STRATA - JOINT EXECUTIVE COMMITTEE

Date: Wednesday, 22 July 2026
Time: 2.30 pm
Venue: Virtual Meeting - Virtual Meeting

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

Membership -
Councillors Palethorpe, Bialyk and Arnott

Agenda

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

Terms of Reference

Public participation and attending meetings

Information pertaining to public participation rules and attending Council and Committee meetings can be found on the following webpage: Public participation and attending meetings - Teignbridge District Council

1 **Apologies**

To receive apologises for absence.

2 **Minutes**

To agree the minutes of the previous meeting. (Pages 29 - 32)

3 **Declarations of Interest**

Information pertaining to the Members' Code of Conduct and guidance relating to declaring interests can be found on the following webpage: https://www.teignbridge.gov.uk/council-and-democracy/district-councillors/councillor-conduct/

4 **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.

5 **Question from Members of the Councils under Procedure 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.

6 **Strata Budget Monitoring and Operational Report** (Pages 33 - 38)

7 **Strata Budget Monitoring Outturn 2025-26** (Pages 39 - 72)

Date of next meeting

The next meeting will be held in January 2027.

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

If needed, to pass the following resolution:-

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 relevant item on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Part I, Schedule 12A of the Act.

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

NIL

Strata

Terms of Reference and Rules of Procedure for the Joint Executive Committee and Joint Scrutiny Committee

1. Introduction

1.1 The Delegation of Functions and Rules of Procedure set out in this document regulate the proceedings of the Joint Executive Committee (JEC) and Joint Scrutiny Committee (JSC), both of which were created by East Devon District Council, Exeter City Council and Teignbridge District Council to govern and scrutinise the operation and performance of Strata.

1.2 In this document the following words have the following meanings:

"**Board**" means the Strata board of directors;

"**Chief Executive**" means the Chief Executive of a Council and together the "**Chief Executives**";

"**Committee**" means both the JEC and JSC (where the Rules differ between the two Committees, this will be explained);

"**Council**" means East Devon District Council, Exeter City Council or Teignbridge Council and together the "Councils";

"**Executive**" means the Executive or Cabinet of the Councils;

"**Leader**" means a Leaders of a Council and together the "**Leaders**";

"**Proper Officer**" means Democratic Services Manager (for Teignbridge and East Devon), Corporate Manager, Democratic and Civic Support (for Exeter);

"**Relevant Council**" means the Council at which the next Committee meeting will be held;

"**Solicitor**" means the Solicitor to the Council, the Corporate Manager- Legal Head of Legal Services or for the Councils; and

"**Strata**" means Strata Service Solutions Ltd.

Section A – Delegation of Functions

1. Joint Executive Committee (JEC)

The Councils have appointed the JEC which will be responsible for the strategic governance of Strata. The JEC will make operational decisions for Strata in accordance with the business plan and service plans, which it will agree. The JEC will provide strategic direction to the Board and be accountable to the Councils as shareholders. The JEC's responsibility for governance and performance includes budget monitoring, all of which will be supported by the JSC.

The Councils have each delegated to the JEC all those powers necessary to enable the proper operation of Strata, with the exception of the following decisions which are reserved to the Executive of each of the Councils acting as shareholders of Strata (except for decisions over a capital or revenue expenditure outside the approved budget and business plan which shall specifically be reserved for Full Council to decide):

- Permitting the registration of any additional shareholders into Strata;
- Passing any resolution for its winding up or presenting any petition for its administration;
- Changing the company's name;
- Issuing shares;
- Amalgamating or merging with any other company or business undertaking;
- Forming any subsidiary or acquiring shares in any other company or participating in any joint venture;
- Decisions to extend the scope and nature of services to be provided by Strata, for example to provide HR, Accountancy or Legal services;
- Decisions to provide ICT services (or any other services) commercially for external clients or decisions that have an impact on the ability to use the Teckal procurement exemption;
- Declaring or making dividends or distributions of budgetary savings or assets of any kind; and
- Ceasing involvement in Strata as a participating shareholder.

2. The Joint Scrutiny Committee (JSC)

The Councils have appointed the JSC to scrutinise the operation and performance of Strata and its governance arrangements. More specifically the JSC's role is to:

- review and/or scrutinise decisions made or actions taken in connection with the discharge of any of the JEC's functions;
- make reports and/or recommendations to the Full Council of each Council and/or the JEC in connection with the discharge of any functions;

- exercise the right to call-in, for reconsideration decisions made but not yet implemented by the JEC;
- consider the decisions of the JEC that have been called-in and make recommendations to the JEC;
- appoint sub-committees, working parties and review group for particular matters; and
- report annually to each Full Council on its workings and make recommendations for amended working methods if appropriate.

