



Solutions for government

STRATA JOINT SCRUTINY COMMITTEE

Date: Thursday 23 July 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.

Membership -

Councillors Baldwin, Bialyk, Raybould, Chapman, Dent, Jung, Dewhirst, Haines and Prowse

The Members of the Joint Scrutiny Committee may nominate a named substitute to attend a meeting of the Joint Scrutiny Committee provided that at least 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 Minutes

To sign the minutes of the meeting held on 28 May 2015.

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 Progress Report on Strata Implementation Plan

To consider the report of Chris Powell, Chief Operating Officer Strata Service Solutions Ltd.

(Pages 5 - 8)

6 Strata Draft Accounts 2014/15

To consider the report of Dave Hodgson, Assistant Director Finance.

(Pages 9 - 34)

7 Strata Performance Indicators - June

To consider the report of Chris Powell, Chief Operating Officer Strata Service Solutions Ltd.

(Pages 35 - 50)

Date of Next Meeting

The next scheduled meeting will be held on **Thursday** 22 October 2015 at **5.30 pm** .

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 SCRUTINY COMMITTEE (JSC)

DATE: 23 July 2015

REPORT OF: Chris Powell, Chief operating Officer, Strata.

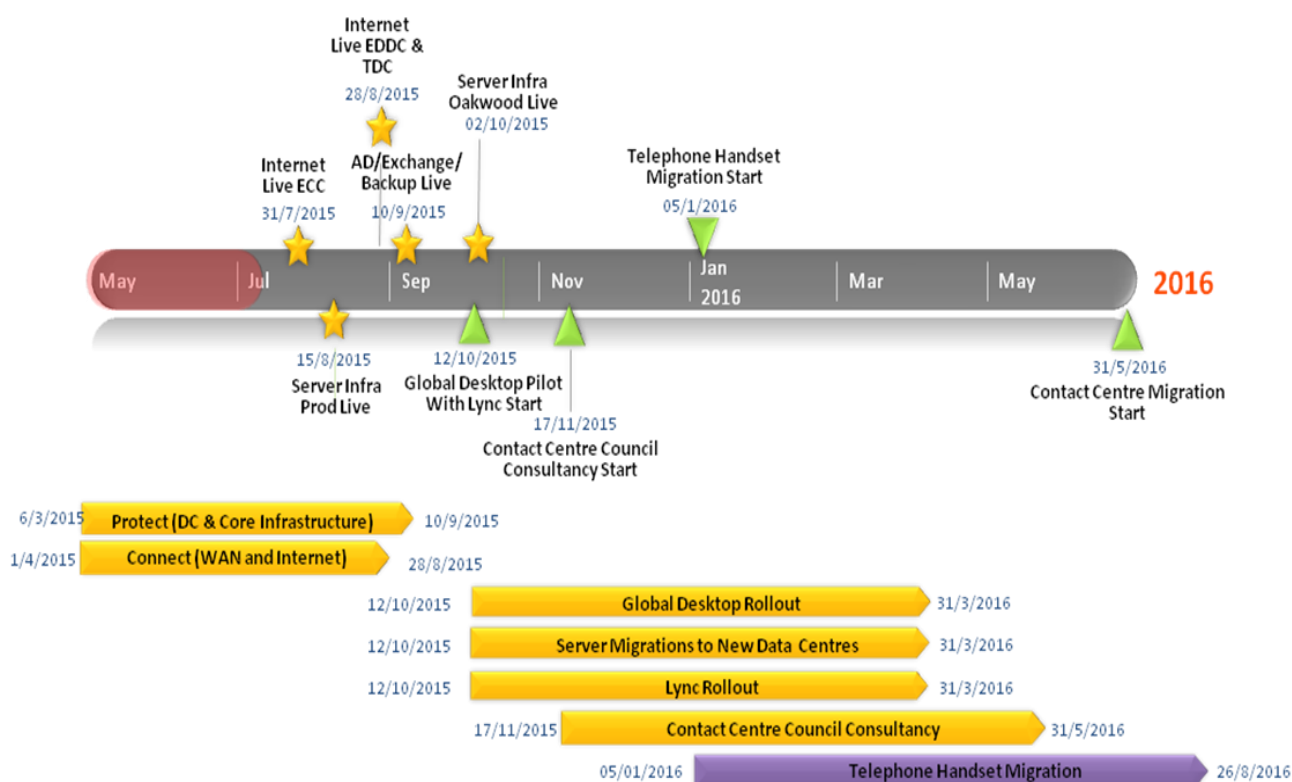
SUBJECT: Progress report on Strata Implementation Plan

1. **PURPOSE of the Report**
To advise the JSC of the progress that Strata has made in the Implementation Plan
2. **RECOMMENDATION**
That the JSC note the content of the report.
3. **Is this a Key Decision?**
No
4. **Is this an Executive/Cabinet or Council Function?**
No
5. **What are the resource implications including non financial resources?**
All included within the Strata business case.
6. **What are the legal aspects?**
None

7 Report details

Progress on Implementation of Strata – July 2015

7.1 IT Infrastructure



Server Infrastructure – phase 1 server build is complete. Phase 2, the VDI infrastructure, is on target and nearly complete (this is the Global desktop backend). Remaining tasks include designing the equipment ready for mobile working solutions.

Data Backup – new backup hardware is to be installed on 13th July. The Strata Security team have made good progress in designing the detailed backup processes with Implementation planned for mid August.

Server Migration – the application support team are gathering requirements for migration to the new servers. The ECC servers are planned to migrate in Oct to the new Domain, with the option at that point to start replicating to the Oakwood house site for resilience.

Project “Connect” – the joining of all the council’s networks.

We have been testing the new 400mb internet link at the Civic Centre. There were some complications around the installation of firewalls but this issue has been resolved. However, we have just been informed by Virgin that there is a delay with delivery of some of their equipment which means that Strata will not be able to deliver the new internet link to East Devon or Teignbridge until September (although Exeter are still on target to connect in July).

Virgin have been reminded that if they miss the target date of Aug 11th date for installation penalties will be incurred.

The Strata Data centres and the existing ECC network have now been connected. This means it is now possible for Strata staff, using the ECC computers, to manage and configure the new Strata data centres.

Project “Global Desktop” – single user desktop platform

VDI desktop - our infrastructure team are fine tuning version 1 of the Global Desktop. On the 20th July Strata will be having an internal review of the desktop with all Strata staff. This is a chance to take stock of what has been designed so far to ensure that it is fit for purpose.

Following this we expect about 2 months of further testing both within Strata and with our customers business.

Application Packaging – during this last period the speed at which software packages are now being completed, in one form or other, has increased significantly and we are nearly back on track.

Staff based at EDDC are involved in packaging ECC applications which are common to both councils and this has speeded up the process. . As of July 6th 167 applications had been completed with 34 left to go.

Willing customers are being used to test these packaged versions of their software made available for them to use on their own desktops. Feedback so far has been good.

Project “Unified Comms” – comprising a single email system, a single telephony solution and a single “contact centre” system.

Exchange – the first user service to be built on the new infrastructure. This is the email backend and is on target to start on 22nd July, elapsing over 6 weeks. Once complete, a plan will be created for migrating Members as simply as possible from their existing O365 onto the new O365 set up.

Skype for Business –servers are on target to be built and tested by mid August with the supplier.

Telephony – a single supplier has been selected to deliver the telephony contract- Virgin Media Business. This will reduce the complexity of the support of the incoming phone lines and set up the foundations for migration to the digital phone system..

Contact Centre system – Strata will enter into consultation with customers for selection of the new system around Nov 2015.

