



Solutions for government

STRATA - JOINT EXECUTIVE COMMITTEE

Date: Tuesday 21 June 2016

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 Sarah Selway, Democratic Services Manager (Committees) Telephone 01392 265275 or email sarah.selway@exeter.gov.uk.

Membership -

Councillors Christophers (Chair), Divani and Edwards

Non-voting Members Nicola Bulbeck, Karime Hassan and Mark Williams

Agenda

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

1 Apologies

To receive apologies for absence from Committee members.

2 Minutes

To sign the minutes of the meeting held on 30 March 2016.

(Pages 5 -
10)

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

RESOLVED that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of item 11 on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 1, 2, 3 and 4 of Part I, Schedule 12A of the Act.

5 Questions from the Public Under Procedural Rules

A period of up to 15 minutes will be set aside to deal with questions to the Committee from members of the public.

Each individual will be restricted to speaking for a total of 3 minutes.

Where a question does not relate to an agenda item details of questions should be notified to the Proper Officer of the Relevant Council at least two working days prior to the meeting.

6 Questions from Members of the Councils under Procedural Rules

To receive questions from Members of the Councils.

Where a question does not relate to an agenda item details of questions should be notified to the Proper Officer of the Relevant Council at least two working days prior to the meeting.

7 Access to Board Minutes

To consider the report of the Strata Board.

(Pages 11
- 12)

8 Strata Implementation Progress Report

To consider the report of the Chief Operating Officer.

(Pages 13
- 18)

9 Strata Budget Monitoring Quarter 4 : 2015/16

To consider the report of the Director (Finance Lead)

(Pages 19
- 26)

10 Strata Board Annual Work Plan

To note Strata Board Annual Work Plan.

(Pages 27
- 28)

Part II: Items suggested for discussion with the press and public excluded

No representations have been received in respect of the following items in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

11 Human Resources Update Report

To consider the report of the Strata Board.

(Pages 29
- 36)

Date of Next Meeting

The next scheduled meeting of the Executive will be held on **Tuesday** 27 September 2016 at 5.30 pm .

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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STRATA - JOINT EXECUTIVE COMMITTEE

Wednesday 30 March 2016

Present:-

Cllr Christophers (Chair)
Councillors Edwards and Divani

Non-Voting Members:-
Ms Bulbeck, Parkinson and Williams

Also Present

Chief Operating Officer, The Strategic Lead for Human Resources, Security and Compliance Manager, Strategic Lead Finance (EDDC) - Strata Director, The Teignbridge Strata Director, Programme & Resource Manager, Infrastructure and Support Manager and Democratic Services Manager (Committees)

1

ELECTION OF CHAIR

Councillor Christophers was elected Chair.

2

APOLOGIES

Apologies for absence were received from Chief Executive & Growth Director Exeter City Council.

3

MINUTES

The minutes of the meeting held on 24 November 2015 were taken as read and signed by the Chair as correct.

4

DECLARATIONS OF INTEREST

No declarations of disclosable pecuniary interest were made.

5

STRATA BUDGET MONITORING QUARTER 3 2015/16

The report of the Director (Finance Lead) was submitted updating Members of the financial progress of Strata during the first nine months of 2015-16, including a project outturn assessment against the savings set out in the Business Plan

Members were advised that at the nine month stage, the Board was projecting a saving of £201,488 against the target of £262,098. The reduction was partly attributable to replacement infrastructure for Teignbridge and additional staffing costs than planned. Total Council's contribution towards the capital budget was £150,000 per annum.

Strata Joint Scrutiny Committee considered the report at its meeting on 17 March 2016 and its comments were reported.

RESOLVED that the report be noted.

STRATA BUDGET 2016/17

The report of the Director (Finance Lead) was submitted seeking approval for the 2016/17 financial year budget.

Members were advised that the decisions made at the JEC on 24 November 2015 to offer Strata contracts to those staff who wished to transfer had substantially removed the projected surplus in the original Business Plan for 2016/17. The staff budgets adjustment to take account of transferring across to Strata Terms and Conditions were £125,000 with £120,000 set aside for redundancy costs although it was anticipated that not all the redundancy budget would be required. The reduction would be made up in future years to ensure the savings approved were made by the end of the ten year business plan. Any in year surplus achieved would be returned in the form of a refund to each Council in line with the agreed percentage split. The anticipated surplus for the year was approximately £27,000.