Section B - Rules of Procedure

Contents

1. General

1.1 These Rules of Procedure (Rules) have been written to provide one set of bespoke procedural rules to govern the meetings of the Joint Committees established to govern and scrutinise Strata. They are designed to augment the existing constitutions of the Councils.

1.2 The Chairman of the Committee's view on the interpretation of these Rules is binding at the particular Committee.

1.3 These Rules may be reviewed at any time and any amendments must be made unanimously by the Councils following their respective decision making processes.

2. Ordinary Meetings

2.1 Ordinary meetings of the Committees will:

(i) elect a person to chair the meeting which shall be on a rotational basis between the Councils with Chair to be appointed for 12 months unless agreed otherwise by the Committees;

(ii) deal with any business required by statute to be done before any other business;

(iii) approve the minutes of the last meeting;

(iv) deal with business expressly required by statute to be done;

(v) receive any communications or announcements from the Chairman or the Leaders;

(vi) deal with any business from the last meeting;

(vii) consider motions;

(viii) consider any other business specified in the summons to the meeting;

In addition to (i) – (viii) above the JEC shall:

(ix) receive reports from the Board;

(x) consider referrals made to it by the JSC;

(xi) receive questions on the operation of Strata from members of the Councils and members of the public and provide answers to those questions

In addition to (i) – (viii) above the JSC shall:

(xii) receive reports on performance from the JEC and auditors; and

(xiii) report to each Full Council of the Councils annually on the performance of the JEC and Strata.

2.2 The Committees may vary the order of business so as to give precedence to any business. However such a variation shall not displace business falling under items (i) and (ii) in this rule.

3. Extraordinary meetings

3.1 Calling extraordinary meetings

Those listed below may request a meeting of the Committee in addition to ordinary meetings:

- Any of the Councils by resolution;
- the Chairman of any of the Councils
- the Monitoring Officer of any of the Councils having first notified the Chairman of the Councils; and
- the Board;
- any five Members of any of the Councils if they have signed a requisition presented to the Chairman of their respective Council and he/she has refused to call a meeting or has failed to call a meeting within seven days of the presentation of the requisition.

3.2 Business

At an extraordinary meeting of the Committees the business to be conducted shall be limited to a single item in the form of a motion full details of which shall be set out on the summons calling the meeting.

4. Frequency, time and place of meetings

4.1 In the first year of operation of Strata, there shall be at least six meetings of the Committees.

4.2 From the second year of operation of Strata, the JEC and JSC can determine the frequency of the meetings following consideration of the Committee's projected workload. Extraordinary meetings of the Committees can be called in accordance with Section 3 above.

4.3 Meetings shall take place at the offices of the Councils on a rotational basis; the first of each Committee shall meet at the offices of East Devon District Council. Thereafter, the locations shall be Exeter City Council and then Teignbridge District Council.

4.4 The time and place of meetings will be determined by the Chief Executive of the Relevant Council and notified in the summons.

4.5 With the agreement of the Members of the Committee, if there is no formal business to be transacted, a meeting can be held virtually. An agenda may still be issued but no formal minutes will be taken.

5. Notice of and summons to meetings

5.1 The Chief Executive of the Relevant Council will give notice to the public of the time and place of any meeting in accordance with the Access to Information Rules. At least five clear days before a meeting, the Chief Executive will send a summons signed by him or her by post or by email to every member of the Committee or leave it at their usual place of residence. The summons will give the date, time and place of each meeting and specify the business to be transacted, and will be accompanied by such reports as are available.

6. Chairing of meetings

6.1 The Chair of the Committee will be rotated and selected from the members of the Committee. The Chair will be appointed for a maximum period of 12 months unless otherwise agreed by the Committee.

6.2 At no time shall the Chairman of the JEC and Chairman of the JSC both be members of the same Council.

6.3 The Chairman does not have a casting vote.

6.4 The Chair is appointed at the first meeting of the calendar year.

7. Committee Composition

7.1 **JEC**

The JEC shall comprise of three members being the Leaders of the Councils, each with an equal vote together with the Chief Executive's or their nominee of the three constituent authorities, as non-voting co-opted members.

JSC

The JSC shall comprise three members of each of the Councils, to be appointed by the group leaders of the Councils. Each member of the JSC shall have an equal vote.

7.2 The Leaders and Chief Executives (or their nominee) may nominate a substitute to attend a meeting of the JEC provided that at least 24 hours notice is given to the Proper Officer of the Relevant Council. Nominees of the Leaders must be members of the Council's Executive.

7.3 The members of the JSC may also nominate a named substitute to attend a meeting of the JSC 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.