7.2 Organisation

The planned redundancies have been processed. One person is being retained on contract until December to assist with the telecoms work. The target cost savings for this part of the Business Plan have been achieved.

Strata management with HR and union support are now working on job descriptions for all posts to enable Strata contracts to be offered to staff.

Many of the project and support processes have already been standardised enabling a common set of references and measures to be used. A common Information security Policy is in progress.

The first set of end of year financial accounts has been drafted.

7.3 Application Convergence and Contract Novation

Contract Novation – the transfer of contracts from councils to Strata has been slower than expected with some negotiations proving difficult due to not knowing, in many cases, if the products in question will be required for the future. Also, the timing of contract changes is tending to take place towards the end of 2015 and into 2016.

The latest successes have been a reduction of £23K a year for the finance system support and £10.5K for Civica products.

Application Convergence – changing to common applications was always going to be the hardest nut to crack. Discussions are in progress in several areas where circumstances have prompted an early review of the applications in use across the three councils, including:

- Website design tool...a “free” product called Umbraco could be employed to deliver a common web design for the three partners (and potentially an intranet design)
- Potential for a common planning system is close to a decision
- In-cab technology for waste and recycling operations
- HR , payroll and Time and attendance systems.

8 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.

STRATA – JOINT SCRUTINY COMMITTEE (JSC)

DATE: 23 July 2015

REPORT OF: David Hodgson, Director of Strata,.

SUBJECT: Draft End of Year Accounts 2014/15

1. PURPOSE of the Report

This report is the draft end of year 2014/15 financial accounts

2. RECOMMENDATION

That the JSC note the content of the report.

3. Is this a Key Decision?

No

4. Is this an Executive/Cabinet or Council Function?

No

5. What are the resource implications including non financial resources?

All included within the Strata business case.

6. What are the legal aspects?

None

Strata Service Solutions Limited

**Annual Report and Financial Statements
Period from 15 May 2014 to 31 March 2015**

Company Registration Number: 09041662

DRAFT

Strata Service Solutions Limited
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| The following pages do not form part of the statutory financial statements: | |
| Detailed Profit and Loss Account | 20 to 21 |

Strata Service Solutions Limited

Company Information

Directors Mr S P I Davey
Mr R D Hodgson
Mr M Parkinson
Mr S P Hodder
Mr D P Moors

Registered office Civic Centre
Paris Street
Exeter
Devon
EX1 1JN

Auditors Francis Clark LLP
Vantage Point
Woodwater Park
Pynes Hill
Exeter
EX2 5FD

Strata Service Solutions Limited
Strategic Report
Period from 15 May 2014 to 31 March 2015

The directors present their strategic report for the period from 15 May 2014 to 31 March 2015.

Business review

Fair review of the business

[Fair review of the business](#)

Principal risks and uncertainties

[Principal risks and uncertainties](#)

Approved by the Board on and signed on its behalf by:

.....
Mr R D Hodgson
Director

Strata Service Solutions Limited

Directors' Report

Period from 15 May 2014 to 31 March 2015

The directors present their report and the financial statements for the period from 15 May 2014 to 31 March 2015.

Incorporation

The company was incorporated on 15 May 2014 and commenced trading on 1 November 2014 .

Principal activity

The principal activity of the company is the provision of information technology services to East Devon District Council, Teignbridge District Council and Exeter City Council.

Directors of the company

The directors who held office during the period were as follows:

Mr S P I Davey (appointed 15 May 2014)

Mr R D Hodgson (appointed 1 November 2014)

Mr M Parkinson (appointed 15 May 2014)

Mr S P Hodder (appointed 15 May 2014)

Mr D P Moors (appointed 3 February 2015)

Disclosure of information to the auditor

Each of the persons who is a director at the date of approval of this report confirm that:

- So far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the Board on and signed on its behalf by:

.....
Mr R D Hodgson
Director

Strata Service Solutions Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Strata Service Solutions Limited

Independent Auditor's Report

We have audited the financial statements of Strata Service Solutions Limited for the period from 15 May 2014 to 31 March 2015, set out on pages 7 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Strata Service Solutions Limited

Independent Auditor's Report

..... *continued*

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

.....
Christopher Bush (Senior Statutory Auditor)
For and on behalf of Francis Clark LLP, Statutory Auditor

Vantage Point
Woodwater Park
Pynes Hill
Exeter
EX2 5FD

Date:.....

Strata Service Solutions Limited

Profit and Loss Account

Period from 15 May 2014 to 31 March 2015

| | Note | 15 May 2014 to 31 March 2015 £ |
|--|------|--|
| Turnover | 2 | 4,036,118 |
| Cost of sales | | <u>(1,270,408)</u> |
| Gross profit | | 2,765,710 |
| Administrative expenses | | <u>(413,550)</u> |
| Operating profit | 3 | 2,352,160 |
| Other exceptional items | 4 | (3,161,130) |
| Other interest receivable and similar income | 6 | 4,483 |
| Interest payable and similar charges | 7 | <u>(53,133)</u> |
| Loss on ordinary activities before taxation | | (857,620) |
| Tax on loss on ordinary activities | 8 | <u>-</u> |
| Loss for the financial period | 14 | <u><u>(857,620)</u></u> |

Turnover and operating profit derive wholly from continuing operations.

Strata Service Solutions Limited

Statement of Total Recognised Gains and Losses

Period from 15 May 2014 to 31 March 2015

| | Note | 15 May 2014 to 31 March 2015 £ |
|---|------|--|
| Loss for the financial period | | (857,620) |
| Actuarial loss recognised on defined benefit pension scheme | | <u>(703,000)</u> |
| Total recognised gains and losses relating to the period | | <u><u>(1,560,620)</u></u> |

Strata Service Solutions Limited

Balance Sheet

31 March 2015

| | Note | 31 March 2015 £ |
|---|------|-----------------------|
| Fixed assets | | |
| Intangible fixed assets | 9 | 2,155,914 |
| Tangible fixed assets | 10 | <u>1,499,389</u> |
| | | <u>3,655,303</u> |
| Current assets | | |
| Stocks | | 12,447 |
| Debtors | 11 | 724,414 |
| Cash at bank and in hand | | <u>1,374,444</u> |
| | | 2,111,305 |
| Creditors: Amounts falling due within one year | 12 | <u>(1,053,516)</u> |
| Net current assets | | <u>1,057,789</u> |
| Net assets excluding pension liability | | 4,713,092 |
| Net pension liability | 16 | <u>(4,022,000)</u> |
| Net assets | | <u><u>691,092</u></u> |
| Capital and reserves | | |
| Called up share capital | 13 | 3 |
| Capital contribution reserve | 14 | 2,251,709 |
| Other reserves | 14 | 1,403,595 |
| Profit and loss account | 14 | <u>(2,964,215)</u> |
| Shareholders' funds | 15 | <u><u>691,092</u></u> |

Approved and authorised for issue by the Board on and signed on its behalf by:

.....
Mr R D Hodgson
Director

Company Registration Number: 09041662

Strata Service Solutions Limited

Notes to the Financial Statements

Period from 15 May 2014 to 31 March 2015

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention.

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the group.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the provision of information technology services to the relevant councils.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic lives. No amortisation is charged in the year of acquisition and a full years charge is made in the year of disposal.

Asset class

Software

Amortisation method and rate

5 years - straight line

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic lives. No depreciation is charged in the year of addition and a full years charge is made in the year of disposal.

Asset class

Computer equipment

Depreciation method and rate

5-10 years straight line

Stock

Stock represents consumable stock and is valued at cost.

Pensions

The company operates a defined benefit pension scheme for certain employees. The assets of the scheme are held separately from those of the company. Pension scheme liabilities are measured on an actuarial basis using a projected unit method and are discounted to their present value using an AA corporate bond rate. Pension scheme assets are valued at their market value at the balance sheet date. The pension deficit is recognised in full on the balance sheet.