In response to a Member, the Strategic Lead Finance (EDDC) - Strata Director stated that to date only one redundancy was being considered as part of the consultation taking place. He also explained how the costs would be clawed back and they would be shown in the revised Business Plan which would be presented to the JEC later in the year.

Strata Joint Scrutiny Committee considered the report at its meeting on 17 March 2016 and its comments were reported.

RECOMMENDED that the three Councils approve the Budget for 2016/17.

STRATA IMPLEMENTATION PROGRESS MARCH 2016

The report of the Chief Operating Officer was submitted to appraise Members of the progress of implementation of the Strata business plan.

Members were advised that the main elements of the new IT infrastructure - data centre, WAN and main computers - had been completed in 2015, overcoming several challenges. They had provided the foundation for the delivery of the virtual desktop infrastructure (VDI) to roll out the Global Desktop to all staff members, with 419 having been globalised to date.

A major problem with software from VMWare had delayed the Desktop globalisation process - completion in Exeter would now be early April, with an expected late May start in East Devon and a September start in Teignbridge.

In response to a Member, the Chief Operating Officer commented that the Global Desk Top offered flexibility to the users enabling them to have remote access to their desktop and it also resulted in a reduction in IT support and was easier to undertake upgrades. It was anticipated that Exeter Councillors would move over to 'Office 365' towards the end of this year.

Strata Joint Scrutiny Committee considered the report at its meeting on 17 March 2016 and its comments were reported.

RESOLVED that the progress of the Implementation Plan be noted.

STRATA BOARD WORK PLAN

The report of the Strata Board on the work plan was submitted.

The Teignbridge Strata Director presented the newly adopted work plan that would be monitored by the Board over the next twelve months. He reported that considerable focus had been given to delivering the first part of the implementation plan and the new virtual desk top and supporting technologies across the three Councils. The work plan would be kept under monthly review by the Board which would be reviewing wider progress against the Company's business and organisational objectives.

The work plan also aimed to provide the delivery of relevant and timely information to the Scrutiny Committee and Executive. It was also intended to provide a framework for the management of the company's business and service delivery objectives against the approved business plan which would be revised later this year.

The Teignbridge Strata Director advised that the Scrutiny Committee had welcomed progress on the Plan but had also suggested that the availability of Board minutes would be helpful to give a full understanding of the operation of the Company and fulfil their representative roles on behalf of the public. They also had a further issue regarding Members' general understanding across the three Authorities of the operation of Strata.

Members discussed the request from the Scrutiny Committee regarding the availability of the Board Minutes.

The Chair stated that some work was still to be done to increase Members' awareness and understanding of Strata.

Strata Joint Scrutiny Committee considered the report at its meeting on 17 March 2016 and its comments were reported including an additional recommendation that the Teignbridge Strata Director report to the next Scrutiny Committee meeting on mechanisms for increasing the transparency of Board business.

RESOLVED that:-

- (1) the report be noted; and
- (2) the Teignbridge Strata Director be requested to report to the next Strata Joint Scrutiny Committee meeting on mechanisms for increasing the transparency of Board business.

PERFORMANCE MANAGEMENT OF THE CHIEF OPERATING OFFICER

The report of the Strata Board was submitted outlining arrangements adopted by the Board for the performance management approach for Chief Operating Officer.

Strata Joint Scrutiny Committee considered the report at its meeting on 17 March 2016 and its comments were reported.

RESOLVED that:-

- (1) the report be noted; and
- (2) a 'two tier' approach be used for the performance management for the Chief Operating Officer:

- Performance assessment – carried out by the Board collectively
- Performance management – carried out by one Board member.

10

FAMILY FRIENDLY POLICIES

The report of the Strata Board was submitted advising Members of the family friendly policies which have been adopted by the Board in principle. These policies have been produced to ensure that legislation is adhered to. The provisions in these policies reflect statutory entitlements as opposed to the usual more enhanced provisions adopted by the public sector.

Strata Joint Scrutiny Committee considered the report at its meeting on 17 March 2016 and its comments were reported.

RESOLVED that the action of the Board be supported in agreeing these policies, in principle, so that they can be discussed and agreed with UNISON at the next Staff Joint Forum.

