

STRATA - JOINT SCRUTINY COMMITTEE

TUESDAY, 17 SEPTEMBER 2024

Present:

Councillors Olive, Levine, Westerman, Knott, Mitchell, Radford, Smith and Sanders (Substitute)

Members Attendance:

Councillor Peter Faithful (East Devon)

Apologies:

Councillors Patrick and Swain

Officers in Attendance:

David Sercombe, Head of Business Systems & Business Intelligence

Suzanne Edwards, Strata Finance Director

Steve Mawn, Director of IT and Digital Transformation

Andrew Hopkins, Corporate Lead – Communications, Digital Services & Engagement, EDDC

Sarah Jenkins, Democratic Services EDDC

These decisions will take effect from 10.00 a.m. on Tuesday 24 September unless called-in or identified as urgent in the minute

27. ELECTION OF CHAIR 2024/25

Councillor Sanders proposed that Councillor Radford be elected Chair for 2024/25. This was seconded by Councillor Smith and was resolved.

RESOLVED

That Councillor John Radford be elected Chair for the civic year 2024/25.

28. MINUTES

Councillor Knott proposed that the minutes of the meeting held on 13 February 2024 be approved as a correct record. This was seconded by Councillor Westerman and was resolved.

RESOLVED

That the minutes of the last meeting held on 13 February 2024 be agreed as a correct record and signed by the Chair.

29. DECLARATIONS OF INTEREST

There were no declarations of interest.

30. QUESTIONS FROM THE PUBLIC UNDER PROCEDURAL RULES

There were no questions from the public.

31. QUESTION FROM MEMBERS OF THE COUNCILS UNDER PROCEDURE RULES

There were no questions from Members of the Councils.

32. FINANCIAL - OUTTURN

The Director of IT and Digital Transformation [Strata IT Director] presented the report which advised on the financial position of Strata at the end of 2023-24. The company had been given a total of £7.38 million to run the IT services in 2023-24 along with funding for various capital projects. The company maintains an account for additional purchases throughout the year, which is invoiced to each Council based on actual purchases made.

The Committee was pleased to have a permanent Director in place and thanked Mr Mawn and his team for their work.

In response to questions from Councillors, the following points were noted:

- An amount of £200,017 had been contracted for, but not provided in the financial statements. This was the outstanding amount for a project to which Strata was committed, but the work had not yet been done.
- Strata had achieved the projected savings over the ten year period since its inception.
- It was noted that staff costs had increased as the recent pay award had been higher than expected. The re-engineering of processes had resulted in a reduction in consultancy fees.
- Pension provision operates in the same way as the member Councils and is underwritten by the Councils.

The Committee noted the contents of the report.

The report was accepted and noted.

33. FINANCIAL - BUDGET MONITORING

The Finance Director presented the report which advised on the financial position of Strata at the end of June 2024.

The company had been given £8.299 million to run the IT services in 2024-25. The original ten year Business Case had met its objectives and savings profile. Therefore, the 2024-25 Business Plan had moved away from delivering a savings profile and had shifted to a transformational focus.

There were no questions from Councillors.

The report was accepted and noted.

34. STRATA AUDIT REPORT

The Internal Audit 2023-24 Annual Report set out the work completed during 2023-24 and provided the Head of Internal Audit Opinion for 2023-24.

The draft internal audit activity provided independent assurance to the Strata senior leaders, Board members and shareholders that governance, risk management and controls were sufficient to ensure delivery of the service's objectives.

The Strata Board had not yet reviewed the draft audit report due to its scheduling alongside elections and report release date.

The Strata IT Director advised that the Board was aware of the future impact caused by plans for Exeter City Council to re-locate from its current premises, as the data centre is located there. Strata had engaged Microsoft to run the data centre in the Cloud and migration would occur during 2025-26. The move from Exeter City Council would not require any further Strata staff restructuring.

Work had been done to produce a reasonably accurate asset register, and the individual councils need to inform Strata of staff changes, as well as having a robust system in place for managing IT equipment.

In response to questions regarding business continuity, the IT Director advised that partnering with Microsoft would provide the ability to switch data centres which would be highly beneficial if the need to fix issues arises. Microsoft systems have resilience built in which would reduce the impact of Strata being wholly reliant on Microsoft, in the same way as other large national bodies are also affected. There was always a balance to be struck between resilience and cost.

There was discussion regarding the re-use of old IT equipment. It was noted that the cost of making old equipment suitable for re-use usually outweighs any benefit.

The Audit Report was noted for information.

The Strata IT Director provided background information to the very recent outage on the Mod.Gov pages on the Councils' websites. Security procedures had been invoked and investigations undertaken with the system remaining down while the

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suspicious file was identified. Strata had worked with the Mod.Gov provider, Civica, and put a temporary solution in place for Democratic Services. The incident had demonstrated that a good level of security was in place.

The Chair thanked everyone present for attending the meeting.

The meeting started at 3.00 pm and finished at 4.01 pm.

Chair
Cllr John Radford