2 Turnover

The turnover and loss before tax are attributable to the one principal activity of the company.

An analysis of turnover by geographical location is given below:

| | |
|------------|---|
| | 15 May 2014 to 31 March 2015 £ |
| Sales - UK | <u>4,036,118</u> |

Strata Service Solutions Limited

Notes to the Financial Statements

Period from 15 May 2014 to 31 March 2015

..... continued

3 Operating profit

Operating profit is stated after charging:

15 May
2014 to 31
March 2015
£

Auditor's remuneration

3,500

4 Exceptional items

15 May
2014 to 31
March 2015
£

Transfer of pension scheme liability (note 16)

3,161,130

5 Particulars of employees

The average number of persons employed by the company (including directors) during the period, analysed by category was as follows:

15 May
2014 to 31
March 2015
No.

Administration and support

73

The aggregate payroll costs were as follows:

15 May
2014 to 31
March 2015
£

Wages and salaries

852,138

Social security costs

61,333

Staff pensions (note 16)

202,000

1,115,471

Strata Service Solutions Limited

Notes to the Financial Statements

Period from 15 May 2014 to 31 March 2015

..... continued

6 Other interest receivable and similar income

| | 15 May 2014 to 31 March 2015 £ |
|--------------------------|---|
| Bank interest receivable | <u>4,483</u> |

7 Interest payable and similar charges

| | 15 May 2014 to 31 March 2015 £ |
|---|---|
| Interest on bank borrowings | 133 |
| Net finance costs in respect of defined benefit pension schemes | <u>53,000</u> |
| | <u>53,133</u> |

8 Taxation

Tax on loss on ordinary activities

| | 15 May 2014 to 31 March 2015 £ |
|--------------------|---|
| Current tax | |
| UK Corporation tax | <u>-</u> |

Factors affecting current tax charge for the period

Tax on loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20.00%.

The differences are reconciled below:

| | 15 May 2014 to 31 March 2015 £ |
|--|--|
| Loss on ordinary activities before taxation | <u>(857,620)</u> |
| Corporation tax at standard rate | (171,524) |
| Capital allowances in excess of depreciation | (112,213) |
| Unrelieved tax losses and other deductions arising in the period | <u>283,737</u> |
| Total current tax | <u>-</u> |

Strata Service Solutions Limited

Notes to the Financial Statements

Period from 15 May 2014 to 31 March 2015

..... continued

9 Intangible fixed assets

| | Software £ | Total £ |
|--------------------------------------|---------------|------------|
| Cost | | |
| Transfer of donated assets (note 14) | 1,577,891 | 1,577,891 |
| Additions | 578,023 | 578,023 |
| At 31 March 2015 | 2,155,914 | 2,155,914 |
| Amortisation | | |
| At 31 March 2015 | - | - |
| Net book value | | |
| At 31 March 2015 | 2,155,914 | 2,155,914 |

10 Tangible fixed assets

| | Computer equipment £ | Total £ |
|--------------------------------------|----------------------------|------------|
| Cost or valuation | | |
| Transfer of donated assets (note 14) | 673,818 | 673,818 |
| Additions | 825,571 | 825,571 |
| At 31 March 2015 | 1,499,389 | 1,499,389 |
| Net book value | | |
| At 31 March 2015 | 1,499,389 | 1,499,389 |

11 Debtors

| | 31 March 2015 £ |
|--------------------------------|-----------------------|
| Trade debtors | 86,222 |
| Other debtors | 463,785 |
| Prepayments and accrued income | 174,407 |
| | 724,414 |

Strata Service Solutions Limited

Notes to the Financial Statements

Period from 15 May 2014 to 31 March 2015

..... continued

12 Creditors: Amounts falling due within one year

| | 31 March 2015 £ |
|------------------------------|-----------------------|
| Trade creditors | 27,797 |
| Other creditors | 27,601 |
| Accruals and deferred income | 998,118 |
| | <u>1,053,516</u> |

13 Share capital

Allotted, called up and un-paid shares

| | 31 March 2015 | |
|----------------------------|---------------|----------|
| | No. | £ |
| Ordinary shares of £1 each | <u>3</u> | <u>3</u> |

New shares allotted

During the period 3 Ordinary shares having an aggregate nominal value of £3 were allotted for an aggregate consideration of £3. on incorporation.

14 Reserves

| | Capital contribution reserve £ | Other reserve £ | Profit and loss account £ | Total £ |
|-----------------------------------|---|-----------------------|------------------------------------|----------------|
| Loss for the period | - | - | (857,620) | (857,620) |
| Actuarial loss on pension schemes | - | - | (703,000) | (703,000) |
| Transfer of donated assets | 2,251,709 | - | - | 2,251,709 |
| Transfer to other reserve | - | 1,403,595 | (1,403,595) | - |
| At 31 March 2015 | <u>2,251,709</u> | <u>1,403,595</u> | <u>(2,964,215)</u> | <u>691,089</u> |

On 1 November 2014 intangible fixed assets with a net book value of £1,577,891 and tangible fixed assets with a net book value of £673,818 were donated by East Devon District Council, Teignbridge District Council and Exeter City Council for nil consideration. As a result £2,251,709 has been recognised as a capital contribution.

The other reserve represents amounts set aside in a depreciation shrinking fund in order to maintain sufficient reserves to enable the future replacement of assets.

Strata Service Solutions Limited

Notes to the Financial Statements

Period from 15 May 2014 to 31 March 2015

..... continued

15 Reconciliation of movement in shareholders' funds

| | 15 May 2014 to 31 March 2015 £ |
|--|--|
| Loss attributable to the members of the company | (857,620) |
| Other recognised gains and losses relating to the period | 1,548,709 |
| New share capital subscribed | 3 |
| Net addition to shareholders' funds | 691,092 |
| Shareholders' funds at end of period | 691,092 |

16 Pension schemes

Defined benefit pension schemes

The company's employees belong to the Local Government Pension Scheme (LGPS).

The assets and liabilities of the scheme were transferred to the company on 1 November 2014 when the employees, who are members of the scheme, were transferred to the company from East Devon District Council, Teignbridge District Council and Exeter City Council. As part of the arrangements for the transfer, the Council has provided a guarantee to meet in full any remaining liability to the scheme in the event of the insolvency of the company.

Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The next actuarial valuation of the Fund will be carried out as at 31 March 2016 and will set contributions for the period 1 April 2017 to 31 March 2020. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

Contributions payable to the pension scheme at the end of the period are £30,874.

The total contributions in the next year are expected to be £231,000.

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the balance sheet are as follows:

| | 31 March 2015 £ |
|-------------------------------------|-----------------------|
| Fair value of scheme assets | 5,025,000 |
| Present value of scheme liabilities | (9,047,000) |
| Net liability in the balance sheet | (4,022,000) |

Strata Service Solutions Limited

Notes to the Financial Statements

Period from 15 May 2014 to 31 March 2015

..... *continued*

Scheme assets

Changes in the fair value of scheme assets are as follows:

| | 15 May 2014 to 31 March 2015 £ |
|--------------------------------------|--|
| Transferred at 1 November 2014 | 4,573,000 |
| Interest on assets | 78,000 |
| Return on assets less interest | 226,000 |
| Administrative expenses | (1,000) |
| Employer contributions | 97,000 |
| Contributions by scheme participants | 52,000 |
| Fair value at end of period | <u>5,025,000</u> |

Analysis of assets

The major categories of scheme assets are as follows:

| | 31 March 2015 £ |
|--------------------|-----------------------|
| Equity instruments | 3,713,000 |
| Debt instruments | 495,000 |
| Property | 502,000 |
| Cash | 87,000 |
| Other assets | 228,000 |
| | <u>5,025,000</u> |

Actual return on scheme's assets

| | 15 May 2014 to 31 March 2015 £ |
|--------------------------------|---|
| Actual return on scheme assets | <u>226,000</u> |

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company.

