

**REPORT TO Strata Joint Executive Committee**  
**Date of Meeting: 10 June 2015**  
**Report of: Duncan Moors, Solicitor to Teignbridge District Council**  
**Title: Progress report on post commencement tasks**

**Is this a Key Decision? No**

**Is this an Executive or Council Function? No**

**1. What is the report about?**

To advise the JEC of the progress that Strata has made in relation to the post-commencement tasks that are identified in the Business Plan, the Shareholder Agreement and the Service Contracts

**2. Recommendations:**

The Joint Executive Committee (JEC) is recommended to note this report

**3. Reasons for the recommendation:**

Progress report only

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

None

**5. What are the legal aspects?**

None

## **6. Report details:**

### **1. PURPOSE**

To advise the JEC of the progress that Strata has made in relation to the post-commencement tasks that are identified in the Business Plan, the Shareholder Agreement and the Service Contracts.

### **2. BACKGROUND**

- 2.1 Strata commenced operations on 1 November 2014.
- 2.2 The initial Business Plan (which is the updated business case and implementation plan v1.0 dated 17 June 2014 which was approved by each of the Councils) sets out, amongst other things, the steps that Strata would take in order to progress the numerous technical workstreams and systems convergence work.
- 2.3 The establishment of the data centre and thin client desktop, networking and establishment of the disaster recovery site are identified in the Business Plan as being the most important and integral work upon which the other workstreams will depend.
- 2.4 The Shareholder Agreement (entered into by the three Councils) contains certain obligations regarding agreeing Business Plans and Service Plans. For clarity the Business Plan is the strategic plan detailing how the ICT services shall be provided by Strata to the Councils for each year. The Service Plan is an annual operational plan setting out how the ICT services will be provided within the parameters of the Business Plan.
- 2.5 Each of the Councils has entered into a separate Service Contract with Strata, which are identical in their terms and conditions. The Service Contracts set out the terms and conditions upon which Strata shall provide the ICT services to the Councils. The Service Contracts contain a number of post-commencement requirements which are required to be completed within different time periods.
- 2.6 This report sets out the requirements from the various sources set out above and provides an update of where Strata is with regard to meeting those requirements.

### **3. BUSINESS PLAN UPDATE**

- 3.1 The Business Plan and its appendices run to 600 pages and its requirements are too numerous to set out in this report. However the headline requirements relating to the establishment of the data centre and thin client desktop, networking and establishment of the disaster recovery site are all on track.
- 3.2 Strata has let contracts for:
  - Fit out of the primary and secondary data centres
  - Provision of servers and storage and VDI equipment, software and services
  - Implementation of a new Wide Area Network (WAN) to connect all the councils to the new data centres
  - New Microsoft licences for next three years
- 3.3 The Business Plan provides that Strata will have the data centre established by end of June.

- 3.4 Strata is confident that thin client will be provided in accordance with the Business Plan by end of March 2016
- 3.5 With regard to the disaster recovery centre, the progress is that fit out has been completed and handed over to Strata and that equipment will be installed during May.

#### **4. SHAREHOLDER AGREEMENT UPDATE**

- 4.1 Clause 4.5 provides that within eight weeks of the Commencement Date (1 November 2014) the Councils, acting through the JEC shall agree the Business Plan. On 3 February 2015 the JEC approved the Business Plan.
- 4.2 Clause 4.8 provides that once the Business Plan has been approved the Councils shall task the Board with producing annual Service Plans. This work is underway but it is not anticipated that the Service Plan will be materially different to the Business Plans.

#### **5. SERVICE CONTRACT UPDATE**

- 5.1 Clause 8.1 provides that within twelve weeks of the Commencement Date, the Councils and Strata shall agree any amendments to the initial Business Plan.
- 5.2 The JEC resolved on 3 February 2015 to approve the Business Plan and so that requirement has been met.
- 5.3 Clause 14.1 provides that Strata shall promptly obtain a series of quotes for comprehensive insurance policies to cover public liability, employers' liability, fidelity guarantee, directors and officers and professional indemnity in respect of the Services to be provided.
- 5.4 Clause 14.2 provides that Strata shall purchase a comprehensive insurance policy to cover the risks set out in clause 14.1.
- 5.5 Strata has obtained insurance cover through Zurich Municipal for public liability, employer's liability, professional negligence, directors and fidelity guarantee. Insurance cover for all computer equipment remains the responsibility of each of the councils in which the equipment is situated.
- 5.6 Clause 18.1 provides that within four weeks of the Commencement Date the Councils and Strata shall agree the final form of the Information Security Policy.
- 5.7 This has not been achieved because recruiting a suitable person to fulfil the position of Compliance and Security Manager took longer than expected. Strata is pleased to say that Robin Barlow has been appointed into the role and he will prioritise agreeing the final form of the policy.
- 5.8 Schedule 3 of the Service Contract sets out examples of the type of Key Performance Indicators (KPI) that will be agreed by the JEC within three months of the Commencement Date. The Board is responsible for drafting the Key Performance Indicators following engagement with the senior management of the Councils and consideration by the Joint Scrutiny Committee.

5.9 Members will be aware that they have not yet been asked to consider the KPIs for which the Board apologises but the priorities have been getting the contracts for the infrastructure awarded because of the onerous procurement timetable. The JEC will be considering a report from the Board on the KPIs as part of the same agenda in which this report is being considered. Once the JEC has approved the KPIs in principle, they will be considered at the next meeting of the Joint Scrutiny Committee and if there are no recommended changes, the KPIs will be ratified by the JEC at its next meeting.

**6. DATE OF IMPLEMENTATION (CONFIRMATION OF DECISION SUBJECT TO CALL-IN)**

The recommendation is to note the report and so there is no decision to call-in.

**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

**Local Government (Access to Information) Act 1972 (as amended)**  
**Background papers used in compiling this report:-**

None

Contact for enquires:  
Democratic Services (Committees)  
Room 2.3  
01392 265275