8. Quorum

8.1 For the JEC the quorum is the three Leaders or their nominees.

8.2 For the JSC the quorum is six with at least one member from each Council.

8.3 During any meeting, if the Chairman declares there is not a quorum present, then the meeting will adjourn immediately. Remaining business will be considered at a time and date fixed by the Chairman. If he/she does not fix a date, the remaining business will be considered at the next ordinary meeting.

9. Voting

9.1 Voting will be taken by a show of hands.

9.2 Each member has an equal vote.

9.3 The Chairman of the JEC and JSC does not have a casting vote.

9.4 For a decision taken at the JEC, a decision must be unanimous. At the JSC, a decision may be made by the majority of members present.

9.5 If the meeting so decides by a simple majority (prior to a vote being taken) the names for and against the motion or amendment or abstaining from voting will be taken down in writing and entered into the minutes.

9.6 Where any member requests it immediately after the vote is taken, their vote will be so recorded in the minutes to show whether they voted for or against the motion or abstained from voting. (This is a mandatory standing order under the Local Authorities (Standing Orders) Regulations)

10. Questions and statements by the public

10.1 For both the JEC and JSC, subject to Paragraph 10.2, there shall be a fifteen minute period at the commencement of Committee meetings for members of the public to ask questions. Each individual questioner exercising a right during the public question time to be restricted to speaking for a total of three minutes.

10.2 Where a question does not relate to an agenda item, and a response is required from a member or an officer, the question must be submitted in writing to the Proper Officer of the Relevant Council not less than two working days before the meeting to give time for a response to be prepared. Where such advance notice is given, the questioner may ask a supplementary question at the meeting, if it is relevant to the original question.

10.3 The Chairman of any meeting has the right and discretion to control question time to avoid disruption, repetition and wasting of meeting time.

11. Questions by Members

11.1 A member of the Councils may ask the Leader or Chairman any question without notice upon an item of the report to the Committees when that item is being received or under consideration.

11.2 A member of any of the Councils may ask a question on notice relating to any function of Strata not to be considered at the Committee meeting provided that they have given at least two working days' notice in writing of the question to the Proper Officer or, where the question relates to urgent matters, they have the consent of the Chairman to whom the question is to be put and the content of the question is given to the proper Officer of their Council by 9.15am on the day of the meeting.

11.3 An answer may take the form of:

(a) a direct oral answer;

(b) where the desired information is in a publication of the Council or other published work, a reference to that publication; or

(c) where the reply cannot conveniently be given orally, a written answer circulated later to the questioner.

11.4 A member asking a question under Rule 11.2 may ask one supplementary question without notice of the member to whom the first question was asked. The supplemental question must arise directly out of the original question or the reply.

12. Motions on notice

12.1 Notice

Except for motions which can be moved without notice under Rule 11, written notice of every motion, signed by at least five members of a Council, must be delivered to that Council's Proper Officer not later than ten working days before the date of the meeting. These will be entered in a book open to public inspection.

12.2 Motion set out in agenda

Motions for which notice has been given will be listed on the agenda in the order in which notice was received, unless the member giving notice states, in writing, that they propose to move it to a later meeting or withdraw it.

12.3 Leader's response to motion

The Chairman, at his discretion, may invite the Leader or his nominee to respond to a motion or a question.

12.4 Scope

Motions must be about matters for which the Committee has a responsibility.

13. Motions without notice

The following motions may be moved without notice:

(a) to appoint a chairman of the meeting at which the motion is moved;

(b) in relation to the accuracy of the minutes;

(c) to change the order of business in the agenda;

(d) to refer something to an appropriate body or individual;

(e) to appoint a committee or member arising from an item on the summons for the meeting;

(f) to receive reports or adoption of recommendations of Committees or officers and any resolutions following from them;

(g) to withdraw a motion;

(h) to amend a motion;

(i) to proceed to the next business;

(j) that the question be now put;

(k) to adjourn a debate;

(l) to adjourn a meeting;

(m) to suspend a particular procedure Rule;

(n) to exclude the public and press in accordance with the Access to Information Rules;

(o) to not hear further a member named under Rule 18.3 or to exclude them from the meeting under Rule 18.4; and

(p) to give the consent of the Council where its consent is required by these Rules.

14. Rules of debate

14.1 No speeches until motion seconded

No speeches may be made after the mover has moved a proposal and explained the purpose of it until the motion has been seconded.

14.2 Right to require motion in writing

Unless notice of the motion has already been given, the Chairman may require it to be written down and handed to him/her before it is discussed.

14.3 Seconder's speech

When seconding a motion or amendment, a member may reserve their speech until later in the debate.

14.4 Content and length of speeches

Speeches must be directed to the question under discussion or to a personal explanation or point of order. No speech may exceed five minutes without the consent of the Chairman.