11

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 - EXCLUSION OF PRESS AND PUBLIC

RESOLVED that under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following items on the grounds that it involved the likely disclosure of exempt information as defined in paragraphs 1, 2, and 3 of Part 1, Schedule 12A of the Act.

13

STAFF ENGAGEMENT SURVEY

The report of the Strata Board was submitted updating Members on the recent staff engagement exercise. It was the first staff engagement survey undertaken by Human Resources on behalf of Strata suggested for completion on Strata's first year anniversary.

Members were advised that it was anticipated that staff response would increase in future years, a target in excess of 90% was the goal and, ultimately, it was intended to seek Investors In People accreditation. It was proposed that the Chief Operating Officer and management team, together with Human Resources, produce an Action Plan, the results to be published on the intranet. It was also the intention for Human Resources surgeries to be held at all sites.

Members welcomed the approach of the Human Resources surgeries and the aspiration to work towards Investors In People accreditation.

The Strategic Lead for Human Resources clarified that it was anticipated that Strata would seek the Investors In People accreditation towards the end of the second year.

Strata Joint Scrutiny Committee considered the report at its meeting on 17 March 2016 and its comments were reported.

RESOLVED that the actions approved by the Board be noted.

SECURITY STATUS OVERVIEW

The report of the Strata Board was submitted updating Members on changing cyber threats and Strata's response, in the light of recent security incidents.

The Security and Compliance Manager updated Members on the details of recent attacks and on-going work to combat loss of data systems through a cyber-attack. These threats were increasing, such activity now practically organised on a commercial basis. All three sites were protected by daily backup with the new Strata systems which now included the City Council systems backed up at Oakwood. East Devon was backed up at Honiton and initial tests for Teignbridge to be backed up at Oakwood had been successful.

Members discussed the need for staff and Members awareness with regards to 'Ransomware' attacks via emails and the internet and the backup systems that Strata had in place.

Strata Joint Scrutiny Committee considered the report at its meeting on 17 March 2016 and its comments were reported.

RESOLVED that the actions approved by the Board be noted.

(The meeting commenced at 5.30 pm and closed at 6.25 pm)

Chair

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Strata Board, JSC and JEC	
DATE OF MEETING:	7 June JSC and 21 June JEC
PUBLICATION DATE:	25 May 2016
REPORT OF:	Neil Aggett, Strata Board
SUBJECT:	Access to Board Minutes

1. PURPOSE

Review of access request to Board minutes

2. Detail

The Strata Board has met and considered the JSC's request for access to Board minutes.

The Board fully understand the need for scrutiny members to have sufficient information to undertake the role and is committed to providing appropriate information.

The level of information in Board minutes is operational and relates to the day to day management of the company and as such is not appropriate for general release. The Board have reviewed the information currently provided to both the Joint Scrutiny Committee and the Joint Executive Committee to assist Councillors both monitor and develop the business.

The Board has recently had a conversation with the Chief Operating Officer about the need for a clear helicopter view of the business to enable interested parties to be fully aware of the objectives of the company and to be able to monitor and check progress with the delivery of those actions.

The company is currently working to a business plan adopted in November 2014. As members will know an update of the business plan is to come to the JSC and the JEC in the autumn. Customer service plans are also to be submitted which sets out the level and services to be provided to the partner council's.

In addition, there is the current monthly financial monitoring statement and a quarterly report to the OSC and the JEC.

The annual work plan for the Strata Board is now available and this gives members an indication of the work to be undertaken by the Board. If there is any specific item on which OSC would require any further information the Board would be happy to provide an update.

Members are reminded that Strata arrangements are governed by the Shareholder Agreement and the Service Contracts which were approved by all three Council's. The shareholder agreement makes it very clear that any strategic decisions regarding additional partners or the provision of additional specific services is a decision reserved to the three Council's.

It is hoped this resume of the information and the arrangements for the management of Strata will provide some assurance to the Overview and Scrutiny members

RECOMMENDATIONS

That the Joint Scrutiny Committee and Joint Executive Committee note the Boards response.