The overall expected return on assets assumption is derived as the weighted average of the expected returns from each of the main asset classes.

Strata Service Solutions Limited
Notes to the Financial Statements
Period from 15 May 2014 to 31 March 2015
..... *continued*

Scheme liabilities

Changes in the present value of scheme liabilities are as follows:

| | 15 May 2014 to 31 March 2015 £ |
|--|---|
| Transferred at 1 November 2014 | 7,733,000 |
| Current service cost | 202,000 |
| Interest cost | 131,000 |
| Contributions by scheme participants | 52,000 |
| Change in financial assumptions | 929,000 |
| Present value at end of period | <u>9,047,000</u> |
| Analysed as: | |
| Present value arising from wholly or partly funded schemes | <u>9,047,000</u> |

Principal actuarial assumptions

The principal actuarial assumptions at the balance sheet date are as follows:

| | 31 March 2015 % |
|--------------------------|--------------------------------|
| Discount rate | 4 |
| Future salary increases | 4 |
| Future pension increases | 3 |
| Inflation | 3 |

Post retirement mortality assumptions

| | 31 March 2015 Years |
|---|------------------------------------|
| Current pensioners at retirement age - male | 23 |
| Current pensioners at retirement age - female | 26 |
| Future pensioners at retirement age - male | 25 |
| Future pensioners at retirement age - female | 28 |

Strata Service Solutions Limited

Notes to the Financial Statements

Period from 15 May 2014 to 31 March 2015

..... continued

Amounts recognised in the profit and loss account

| | 15 May 2014 to 31 March 2015 £ |
|---|--|
| Amounts recognised in operating profit | |
| Current service cost | 202,000 |
| Administrative expenses | 1,000 |
| Recognised in arriving at operating profit | 203,000 |
| Amounts recognised in other finance cost | |
| Interest cost | 131,000 |
| Expected return on scheme assets | (78,000) |
| Recognised in other finance cost | 53,000 |
| Total recognised in the profit and loss account | 256,000 |

Amounts recognised in the statement of total recognised gains and losses

| | 15 May 2014 to 31 March 2015 £ |
|---|--|
| Actual return less expected return on scheme assets | 226,000 |
| Changes in assumptions | (929,000) |
| Actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses | (703,000) |

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and (losses) since 1 November 2014 is (£703,000).

Sensitivity analysis

The effect of small changes to the discount rate and mortality assumptions on the defined benefit obligation and projected service cost would be:

| | Defined benefit obligation £ | Projected service cost £ |
|--|---------------------------------------|-----------------------------------|
| On the assumptions set out above | 9,047,000 | 553,000 |
| 0.1% increase in discount rate | 8,803,000 | 538,000 |
| 0.1% decrease in discount rate | 9,298,000 | 568,000 |
| One year increase in mortality age rating assumption | 8,740,000 | 534,000 |
| One year decrease in mortality age rating assumption | 9,357,000 | 572,000 |

Strata Service Solutions Limited

Notes to the Financial Statements

Period from 15 May 2014 to 31 March 2015

..... *continued*

History of experience adjustments on scheme assets and liabilities

Amounts for the current period are as follows:

| | 31 March 2015 £ |
|-------------------------------------|--------------------------------|
| Fair value of scheme assets | 5,025,000 |
| Present value of scheme liabilities | (9,047,000) |
| Deficit in scheme | <u>(4,022,000)</u> |

17 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

Strata Service Solutions Limited

Detailed Profit and Loss Account

Period from 15 May 2014 to 31 March 2015

| | 15 May 2014 to 31 March 2015 |
|--|---------------------------------|
| | £ |
| Turnover | |
| Sales, UK | 4,036,118 |
| Cost of sales | |
| Wages and salaries | 852,138 |
| Staff NIC (Employers) | 61,333 |
| Staff pensions | 202,000 |
| Staff training | 3,973 |
| Temporary staff wages | 42,731 |
| Other employment costs | 22,694 |
| Redundancy costs | 97,986 |
| Closing stock | <u>(12,447)</u> |
| | <u>(1,270,408)</u> |
| Gross Profit | 2,765,710 |
| Administrative expenses | |
| Administration expenses | <u>(413,550)</u> |
| Operating Profit | 2,352,160 |
| Non-operating exceptional items | |
| Other exceptional items | (3,161,130) |
| Other interest receivable and similar income | 4,483 |
| Interest payable and similar charges | |
| Bank interest payable | (133) |
| Other interest payable | <u>(53,000)</u> |
| | <u>(53,133)</u> |
| Net Loss for the year | <u><u>(857,620)</u></u> |

Strata Service Solutions Limited

Detailed Profit and Loss Account

Period from 15 May 2014 to 31 March 2015

..... continued

| | 15 May 2014 to 31 March 2015 £ |
|---|---|
| Administrative expenses | |
| Telephone and fax | 5,880 |
| Licences and support | 153,047 |
| Computer software and maintenance costs | 77,623 |
| Printing, postage and stationery | 34,903 |
| Trade subscriptions | 6 |
| Sundry expenses | 78,789 |
| Travel and subsistence | 4,948 |
| Advertising | 15,101 |
| Auditor's remuneration | 3,500 |
| Legal and professional | 38,837 |
| Bank charges | 916 |
| | <u>413,550</u> |

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STRATA – JOINT SCRUTINY COMMITTEE (JSC)

DATE: 23 July 2015

REPORT OF: Chris Powell, Chief operating Officer, Strata.

SUBJECT: Strata Performance Indicators - June

1. PURPOSE of the Report

The report identifies the initial suite of performance indicators that Strata will use to manage its business and to show stakeholders how Strata is performing. This is the June report showing the figures to the end of May.

It also includes definitions of the service desk categories and a definition of the graphs involved.

2. RECOMMENDATION

That the JSC note the content of the report.

3. Is this a Key Decision?

No

4. Is this an Executive/Cabinet or Council Function?

No

5. What are the resource implications including non financial resources?

All included within the Strata business case.

6. What are the legal aspects?

None

Strata Indicators – June Report

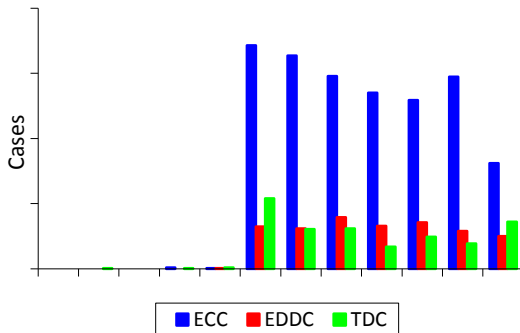
Month Ending 31st May 2015



| | Section |
|---|----------------|
| 1. Number of Incidents occurring in a month | 3 |
| 2. Incident end-to-end time | 4 |
| 3. Number of Service Requests in a month | 5 |
| 4. Service Request end-to-end time | 6 |
| 5. Number of system outages in a month | 7 |
| 6. User hours affected by system outages | 8 |
| 7. Number of Security Incidents in a month | 9 |
| 8. Number of open Security change requests | 9 |
| 9. Number of customer Business Change Requests (BCR) open | 10 |
| 10. Number of BCRs completed per month | 11 |
| 11. Quality of Completed Projects | 12 |
| 12. Customer Satisfaction | 13 |
| Definitions | 14 |
| Monthly Run Chart: Capability | 14 |
| Definitions of Categories on Service Desk | 15 |