14.5 When a Member may speak again

A member who has spoken on a motion may not speak again whilst it is the subject of debate, except:

(a) to speak once on an amendment moved by another Member;

(b) to move a further amendment if the motion has been amended since he/she last spoke;

(c) if his/her first speech was on an amendment moved by another Member, to speak on the main issue (whether or not the amendment on which he/she spoke was carried);

(d) in exercise of a right of reply;

(e) on a point of order; and

(f) by way of personal explanation.

14.6 Amendments to Motions

(a) An amendment to a motion must be relevant to the motion and will either be:

(i) to refer the matter to an appropriate body or individual for consideration or reconsideration;

(ii) to leave out words;

(iii) to leave out words and insert or add others; or

(iv) to insert or add words.

as long as the effect of (ii) to (iv) is not to negate the motion.

(b) Only one amendment may be moved and discussed at any one time. No further amendment may be moved until the amendment under discussion has been disposed of.

(c) If an amendment is not carried, other amendments to the original motion may be moved.

(d) If an amendment is carried, the motion as amended takes the place of the original motion. This becomes the substantive motion to which any further amendments are moved.

(e) After an amendment has been carried, the chairman will read out the amended motion before accepting any further amendments, or if there are none, put it to the vote.

14.7 Alteration of motion

(a) A member may alter a motion of which he/she has given notice with the consent of the meeting. The meeting's consent will be signified without discussion.

(b) A member may alter a motion that he/she has moved without notice with the consent of both the meeting and the seconder. The meeting's consent will be signified without discussion.

(c) Only alterations that could be made as an amendment may be made.

14.8 Withdrawal of motion

A member may withdraw a motion that he/she has moved with the consent of both the meeting and the seconder. The meeting's consent will be signified without discussion. No member may speak on the motion after the mover has asked permission to withdraw it unless permission is refused.

14.9 Right of reply

(a) The mover of a motion has a right to reply at the end of the debate on the motion, immediately before it is put to the vote.

(b) If an amendment is moved, the mover of the original motion has the right of reply at the close of the debate on the amendment, but may not otherwise speak on it. The proposer of the amendment shall also be entitled to reply

(c) A member exercising a right of reply shall not introduce new matter.

14.10 Motions that may be moved during debate

When a motion is under debate, no other motion may be moved except the following procedural motions:

(a) to withdraw a motion;

(b) to amend a motion;

(c) to proceed to the next business;

(d) that the question be now put;

(e) to adjourn a debate;

(f) to adjourn a meeting;

(g) to exclude the public and press in accordance with the Access to Information Rules; and

(h) to not hear further a member named under Rule 19.2 or to exclude them from the meeting under Rule 19.3.

14.11 Closure motions

(a) A member may move, without comment, the following motions at the end of a speech of another member:

(i) to proceed to the next business;

(ii) that the question be now put;

(iii) to adjourn a debate; or

(iv) to adjourn a meeting.

(b) If a motion to proceed to next business is seconded and the Chairman thinks the item has been sufficiently discussed, he or she will give the mover of the original motion a right of reply and then put the procedural motion to the vote.

(c) If a motion that the question be now put is seconded and the Chairman thinks the item has been sufficiently discussed, he/she will put the procedural motion to the vote. If it is passed he/she will give the mover of the original motion a right of reply before putting his/her motion to the vote.

(d) If a motion to adjourn the debate or to adjourn the meeting is seconded, and the Chairman thinks the item has not been sufficiently discussed or cannot reasonably be so discussed on that occasion, he/she will put the procedural motion to the vote without giving the mover of the original motion the right of reply.

14.12 Point of order

A member may raise a point of order at any time. The Chairman will hear them immediately. A point of order may only relate to an alleged breach of these Rules of Procedure or the law. The member must indicate the rule or law and the way in which he/she considers it has been broken. The ruling of the Chairman on the matter will be final.

14.13 Personal explanation

A member may make a personal explanation at any time. A personal explanation may only relate to some material part of an earlier speech by the member that may appear to have been misunderstood in the present debate. The ruling of the Chairman on the admissibility of a personal explanation will be final.

15. Previous decisions and motions

15.1 Motion to rescind a previous decision

A motion or amendment to rescind a decision made at a Committee meeting within the past six months cannot be moved unless the notice of motion is signed by at least 15 members, from a Council or the Councils.

15.2 Motion similar to one previously rejected

A motion or amendment in similar terms to one that has been rejected at a Committee meeting in the past six months cannot be moved unless the notice of motion or amendment is signed by at least 15 members from a Council or the Councils. Once the motion or amendment is dealt with, no one can propose a similar motion or amendment for six months.

16. Minutes

16.1 Signing the minutes

The Chairman will sign the minutes of the proceedings at the next suitable meeting. The Chairman will move that the minutes of the previous meeting be signed as a correct record. The only part of the minutes that can be discussed is their accuracy.