Strata JSC and JEC	
DATE OF MEETING:	7 June JSC and 21 June JEC
PUBLICATION DATE:	25 May 2016
REPORT OF:	Chris Powell
SUBJECT:	Strata Implementation progress

1. PURPOSE

The JSC an JEC are asked to consider the implementation progress

2. May Summary

Global Desktop

Implementing the new IT infrastructure to provide the Global Desktop for all councils continues to be a central theme within Strata and we now have 569 users of the system. The Global Desktop has highlighted its value recently when:

- Oakwood House (an office in Exeter) had a power cut and when people logged back into their PCs all their work appeared on their screens exactly as before the power cut
- Election officers at Exeter were able, through their own Global Desktop, to access the Elections systems live from the Riverside Leisure Centre
- The PCC election count held at WestPoint near Exeter, used a Skype link set up through the Global Desktop to monitor the count on the Isles of Scilly

The two software bugs causing irritation to some users of the Global desktop will, we hope, be solved by a software update from VMWare on 31 May. Once we have tested this to ensure it works, we will update the Global Desktop for everyone. This will be just in time for the first roll out to East Devon users which has been rescheduled to start on 13th June.

Service Desk and Infrastructure

We are watching the Incident measure closely at Exeter as it has shrunk to an all time low and we are expecting (hoping!) that this is as a result of the introduction of the Global Desktop. The turn around time for requests such as “new desktop software” has also improved because of the ease of applying this to the Global Desktop.

We have spotted that we are still getting a large number of password reset requests at Exeter despite having the self service module in place –more investigation is needed to get to the bottom of this but it is likely to be a training issue.

The main causes of system outage have shifted this month. East Devon Citrix issues have largely gone as a result of work carried out with Microsoft in the month but some of the big applications, such as Academy and IDOX, have had problems with failing overnight processes.

It is now very quiet in the old Exeter data centre as the infrastructure team have turned off all the old servers and storage. Electricity costs should drop significantly as a result.

Planning and actions is continuing for implementation of the digital telecoms system later this year. There is a risk that resourcing problems may either delay the work or create an increase in costs as a result of bringing in more external help.

Other activities of the team include:

- Completing the transfer of business applications from the failing Teignbridge servers to the temporary rented hardware
- Swapping out Blackberries for IPHones at Teignbridge

Business Systems Team – very busy

A very busy month for this team, mainly due to changes to home-grown systems and upgrades needed to cope with year end. In total the team completed 74 Business Change Requests (BCRs), many of them having deadlines that could not be missed.

With awareness growing amongst customers as to what IT can do to help deliver their Services the demands on this team have been growing. This team of 20 people has a current demand of over 40 projects and 19 Business Cases in progress, a queue of over 360 BCRs with a forecast list of many more projects.

We are working on the processes around demand and change management intending to enable:

- Our customers in Councils to get a clearer and sharper view of BCR or Project deliverables and timescales
- A more robust method for funnelling the work into Strata and a clear view of the work each team member is dealing with
- Improved reporting for Strata staff and customers alike.

Security – we are still under attack

We are still managing to defend ourselves against the attacks on our systems but it is something we dare not take our eyes off. The pattern of attacks is constantly changing and the latest theme is a targeted campaign against senior managers and IT staff using cleverly worded emails containing new forms of viruses.

The government is also helping councils now by connecting us up within a Cyber-security Information Sharing Partnership which has links to groups such as GCHQ.

We have submitted the yearly PSN Code of Connection for each of the three councils and it will be interesting to see what the assessors come back to us with. We hope that the design of the new infrastructure will pass all their tests and that we will have little more to do to enable us continued connected to the DWP and other government services.

3. Cost savings for 2014/15

The revenue costs have come in better than we had forecast with £230K saved against an original target of £262K. This is despite:

- Having one extra member of staff in Compliance and Security costing approx £32K. Note: redundancy for a member of Strata has been agreed and he will leaving us on 31st August
- Temporary replacement for the Teignbridge servers and storage at £24K rental per year and about £15K in implementation costs so far. The need for the rental should finish in Dec 2016 when systems are transferred to the Exeter data centres.