1. Number of Incidents occurring in a month

Incidents are a waste and need to be analysed to find out the root cause of their occurrence so they can be eliminated if possible. Note: password resets are treated as an incident.



| Series Name | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| ECC | 0 | 0 | 0 | 2 | 1 | 343 | 327 | 296 | 270 | 259 | 295 | 162 |
| EDDC | 0 | 0 | 0 | 0 | 1 | 65 | 62 | 79 | 66 | 71 | 58 | 50 |
| TDC | 0 | 1 | 0 | 1 | 2 | 108 | 61 | 62 | 34 | 49 | 39 | 72 |

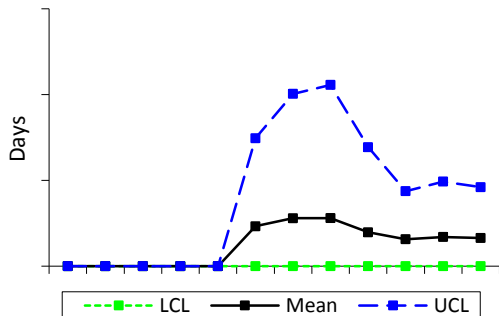
May wks 1 and 2 were peaks for Incidents at ECC (48 + 59). After further analysis of these weeks the incidents were mainly down to Business Systems issues and unstable Desktop Software platform. No major outages.

Otherwise the figures are fairly level across the sites, apart from those areas which need improved consistency on logging to the correct category eg typically incident vs service request.

2. Incident end-to-end time

Incidents stop or disrupt work if there is no suitable workaround available, so we need to resolve incidents as a priority.

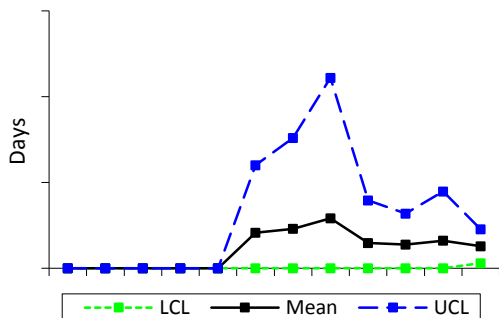
All Sites Combined



| Series Name | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| LCL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Mean | 0 | 0 | 0 | 0 | 0 | 2.32 | 2.79 | 2.8 | 1.97 | 1.57 | 1.7 | 1.64 |
| UCL | 0 | 0 | 0 | 0 | 0 | 7.45 | 10.04 | 10.56 | 6.93 | 4.37 | 4.93 | 4.6 |

Monthly run chart: Capability – see Definitions

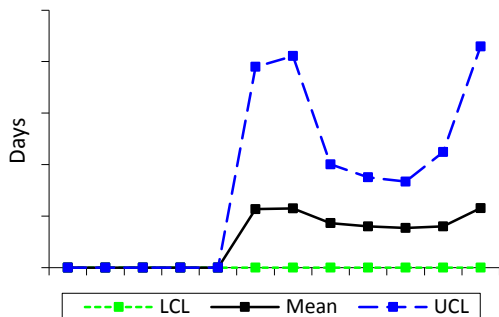
ECC (Exeter)



| Series Name | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| LCL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.29 |
| Mean | 0 | 0 | 0 | 0 | 0 | 2.07 | 2.3 | 2.91 | 1.47 | 1.38 | 1.61 | 1.28 |
| UCL | 0 | 0 | 0 | 0 | 0 | 6 | 7.59 | 11.09 | 3.95 | 3.18 | 4.47 | 2.27 |

Monthly run chart: Capability – see Definitions

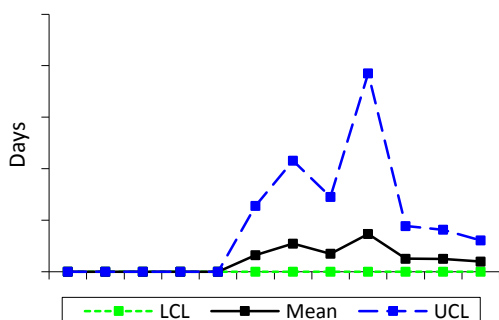
EDDC (East Devon)



| Series Name | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| LCL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Mean | 0 | 0 | 0 | 0 | 0 | 2.27 | 2.3 | 1.73 | 1.6 | 1.54 | 1.6 | 2.31 |
| UCL | 0 | 0 | 0 | 0 | 0 | 7.8 | 8.22 | 4.01 | 3.51 | 3.34 | 4.49 | 8.59 |

Monthly run chart: Capability – see Definitions

TDC (Teignbridge)

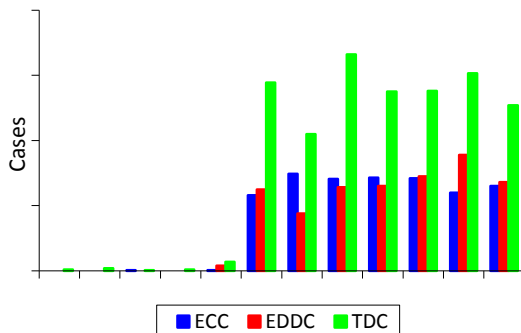


| Series Name | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| LCL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Mean | 0 | 0 | 0 | 0 | 0 | 3.21 | 5.45 | 3.49 | 7.33 | 2.51 | 2.5 | 1.97 |
| UCL | 0 | 0 | 0 | 0 | 0 | 12.78 | 21.56 | 14.52 | 38.52 | 8.86 | 8.16 | 6.08 |

Monthly run chart: Capability – see Definitions

3. Number of Service Requests in a month

These tend to be a cost of doing business but are worth tracking to manage capacity and to see if there is a burst of unusual activity anywhere.



| Series Name | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| ECC | 0 | 0 | 1 | 0 | 1 | 116 | 149 | 141 | 143 | 142 | 120 | 130 |
| EDDC | 0 | 0 | 0 | 0 | 8 | 125 | 88 | 128 | 130 | 145 | 178 | 136 |
| TDC | 2 | 4 | 1 | 2 | 14 | 289 | 210 | 332 | 275 | 276 | 303 | 254 |

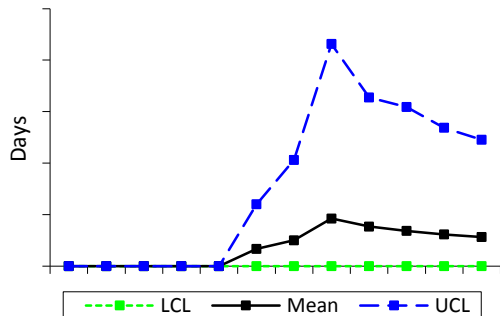
Again very consistent apart from a couple of areas:

May figures are fairly stable across two sites ECC and EDDC. TDC have higher figures for wks 1 – 3. After further analysis these are mainly due to high demand of changes and general assistance type calls to Service Desk.

4. Service Request end-to-end time

We need to be able to provide customers with a reliable estimate of time to deliver on the various service requests and also to deliver it within a reasonable time.