16.2 There is no requirement to sign minutes of previous meeting at an extraordinary meeting.

16.3 Where in relation to any meeting, the next meeting for the purpose of signing the minutes is a meeting called under Paragraph 3 of Schedule 12 to the Local Government Act 1972 (an Extraordinary Meeting), then the next following meeting (being a meeting called otherwise than under that paragraph) will be treated as a suitable meeting for the purposes of Paragraph 41(1) and (2) of Schedule 12 relating to signing of minutes. This is a mandatory standing order under the Local Authorities (Standing Orders) Regulations

17. Record of attendance

All members present during the whole or part of a meeting must sign their names on the attendance sheets before the conclusion of every meeting to assist with the record of attendance.

18. Exclusion of public

Members of the public and press may only be excluded either in accordance with Rule 28 (Access to Information Rules) or Rule 20 (Disturbance by Public).

19. Members' conduct

19.1 Chairman standing

When the Chairman stands during a debate, any member speaking at the time must stop and sit down. The meeting must be silent.

19.2 Member not to be heard further

If a member persistently disregards the ruling of the Chairman by behaving improperly or offensively or deliberately obstructs business, the Chairman may move that the member be not heard further. If seconded, the motion will be voted on without discussion.

19.3 Member to leave the meeting

If the member continues to behave improperly after such a motion is carried, the Chairman may move that either the member leaves the meeting or that the meeting is adjourned for a specified period. If seconded, the motion will be voted on without discussion.

19.4 Disclosable Pecuniary Interest

Unless a dispensation has been granted, a member shall not participate in any discussion of, or vote on, any matter in which they have a Disclosable Pecuniary Interest and having first declared to the meeting the existence and nature of that interest shall withdraw from the room where the meeting is being held at the commencement of the consideration of that business, or (if later) the time at which the interest becomes apparent.

Where the Disclosable Pecuniary Interest is sensitive (as defined on the Member Code of Conduct of the respective Councils) the member need not disclose the nature of that interest but must still state there is a Disclosable Pecuniary Interest and otherwise follow the requirements of the previous paragraph.

19.5 General disturbance

If there is a general disturbance making orderly business impossible, the Chairman may adjourn the meeting for as long as he/she thinks necessary.

20. Disturbance by public

20.1 Removal of member of the public

If a member of the public interrupts proceedings or is found to be recording the proceedings of the meeting (by video or otherwise) in a manner that is disruptive to business, the Chairman will warn the person concerned. If they continue to interrupt or record the meeting contrary to the Chairman's instructions, the Chairman will order their removal from the meeting room and the forfeiture of the unauthorised recording.

20.2 Clearance of part of meeting room

If there is a general disturbance in any part of the meeting room open to the public, the Chairman may call for that part to be cleared.

21. Suspension and amendment of the Rules

21.1 Suspension

All of these Rules except Rule 9.7 and 16.3 may be suspended by motion on notice or without notice if at least one half of the whole number of members of the Committee are present. Suspension can only be for the duration of the meeting.

21.2 Amendment

Any motion to add to, vary or revoke these Rules will, when proposed and seconded, stand adjourned without discussion to the next ordinary meeting of each of the Councils.

22. Motions affecting Staff

If any question arises at a meeting of the Committee to which the Local Government Act 1972 applies by virtue of Section 100(A)(4) concerning the appointment, promotion, dismissal, salary, superannuation or conditions of service, or as to the conduct of any person employed by Strata or the Councils, such question shall not be the subject of discussion until the Committee has decided whether or not the power of exclusion of the public under Section 100(A)(4) of the Local Government Act 1972 shall be exercised.

23. Call-in

23.1 A decision is made by the JEC but the decision does not come into effect until a Call-in period has elapsed.

23.2 Within two working days of the decision being made, the Proper Officer (which in this context means the Proper Officer of the Council whose members have exercised the power of call-in) will notify all members of the Councils of the decision. The notice will include the date of the notification and the date the decision will come into effect if there is no Call-in. The “effective date” of the decision which will be 09.00 am on the day after the expiry of three clear working days from the notification to members (Saturdays, Sundays and Bank Holidays are excluded). For example, in respect of a decision made by the JEC on a Wednesday, notification will be given to all members by Friday of the same week and the effective date of the decision will be 09.00 am on the following Thursday.

23.3 A request for a call-in of the decision must be received by the Proper Officer of the Council for whom the member calling-in the decision between the date of notification to members and the effective date of the decision.

23.4 For the call-in to be valid, the request must satisfy all of the following provisions:-

(i) Be in writing (on paper or e-mail);

(ii) Specify the relevant decision that is to be the subject of the Call-in;

(iii) Be supported by at least five members; and(iv) Give the reasons for the call-in.