The cost savings have been helped by:

- no replacements yet made for the SNN Officer from Teignbridge and the Senior Project Manager
- better than expected procurements
- first year of some maintenance contracts being included within the set up costs

4. Organisation

- Service Desk restructure is underway, with the first consultations complete and interviews for the new posts on 19 May.
- The first consultation on contracts for the Business Systems team meeting scheduled for 31 May with further consultations taking place in June.
- Office Administrator post interviews held for internal applicants. No one was appointed. Expectation is that will place an external candidate by August.
- Infrastructure Team – a serious risk is building up. Out of a team of 6 (which includes the manager) there are two people on long term sick and a third who could be scheduled for a major operation in August. The current risks have been mitigated with Mark Harrison seconded to the team until December and extra consultancy days being bought from Nexus. This will last until the end of July and so we will review the situation mid June.
- Service Desk operator has resigned and we will replace with a fixed term Service Desk Officer.
- One of the three Document Centre staff at Teignbrige has taken a job within Teignbridge Council. We will need to replace quickly.

5. Global Desktop and other Strata implementation elements

- VMWare – the software fix for the Global Desktop is expected on 31st May. We will then test to ensure it works on all our applications which will take at least a week. Crossed fingers that it works otherwise the roll out to EDDC could be delayed.
- WAN – the fail-over testing has been successful for the two internet connections – 400meg at Civic and 100 meg at Oakwood. The dual connections for EDDC and TDC are next to be set up and tested.
- WAN – organising changes to the Siemens network connections for EDDC remote offices to ensure the connections work with the Virgin network is taking longer than expected and is being closely watched.
- User Acceptance Testing – testing of EDDC’s business software with users has begun on schedule.
- Telecoms migration – work is suffering due to absence of a key staff member. Project has been passed to another member of the team. Mitigation actions continue and no delay in end dates is expected at present.
- PSN Code of Connection has been submitted for all three councils - remedial work was needed after latest security scans on EDDC and TDC systems. We have mitigated to what we think is an appropriate level and we now await the feedback from the PSN assessors.

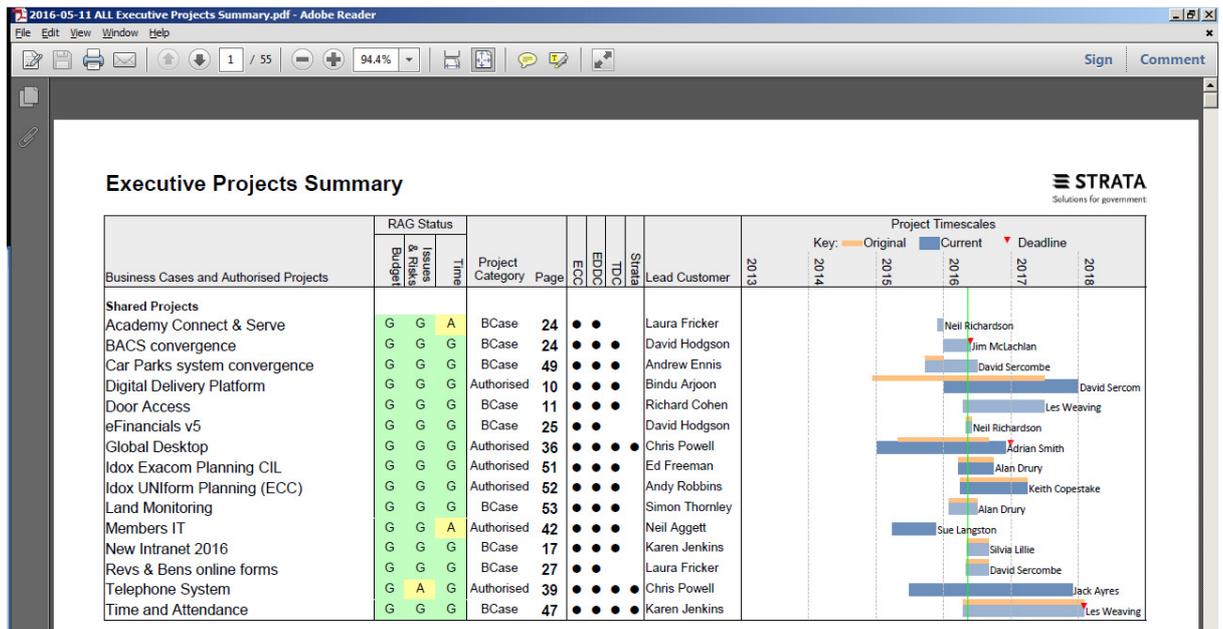
6. Convergence and other Business Systems

The Strata infrastructure is well on its way to being implemented and the Global Desktop, with all its complexities, has been proved to work well so far. With TDC expected to be fully migrated by the end of December the attention now begins to focus on the convergence onto common business applications.