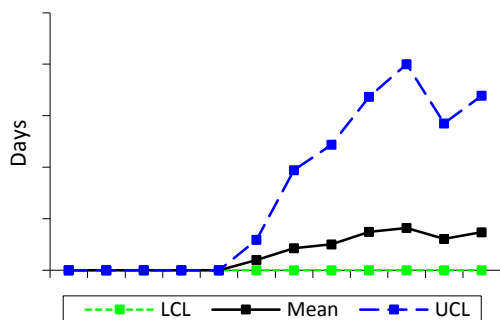
All Sites Combined



| Series Name | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| LCL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Mean | 0 | 0 | 0 | 0 | 0 | 3.34 | 5.01 | 9.23 | 7.67 | 6.84 | 6.16 | 5.65 |
| UCL | 0 | 0 | 0 | 0 | 0 | 12.02 | 20.61 | 43.15 | 32.75 | 30.9 | 26.87 | 24.54 |

Monthly run chart: Capability – see Definitions

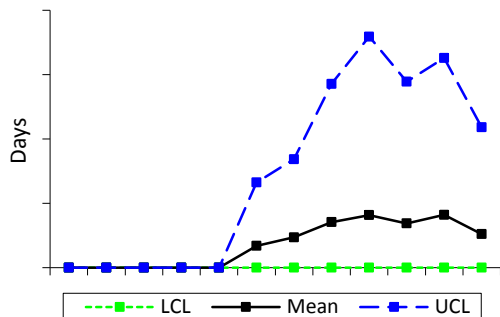
ECC (Exeter)



| Series Name | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| LCL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Mean | 0 | 0 | 0 | 0 | 0 | 2 | 4.28 | 5.02 | 7.46 | 8.22 | 6.08 | 7.37 |
| UCL | 0 | 0 | 0 | 0 | 0 | 5.91 | 19.43 | 24.38 | 33.68 | 40.02 | 28.51 | 33.9 |

Monthly run chart: Capability – see Definitions

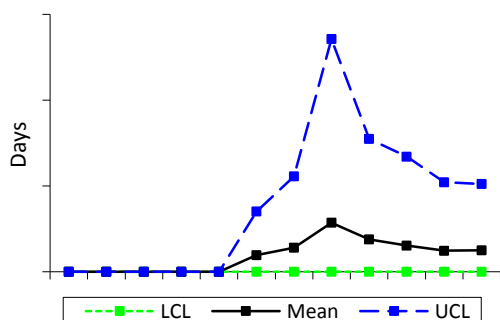
EDDC (East Devon)



| Series Name | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| LCL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Mean | 0 | 0 | 0 | 0 | 0 | 3.39 | 4.7 | 7.08 | 8.17 | 6.88 | 8.2 | 5.22 |
| UCL | 0 | 0 | 0 | 0 | 0 | 13.24 | 16.84 | 28.54 | 35.88 | 28.89 | 32.57 | 21.81 |

Monthly run chart: Capability – see Definitions

TDC (Teignbridge)



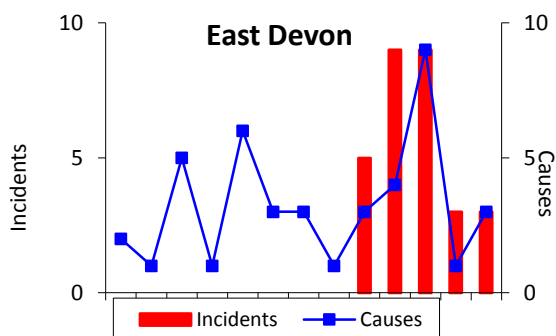
| Series Name | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| LCL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Mean | 0 | 0 | 0 | 0 | 0 | 3.87 | 5.6 | 11.44 | 7.54 | 6.09 | 4.88 | 5 |
| UCL | 0 | 0 | 0 | 0 | 0 | 14.05 | 22.23 | 54.24 | 30.95 | 26.81 | 20.85 | 20.46 |

Monthly run chart: Capability – see Definitions

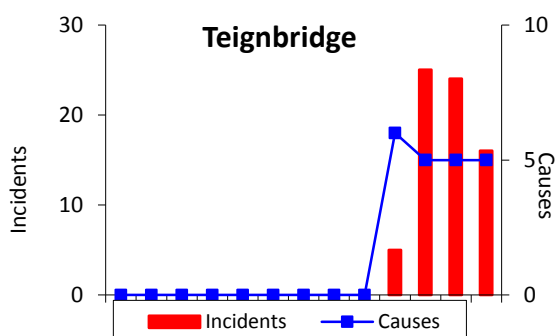
5. Number of system outages in a month

With the dependence on the IT systems to support the council functions it is imperative that the systems are available during the agreed times. It is therefore imperative that unplanned outages are minimised, and that proactive monitoring and maintenance, along with thorough analysis of all root causes of actual outages are undertaken to drive towards a level of zero defects.

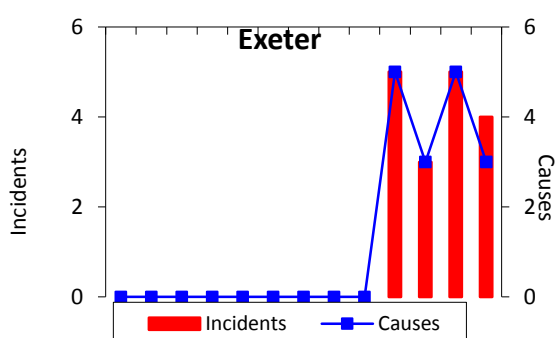
The charts below show both the number of outage incidents and the number of root causes behind these.



| Period | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Causes | 1 | 5 | 1 | 6 | 3 | 3 | 1 | 3 | 4 | 9 | 1 | 3 |
| Incidents | | | | | | | | 5 | 9 | 9 | 3 | 3 |



| Period | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Causes | | | | | | | | | 6 | 5 | 5 | 5 |
| Incidents | | | | | | | | | 6 | 25 | 24 | 16 |

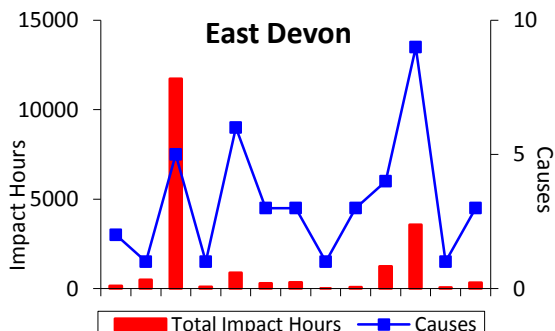


| Period | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Causes | | | | | | | | | 5 | 3 | 5 | 3 |
| Incidents | | | | | | | | | 5 | 3 | 5 | 4 |

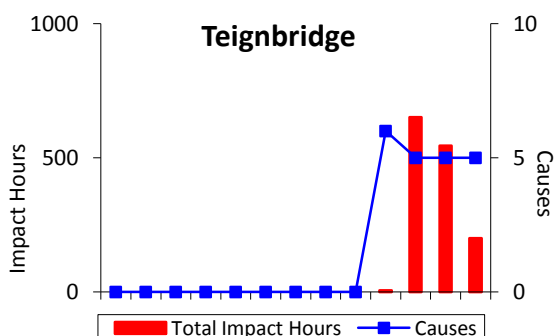
The level of outage incidents is consistent with the complexity of the current systems. None of the incidents in Teignbridge were a result of the Backup systems which demonstrated that the actions taken to replace that system was a success. The Teignbridge storage systems did however cause 12 incidents, however this has been resolved with the addition of more storage capacity. Exeter had a number of phone intermittent outages that the suppliers have investigated. The incidents in East Devon had no common factors.