23.5 Once a valid call-in request has been received the Proper Officer shall arrange for the JSC to consider the call-in at the next scheduled meeting or if the Proper Officer and Chairman of the JSC consider that the matter cannot wait until the next scheduled meeting, the Proper Officer shall convene a JSC as soon possible on a date which is acceptable to the Chairman of the JSC.

23.6 If having considered the decision, the JSC is still concerned about it, the Committee may refer it back to the JEC for reconsideration, setting out in writing the nature of its concerns.

23.7 If referred to the JEC, the JEC shall consider the concerns, amending the decision or not, before adopting a final decision.

Urgent Decisions

23.8 Urgent decisions shall be excluded from the call-in process. What constitutes an urgent decision will be agreed between the Chief Executives and the Leaders and the Chairman of the JSC. The reason why the decision was urgent shall be recorded.

Referral to Councils

23.9 When considered by the JSC, the matter may be referred back to the JEC for further consideration or in exceptional circumstances, i.e. a matter of significance for the Councils affecting the strategic direction of Strata, referred to the Councils for further consideration and referral back to the JEC. Whether the matter is considered exceptional will be agreed between the Chief Executives and the Leaders and the Chairman of the JSC or if not fewer than three quarters of the JSC members consider the matter is exceptional. When considered by the Councils or the JSC, the matter will need to go back to the JEC in the form of a report with recommendations in the name of the JSC or the Chairmen of the Councils.

23.10 A matter which has been the subject of a call-in may not be the subject of a second call-in unless requested by at least one third of the total membership of a Council. In those circumstances, the matter will be referred back to the Full Council of each of the Councils. It will be subject to decision by Full Council only if it is outside of the budget or policy framework for Strata. If it falls within the budget and policy framework it will be referred back to the JEC for a decision.

24. Inspection of documents

24.1 A member of the Council may for the purposes of his duty as a member but not otherwise inspect any document that contains material relating to any business to be transacted, or which has been considered, at a meeting of the Committee. If copies are available they shall be supplied on request.

24.2 A member shall not knowingly inspect and shall not call for a copy of any document relating to a matter in which he is professionally interested; or has a

Discloseable Pecuniary Interest within the meaning of the Code of Conduct for members.

24.3 This Rule shall not preclude a Chief Executive or Solicitor from declining to allow inspection of any document which is or in the event of legal proceedings would be protected by privilege arising from the relationship of solicitor and client or where it appears to the Chief Executive that a document discloses exempt information of a description set out in Section 100F(2) of the Local Government Act 1972.

24.4 All minutes of the Committees shall be open for the inspection of any member of the Councils during office hours.

25. Inspection of land, premises etc

A member of a Council unless authorised to do so by a Council or Committee, shall not have the right to inspect any lands or premises which the Councils have the right or duty to inspect, or enter upon or issue any order respecting any works which are being carried out by or on behalf of the Councils.

26. Proceedings at meetings

26.1 No person shall disclose "confidential information" or “exempt information” in any circumstances save for those circumstances where the disclosure is required by law, by any governmental or other regulatory authority or by a court of competent jurisdiction. However this Rule shall not forbid disclosure of the resolution or any recommendation which has been made or other contents of the relevant minute.

26.2 In the event of any member disclosing such information, he/she shall be liable to investigation by their Council’s Monitoring Officer and report to the Standards Committee.

27. Attendance when not a Committee Member

27.1 A member who has proposed a motion which has been referred to a Committee shall have notice of the meeting of the Committee at which it is proposed to consider the motion, and if he attends, shall have an opportunity of explaining it.

27.2 A member of the Council may attend all proceedings of the Committees.

27.3 A member who wishes to raise any matter appropriate to a Committee of which he is not a member, may do so by giving notice in writing to the Proper Officer of their Council at least two clear days before the next ordinary meeting of the appropriate Committee. The member may also attend a special meeting if the matter in which he is interested is to be discussed by that special meeting. Such notice shall contain particulars of the matter that they wish to raise. They shall then have the right to explain and discuss the matter.

27.4 Any member attending a Committee meeting of which he is not a member shall not be able to propose or second any motion nor to vote at that meeting. Except as otherwise provided in this Rule they shall not be entitled to speak at that meeting (except with the consent of the Chairman).

28. Access to Information

28.1 Additional Rights to Information

These Rules do not affect any more specific rights to information afforded by law.

28.2 Rights to Attend Meetings

Members of the public may attend all public meetings subject only to the exceptions in these Rules.

28.3 Notices of Meeting

At least five clear days' notice will be given of any meeting by posting details of the meeting at the Councils' offices and placed on the Councils' websites.