The two decisions that have been brought to JEC are:

- HR/payroll/T&A/ door security suite of systems
- Migration to the IDOX system, Uniform, at Exeter.

Both of these projects are in progress. There are a number of other convergence projects that have come about opportunistically, as shown in the image below (a screen shot of the projects reporting system). These projects may have arisen from new work being requested by councils, or where contracts are being renewed, or where external agencies demand a change eg BACS.



The resources of the Business Systems Team are limited to what the 20 people can deliver and we now have a “chicken and egg” situation developing. We cannot deliver the third arm of the Strata business case – to create increased capacity and capability for business change activities - until convergence is achieved and it is looking increasingly likely that most of the resources could be used up with individual council transformation or improvement projects rather than convergence.

We are still considering options and will be a position to present to the next JEC.

RECOMMENDATIONS

That Joint Scrutiny Committee and Joint Executive Committee note the progress set out within the report.

JOINT SCRUTINY COMMITTEE & JOINT EXECUTIVE COMMITTEE

DATE OF MEETING: 7 JUNE 2016 & 21 JUNE 2016

PUBLICATION DATE: 24 MAY 2016

REPORT OF: STRATA BOARD

SUBJECT: STRATA BUDGET MONITORING Q4 - 2015/16

1. PURPOSE

- 1.1 This report advises Members of the final financial position of Strata for the 2015-16 financial year, including the refund reflecting the savings made in the year.

2. BACKGROUND

- 2.1 The Company has been given a total of £5.752 million to run the IT Services in 2015/16 along with funding for various capital projects. The Company also maintains an account for additional purchases throughout the year, which is invoiced to each Council based on actual purchases made.

3. MAIN IMPLICATIONS

Strata Final Financial Position to 31 March 2016

3.1 Savings as per Business Plan

The original Business Case for Strata set out a savings profile over the initial ten year period of the Company. The savings were split into cashable revenue savings and savings to the Councils from not having to implement specific capital projects individually.

A breakdown of the saving summary is set out below.

		Capital Expenditure Savings	Revenue Savings	Total
2015-16	Year 1	(443,932)	(262,098)	(706,030)
2016-17	Year 2	(272,522)	(254,052)	(526,574)
2017-18	Year 3	(319,822)	(482,836)	(802,658)
2018-19	Year 4	(259,609)	(627,961)	(887,570)
2019-20	Year 5	(129,300)	(769,653)	(898,953)
2020-21	Year 6	867,962	(858,293)	9,669
2021-22	Year 7	(138,000)	(933,626)	(1,071,626)
2022-23	Year 8	(9,884)	(927,313)	(937,197)
2023-24	Year 9	(196,902)	(949,680)	(1,146,582)
2024-25	Year 10	(374,300)	(984,040)	(1,358,340)
Total		(1,276,309)	(7,049,550)	(8,325,859)

In the current financial year therefore the savings expectation as per the Business Plan for Revenue is £262,098. The section below will set out performance against this target.

3.2 Key Variations from Revenue Budget

Strata had delivered a refund equivalent to 88% of the planned revenue savings for the Councils in 2015-16. The key variations are set out below and a summary is shown at Appendix A:

Expenditure Type	Projected Over / (Underspend)	Detail
Employees	158,941	<ul style="list-style-type: none"> The planned redundancies have taken place; The additional costs mask the saving in employee costs as they have been funded from carry forward TCA Grant. Savings in employees were slightly below target.

Expenditure Type	Projected Over / (Underspend)	Detail
Supplies & Services	(331,106)	<ul style="list-style-type: none"> Some savings anticipated this year as a result of contract novation (£21,500), but more will start on 1 April 2016 which will lead to a total of £66,800 a year against a savings target of £84,000. Further negotiations to be finalised; Unexpected rental costs in respect of data centre equipment at Teignbridge DC; Final bills from the three Councils were lower than anticipated.
Income - Revenue	(43,114)	<ul style="list-style-type: none"> Additional income in respect of identified budget lines at the three Councils, which were not identified in the Shareholder Agreement.
Investment interest / Tax	(9,064) net	<ul style="list-style-type: none"> Interest income less tax

3.3 Key Variations from Capital Budget

The capital project to deliver the data centre and other implementation projects is progressing. The Capital programme remains on track and there is sufficient funding available to complete the outstanding Telecoms element of the implementation plan.