6. User hours affected by system outages

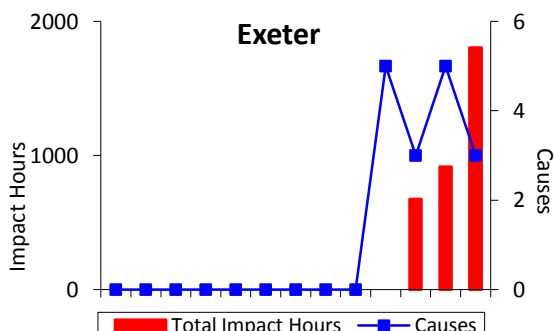
This measure attempts to quantify the impact of system outages. It is a calculated measure based on the time a system is down, the notional number of users, and its criticality. It is designed to help focus scarce resources on the most important problems and the identification of solutions to the root causes.



| Period | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|--------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Causes | 1 | 5 | 1 | 6 | 3 | 3 | 1 | 3 | 4 | 9 | 1 | 3 |
| Hours | 491 | 11732 | 83 | 873 | 282 | 333 | 18 | 70 | 1239 | 3568 | 55 | 324 |



| Period | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|--------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Causes | | | | | | | | | 6 | 5 | 5 | 5 |
| Hours | | | | | | | | | 6 | 651 | 545 | 201 |



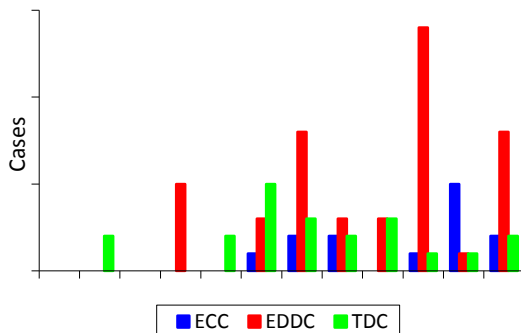
| Period | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|--------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Causes | | | | | | | | | 5 | 3 | 5 | 3 |
| Hours | | | | | | | | | | 675 | 917 | 1804 |

The loss of internet access over the weekend of the 16th May resulted in a significant impact hours assessment for Exeter, impacting some customer services and the remote access to the site for staff and councillors. This was the result of a network component that will be replaced as part of the Strata migration, and therefore for now will be monitored. The major impact to Teignbridge was hardware and storage capacity, both now resolved. The issues at East Devon had occurred before, with mitigations in place to limit the occurrence of these, which will remain in place.

For both Teignbridge and Exeter the assessment of the impact needs further refinement, which will be implemented through the rollout of the IMPACT process.

7. Number of Security Incidents in a month

This provides a measure of the level of threats that cause an impact to the Councils, and can focus the available resources to mitigate these.

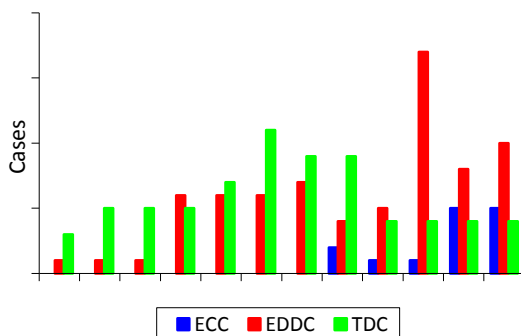


| Series Name | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| ECC | 0 | 0 | 0 | 0 | 0 | 1 | 2 | 2 | 0 | 1 | 5 | 2 |
| EDDC | 0 | 0 | 0 | 5 | 0 | 3 | 8 | 3 | 3 | 14 | 1 | 8 |
| TDC | 0 | 2 | 0 | 0 | 2 | 5 | 3 | 2 | 3 | 1 | 1 | 2 |

The high number of incidents recorded in East Devon was the result of a security assessment, however these were vulnerabilities that could be exploited only by highly skilled individuals rather than actual incidents. The approach to the recording of these will be reviewed in future months as this information may obscure the heartbeat measure of true incidents.

8. Number of open Security change requests

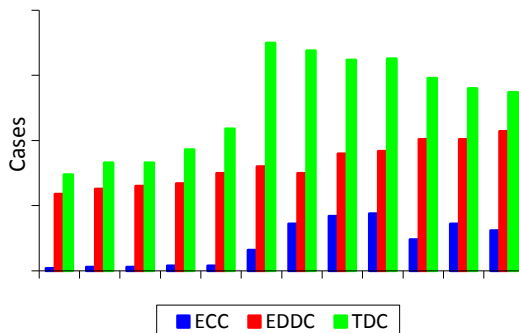
We run scans on our entire infrastructure using security systems that are updated frequently by external security companies to find the latest vulnerabilities. This is a relatively crude measure of how safe our systems are and how well we are reacting to security alerts.



| Series Name | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| ECC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 1 | 1 | 5 | 5 |
| EDDC | 1 | 1 | 1 | 6 | 6 | 6 | 7 | 4 | 5 | 17 | 8 | 10 |
| TDC | 3 | 5 | 5 | 5 | 7 | 11 | 9 | 9 | 4 | 4 | 4 | 4 |

9. Number of customer Business Change Requests (BCR) open

This is a measure of the level of change capacity that customers have requested. It can also be shown by an estimate of the total capacity required in this queue of work.



| Series Name | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| ECC | 2 | 3 | 3 | 4 | 4 | 16 | 36 | 42 | 44 | 24 | 36 | 31 |
| EDDC | 59 | 63 | 65 | 67 | 75 | 80 | 75 | 90 | 92 | 101 | 101 | 107 |
| TDC | 74 | 83 | 83 | 93 | 109 | 175 | 169 | 162 | 163 | 148 | 140 | 137 |

Business change Requests are items of work requested by our customers which result in a non standard change to a business system.

Teignbridge continue to see a reduction in the number of BCRs open despite a drop in the number of BCR closed in May (See below.)

East Devon have a slight upward trend in the number of open BCRs. This is as a result of an increase in the number of BCRs received as the number completed each month remains consistent. This is a reflection of a slight increase in demand from EDDC.

Analysis of Teignbridge BCRs show that these are genuine requests but are primarily focussed on the in-house finance and HR systems. The nature of these changes varies, but can be collated into 3 main groups:

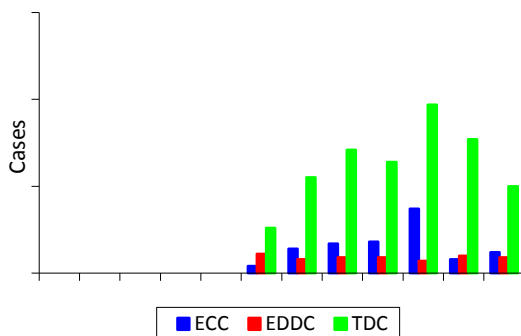
- Administrative changes that end users are unable to perform themselves due to restrictions in the system
- Legislative changes
- Reports on data.

A commercial system will remove the need for most of these changes and free up considerable capacity within the team.

Open BCRs in Exeter remain low, with a slight reduction in May as a result of a increase in the number completed during May.

10. Number of BCRs completed per month

To show how Strata is delivering them alongside the projects.



| Series Name | Jun 2014 | Jul 2014 | Aug 2014 | Sep 2014 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| ECC | 0 | 0 | 0 | 0 | 0 | 4 | 14 | 17 | 18 | 37 | 8 | 12 |
| EDDC | 0 | 0 | 0 | 0 | 0 | 11 | 8 | 9 | 9 | 7 | 10 | 9 |
| TDC | 0 | 0 | 0 | 0 | 0 | 26 | 55 | 71 | 64 | 97 | 77 | 50 |

The general trend in completed BCRs reflects that of the Open BCRs with Teignbridge completing significantly more than EDDC or ECC. Further analysis once again shows that of the 50 completed in Teignbridge over half can be attributed to in house systems. Again a commercial system will remove the need for many of these BCRs and free up resource to work on more value added projects.

The number of completed BCRs within East Devon and Exeter remains consistent.