28.4 Access to Agenda and Reports before the Meeting

The Council hosting the Committee meeting will make copies of the agenda and reports open to the public available for inspection at the designated office at least five clear working days before the meeting and on its website. If an item is added to the agenda later, the revised agenda (where reports are prepared after the summons has been sent out, the designated officer for the Council shall make each such report available to the public as soon as the report is completed and sent to members) will be open to inspection for the time the item was added to the agenda.

28.5 Supply of Copies

The Council hosting the meeting will supply copies of:

(i) any agenda and reports which are open to public inspection;

(ii) any further statements or particulars necessary to indicate the nature of the items in the agenda; and

(iii) if the Chief Executive or Monitoring Officer of the Council hosting the Committee meeting think fit, copies of any other documents supplied to members in connection with an item to any person on payment of a charge for postage and any other costs.

28.6 Access to minutes etc after the meeting

The Council which hosted the Committee meeting will make available copies of the following for six years after a meeting:

(i) the minutes of the meeting or records of decisions taken, together with reasons, for all meetings of the Committee, excluding any part of the minutes of proceedings when the meeting was not open to the public or which disclose exempt or confidential information;

(ii) a summary of any proceedings not open to the public where the minutes open to inspection would not provide a reasonably fair and coherent record;

(iii) the agenda for the meeting; and

(iv) reports relating to items when the meeting was open to the public.

28.7 Background Papers

List of background papers

The proper officer of the Council hosting the Committee meeting will set out in every report a list of those documents (called background papers) relating to the subject matter of the report which in his/her opinion:

- disclose any facts or matters on which the report or an important part of the report is based; and
- which have been relied on to a material extent in preparing the report but does not include published works or those which disclose exempt or confidential information.

29. Key Decisions

29.1 A “Key Decision” means a decision of the JEC which is likely:

(a) to result in Strata or the Councils incurring expenditure which is, or the making of savings which are, significant having regard to Strata’s or the Councils’ budgets for the service or function to which the decision relates; or

(b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the Councils' areas;

29.2 In accordance with Section 38 of the Local Government Act 2000, in determining the meaning of "significant" regard shall be had to any guidance for the time being issued by the Secretary of State

29.3 A decision taker may only make a key decision in accordance with the requirements of these Rules.

29.4 Only the JEC may take Key Decisions.

29.5 The JEC shall publish a forward plan of anticipated Key Decisions.

29.6 Notice of Key Decision

Subject to the general exception and urgency provisions below, no Key Decision may be taken unless:

(i) a notice (called here a "Notice of Key Decision") has been published in connection with the matter in question;

(ii) at least 28 clear days have elapsed since the publication of the Notice of Key Decision; and

(iii) where the decision is to be taken at a meeting of the JEC notice of the meeting has been given in accordance with Rule 5 (notice of meetings).

29.7 Contents of Notice of Key Decision

The Notice of Key Decision will state that a key decision is to be taken by the JEC and it will describe the following particulars:

(i) the matter in respect of which the decision is to be made;

(ii) the date on which, or the period within which, the decision is to be made;

(iii) a list of the documents submitted to the decision maker for consideration in relation to the matter;

(iv) the address from which, subject to any prohibition or restriction on their disclosure, copies of, or extracts from, any document listed is available;

(v) that other documents relevant to those matters may be submitted to the decision maker; and

(vi) procedure for requesting details of those documents (if any) as they become available.

29.8 Publication of the Notice of Key Decision

The Notice of Key Decision must be made available for inspection by the public at the offices of the Relevant Council of the next JEC meeting at which the Key Decision is to be made.

29.9 Exempt information need not be included in a Forward Plan and confidential information cannot be included.

29.10 The Forward Plan

The Councils are not required by law to publish a forward plan. However, the Notice of Key Decision published by the relevant Council set out not just details of specific key decisions, but also details of key decisions over a four month period (including important decisions to be made by the JEC).

29.11 General Exception

If a Notice of Key Decision has not been published, then subject to Rule 29.13 (special urgency), the decision may still be taken if:

(i) the decision must be taken by such a date that it is impracticable to publish a Notice of Key Decision;

(ii) the Proper Officer of the relevant Council has informed the Chair of the next JSC Committee meeting the matter about which the decision is to be made;

(iii) the Proper Officer of the relevant Council has made copies of that notice available to the public at the offices of the relevant Council and on the Councils' websites; and

(iv) at least five clear days have elapsed since the Proper Officer complied with 29.11 (ii) and 29.11 (iii)

29.12 As soon as reasonably practicable after the Proper Officer of the relevant Council has complied with Rule 29.11, they must make available at the Councils' offices and publish on the Councils' websites the reasons why compliance with issuing a Notice of Key Decision was impractical.