3.4 TCA Grant

The TCA Grant funding and expenditure is included within the revenue budget and has now been utilised.

3.5 Council Recharge Account

The Councils also request additional equipment for which they are subsequently invoiced. At the year-end there are no outstanding payments to be made.

3.6 Draft Accounts

The draft accounts have been submitted to Francis Clark, the accountants, and the draft Profit & Loss account and Balance Sheet are set out in Appendix B. The main variations from the management accounts in Appendix A are that depreciation, amortisation and Pension Fund implications are added to the formal Statement of Accounts. The draft accounts show an improvement in the bottom line of Strata's Balance Sheet and this is shown after the refund has been accounted for.

RECOMMENDATIONS

That the Joint Scrutiny Committee and Joint Executive Committee notes the contents of the report.

Dave Hodgson Director (Finance Lead)	Contact details Tel: 01392 265292 E-mail: david.hodgson@exeter.gov.uk
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BUDGET MONITORING
31 MARCH 2016

STRATA SERVICE SOLUTIONS - REVENUE BUDGET

	REVENUE BUDGET	COMMITMENTS TO DATE	ACTUAL TO DATE	VARIANCE
	£		£	£
EMPLOYEES	2,434,580	0	2,593,521	158,941
SUPPLIES & SERVICES	3,279,785	0	2,948,679	(331,106)
TRANSPORT	38,500	0	31,851	(6,649)
TAX ON INTEREST	0	0	2,454	2,454
INCOME - REVENUE	(5,752,865)	0	(5,795,979)	(43,114)
INVESTMENT INTEREST	0	0	(11,518)	(11,518)
Net Income	0	0	(230,992)	(230,992)

CAPITAL PROJECTS

	CAPITAL BUDGET	COMMITMENTS TO DATE	ACTUAL TO DATE	BUDGET REMAINING
	£		£	£
DATA CENTRE / DR - INFRASTRUCTURE	813,023	0	864,584	51,561
including:				
WAN				
AD & EXCHANGE				
DATA CENTRE - HARDWARE	113,200	0	45,556	(67,644)
DATA CENTRE - SOFTWARE	860,000	0	905,774	45,774
SERVICE DESK	2,000	0	799	(1,201)
Telecoms	182,623	0	0	(182,623)
SECURITY	87,150	0	53,350	(33,800)
Voice Activated Directory	42,812		42,812	0
IDOX	69,042		69,042	0
Public-I TDC AV Equipment	83,539		83,539	(0)
Capital Funds	(2,253,389)	0	(2,253,389)	0
Net Expenditure	0	0	(187,933)	(187,933)

COUNCIL RECHARGE

	ACTUAL TO DATE
	£
EMPLOYEES	2,155
SUPPLIES & SERVICES	649,569
INCOME	(651,724)
TO BE RECHARGED TO COUNCILS	0

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APPENDIX B

Strata Service Solutions Limited
 Profit and Loss Account - Draft
 Period from 1 April 2015 to 31 March 2016

2014-15		2015-16
£		£
2,466,140.00	TURNOVER	6,565,165.70
(1,309,922.00)	COST OF SALES	(2,915,970.06)
1,156,218.00	GROSS PROFIT	3,649,195.64
(718,160.00)	ADMIN EXPENSES	(4,557,931.58)
438,058.00	OPERATING PROFIT / (LOSS)	(908,735.94)
(3,161,130.00)	Exceptional items	(3,374.75)
4,483.00	Interest Received	11,517.94
(53,133.00)	Interest Payable and similar charges	(137,000.00)
(2,771,722.00)	LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	(1,037,592.75)
(897.00)	Corporation Tax	(2,453.95)
(2,772,619.00)	LOSS FOR THE FINANCIAL PERIOD	(1,040,046.70)
	STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES	
	Period from 1 April 2015 to 31 March 2016	
£		£
(2,772,619.00)	Loss for the financial period	(1,040,046.70)
(703,000.00)	Defined Liability Movement	1,103,000.00
(3,475,619.00)	Total recognised Gains & Losses relating to the period	62,953.30