11. Quality of Completed Projects

This will take some discussion to agree a final format but at each project end we can carry out a check against budget, time, and achievement.

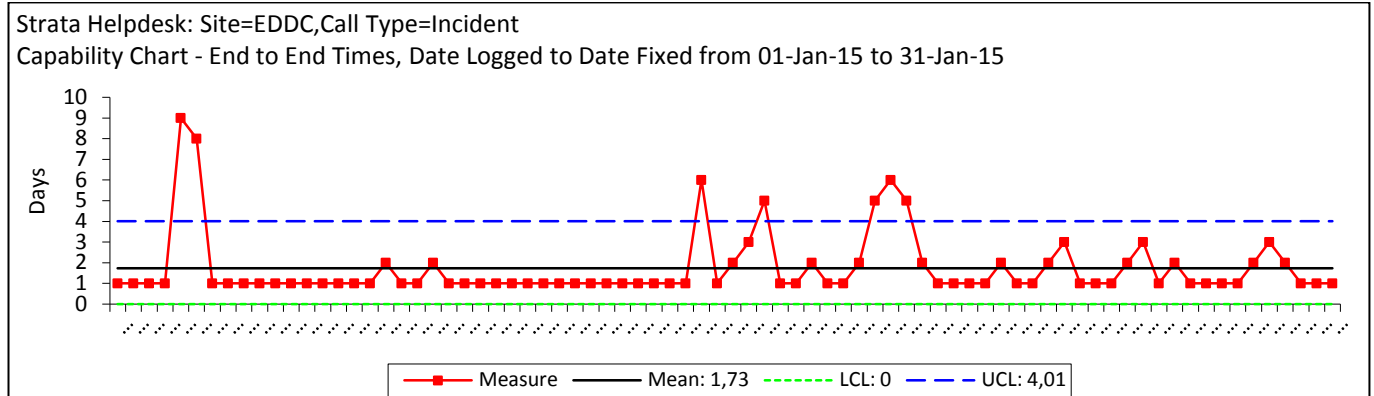
12. Customer Satisfaction

There is no active measure in place at any of the councils at present and so we will need to create a method that is not onerous on customers and is meaningful. It should be fairly simple to carry out and regular and result in action plans to improve.

Definitions

Monthly Run Chart: Capability

End to end times achieved by a way (or system) of working are an indication of that systems capability. Capability charts are used to represent the end to end times achieved on a series of tasks and show the mathematical average (mean) time taken and an indication of the “predictability” within the system.



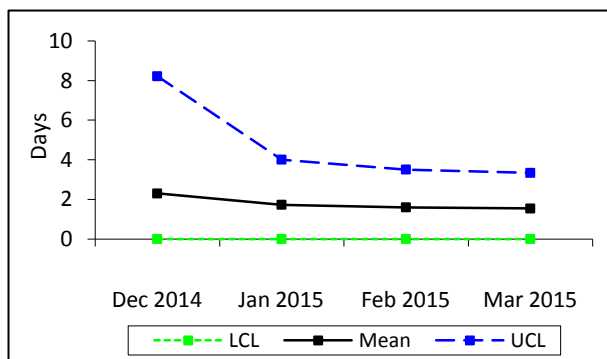
The above example is a capability chart of end to end times of all cases classified as an Incident that were resolved during the month of January. It can be seen the end to end time of each case (the red line) varies and ranges from within 1 day up to 9 days on one of the cases.

The average (or “mean” time) of this set of cases is 1.73 days; however it can clearly be seen that some cases have taken significantly longer to resolve than this mean time and therefore merely indicating the average time to a customer may not be a fair comment on what the customer should expect.

To provide the customer with a more likely timescale within which their case might be resolved, we need to assess the level of predictability within the results. By sorting the cases chronologically by their date of closure, we can perform a statistical measure of variance on the sample. This measure of variance is then added to, and subtracted from, the mean to provide the Upper Control Limit (UCL) and Lower Control Limit (LCL). So based on the above sample of cases, we can more realistically advise our customer that an Incident may take up to 4 days to resolve (4.01 is the precise UCL value).

Several of the measures within this document are presented as a Monthly Run Chart: Capability.

By calculating the mean, UCL and LCL for each month in turn, and then plotting these monthly figures in a Run Chart, we can then assess any trends in performance.



The run chart opposite shows a plot of the mean, UCL and LCL for the months of December, January, February and March.

Run charts help us to spot trends such as the effect of the traditional holiday season or the impact on performance of business events such as year-end or election duties.

The ideal trend is a lowering of the average time (the mean) and also a closing of the gap between the UCL and LCL indicating that performance is becoming more predictable.

Definitions of Categories on Service Desk

Incidents

If something is broken preventing or seriously impeding a customer from doing their job this is classed as an incident.

This is the highest priority of work in Strata and any member of Strata can be employed to remove the incident in a quick timeframe.

This is typically relating to a failed PC, lost access, system down or other direct failure.

Password resets are also included in this category as they totally prevent a user from accessing systems.

The Service Desk will do everything in their power to solve the incident or create a temporary workaround to get the customer working.

If the same type of incidents keep occurring, or more time is needed to solve an incident for which a workaround was created then a **Problem** is logged by the Service Desk.

Note: each site has a 9:45am gathering of all relevant staff to discuss all open incidents are discussed. This is to ensure best efforts are being made to deal with this failure demand.

Incidents relating to system downtime are recorded separately with further information to enable the "system owners" to investigate corrective action.

Typically there should be no more than 5-10 incidents per site before alarms bells start ringing.

Service Requests

These are typically for services that are repeatable and well known eg access to a system; new starter set up; loading approved software; buying approved equipment and the like.

It is NOT for one off special requests or something that needs deeper investigation.

The list of services that fit into this category will soon be showing on Council intranets so that eventually all Service Requests will come into Strata as written requests. This means that any purchases can also have an approval process built in.

Typically there should be no more than around 40 service requests per main site.

Problems

This is an internal Strata worklist. It holds all the issues that need solving to either remove the need for a workaround or to create solution to prevent a series of incidents or system downtime from occurring.

This worklist will typically be managed by Adrian although staff from any area of Strata may be involved in the solutions.

Security Issues

These are managed separately from other area of work due to the nature of the problems. Security issues are also managed by the Security and Compliance Team although the actual work could be carried out by any member of Strata.

Items in this list could come from any source – security breach by a user; item raised by an audit; internal or external security scan etc.

This is managed separately due to the nature of the issues and the requirement to meet particular standards of operation for PSN, PCI/DSS and ISO27001 compliance.

BCRs – Business Change Requests

These are generally requests to create or investigate something new or make changes to something that already exists. The work is a one-off rather than repeatable.

The level of work and the timeframe to deliver the requests is always a bit of a guess but the work can be scaled and estimates provided to the customer.

The BCR will soon be a “written –only” form, no more verbal requests as it can lead to confusion and disappointment. The BCR process will also soon incorporate a senior management approval.

Some BCRs will result in **projects** being created. This will occur if the solution to the BCR is at least one of the following:

- High cost
- High risk to reputation
- Significant change to processes or staff
- Change will result in significant cost savings or efficiencies
- Strategic importance of change

Projects will be shown and tracked separately from BCRs and have a greater level of administration associated with them including a PID and Post Implementation Review of quality, costs and schedule.

BCRs usually take second priority to projects (unless they are legislative or must-do and time critical). The level of BCR demand invariably outstrips the capacity of an IT department to deliver the requested change within a sensible timeframe. The BCR list will need to be reviewed regularly by SMT groups with Steve Gammon to ensure Strata is always working on the BCRs considered most important by Councils. In practice this means that some BCRs may actually be cancelled by the services