?
No

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