APPENDIX B

STRATA BALANCE SHEET - DRAFT
as at 31 March 2016

2014-15		2015-16
£	Fixed Assets	£
1,991,104.00	STRATA INTANGIBLE ASSETS	1,963,841.34
<u>1,425,069.00</u>	STRATA PPE	<u>1,270,787.99</u>
3,416,173.00		3,234,629.33
	Current Assets	
12,447.00	STRATA STOCK	7,845.15
718,887.00	STRATA DEBTORS	1,531,059.99
<u>1,374,444.00</u>	STRATA CASH	<u>504,809.05</u>
2,105,778.00		2,043,714.19
<u>(1,153,880.00)</u>	STRATA CREDITORS	<u>(1,286,722.54)</u>
951,898.00		756,991.65
4,368,071.00	Total Assets less Current Liabilities	3,991,620.98
<u>(1,569,978.00)</u>	Deferred Income	<u>(1,774,677.72)</u>
2,798,093.00	Net Assets excluding Pension Liability	2,216,943.26
(4,022,000.00)	STRATA PENSIONS	(3,377,000.00)
<u><u>(1,223,907.00)</u></u>	Net Liabilities	<u><u>(1,160,056.74)</u></u>
£		£
3.00	Called up Share Capital	3.00
2,064,067.00	Capital Contribution Reserve	1,613,725.00
<u>(3,287,977.00)</u>	STRATA P&L ACCOUNT	<u>(2,773,784.74)</u>
<u><u>(1,223,907.00)</u></u>	Shareholders' Deficit	<u><u>(1,160,056.74)</u></u>

STRATA BOARD ANNUAL WORK PLAN - MAY 2016 – Approved by Board 15 APRIL 2016

22 JAN	22 FEB	22 MAR	15 APRIL	20 MAY	17 JUNE	15 JULY	19 AUG	16 SEPT	21 OCT	18 NOV	16 DEC
Financial Monitoring	Financial Monitoring	Financial Monitoring	Financial Monitoring	Financial Monitoring	Financial Monitoring	Financial Monitoring	Financial Monitoring	Financial Monitoring	Financial Monitoring	Financial Monitoring	Financial Monitoring
COO's progress report	COO's progress report	COO's progress report	COO's progress report	COO's progress report	COO's progress report	COO's progress report	COO's progress report	COO's progress report	COO's progress report	COO's progress report	COO's progress report
HR work stream	HR work stream	HR work stream report	HR work stream	HR work stream	HR work stream	HR work stream	HR work stream	HR work stream	HR work stream	HR work stream	HR work stream
Additional shareholders	Home Call telephone line incidents - lessons learnt	Risk Management Policy inc current assessment		Sharing minutes with JSC	Proposed Customer Standards –annual inc PID and Standby	Approval of company accounts		Approval Business Plan inc Convergence / Service plans	Analysis of complaints & customer satisfaction		
Future working arrangements	Results -staff engagement survey	Review Financial Rules - annual	Communications Audit Annual item Deferred	Procurement strategy & procedure (fm March)	Records policy - annual	Service Plans – Approval of - to inform BP			Review market supplements		
	Pensions guarantee - auditors	Procurement strategy & procedures	Process to develop BP and agree format	Pensions Update/te		H&S Audit – annual (fm April)					
	Convergence Plan to JEC			Convergence Plan update		Update on Contract Novation (fm April)					
	Draft Budget		Mobile Working plan/povreview	Access to Board minutes							
	Approve internal audit plan			What matters Survey (fm April)							
Quarterly risk review (2017)	Rep March OS/JEC	Register of Directors & Senior Officers	Quarterly risk review	Rep June OS/JEC		Quarterly risk review	Rep Sept OS/JEC		Quarterly risk review	Rep Dec OS/JEC	
	Revise telephone recharge	Revise telephone recharge	Standby arrangements	Project plans iTrent and iDox							
	Contract novation	ATR Office Administrator		Process to develop BP and agree format							

	Remote decisions	Market Supplements										
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By virtue of paragraph(s) 1, 2, 3, 4 of Part 1 of Schedule 12A of the Local Government Act 1972.

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