29.13 Special Urgency

If by virtue of the date by which a Key Decision must be taken Rule 29.11 (general exception) cannot be followed, then the Key Decision can only be taken if the Chief Executive of the relevant Council obtains the agreement of the Chair of the next JSC Committee meeting.

29.14 As soon as reasonably practicable after the Chief Executive of the relevant Council has obtained agreement under Rule 29.13 they must make available at the Councils' offices and publish on the Councils' websites the reasons why the meeting is urgent and cannot reasonably be deferred.

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STRATA - JOINT EXECUTIVE COMMITTEE

WEDNESDAY, 28 JANUARY 2026

Present:

Councillors Palethorpe, Bialyk and Arnott

Apologies:
None

Officers in Attendance:
Steve Mawn, Director of IT and Digital Transformation
Neil Blaney, Director of Place
Christopher Morgan, Assistant Democratic Services Officer
Suzanne Edwards, Strata Finance Manager
Andrew Hopkins, Head of Service, Digital and Data (ECC)

These decisions will take effect from 10.00 a.m. on Wednesday 4 February unless called-in or identified as urgent in the minute

7. ELECTION OF CHAIR

It was proposed by Cllr Arnott, seconded by Cllr Bialyk and

RESOLVED

That Cllr Palethorpe be elected Chair of the Committee for 2025-2026.

8. MINUTES

It was proposed by Cllr Arnott, seconded by Cllr Bialyk and

RESOLVED

That the minutes of the previous meeting be approved as a correct record and signed by the Chair.

9. DECLARATIONS OF INTEREST

None.

10. QUESTIONS FROM THE PUBLIC UNDER PROCEDURAL RULES

None.

11. QUESTION FROM MEMBERS OF THE COUNCILS UNDER PROCEDURE RULES

None.

12. AMENDMENTS TO THE TERMS OF REFERENCE

It was proposed by Cllr Arnott, seconded by Cllr Bialyk and

RESOLVED

That the proposed changes to the Terms of Reference be approved.

13. STRATA BUSINESS PLAN AND STRATEGY

The Director of IT and Digital Transformation introduced the item to the Committee.

He spoke on the successful transformation as evidenced by the reduced calls coming into Strata, MHCLG recognition, the role of enterprise architecture, and costs.

The Committee discussed the impact of Local Government Reorganisation on Strata and budgeting.

It was proposed by Cllr Arnott, seconded by Cllr Bialyk and

RESOLVED

That the Committee recommends the Strata Business Plan to be approved by the three partner Councils.

14. STRATA BUDGET MONITORING AND PERFORMANCE REPORT

The Strata Finance Manager introduced the item to the Committee.

The Committee discussed the projected outturn of £297,000, the budget savings from the EDDC graphics team, and funding for cloud servers.

The Committee noted the report.

The meeting started at 3.30 pm and finished at 4.05 pm.

Cllr David Palethorpe
Chair

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strata

STRATA JOINT EXECUTIVE COMMITTEE
STRATA JOINT SCRUTINY COMMITTEE

DATE OF MEETING:	**22 JULY 2026** **12 AUGUST 2026**
PUBLICATION DATE:	**2 JULY 2026**
REPORT OF:	**STRATA FINANCE**
SUBJECT:	**STRATA BUDGET MONITORING AND OPERATIONAL PERFORMANCE – MAY 2026-27**

1. PURPOSE

1.1 This report advises on the financial position of Strata at the end of May 2026.

2. BACKGROUND

2.1 The Company has been given a total of £9.09 million to run the IT Services in 2026-27 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 Budget Monitoring to 31 May 2026

3.1 Business Plan Budget

The 2026-27 Business Plan sets out a plan for the costs which will be met by the Contract Payment and Other Income. Any savings generated during the year will be distributed to the Councils at the year end.

3.2 Key Variations from Revenue Budget

Strata are projecting a small additional surplus in 2026-27 (Appendix A). The key variations are set out below:

Expenditure Type	Projected Over / (Underspend) £	Detail
Employees	(73,492)	• Underspend projected due to phased onboarding of project staff for new posts created by the reorganisation
Supplies & Services	(12,228)	• Underspend due to new contract additions part way through the year which incur a part year cost compared with full year budgeted cost
Taxation on Interest	11,400	• Higher taxation due to higher interest received on cash reserves than Budgeted
Income - Revenue	0	• In line with Budget
Investment interest	(40,000)	• Interest from cash deposits higher due to continued high Base Rate (partially offset by Corporation Tax charge)

As in the previous three financial years, in order to support Strata through its transformation program £936k of additional savings that have been built up from the financial year 2025-26 and prior years are to be returned to Strata to fund transformation initiatives and the transition from onsite servers to a cloud based server solution in 2026-27.

3.3 Council Recharge Account

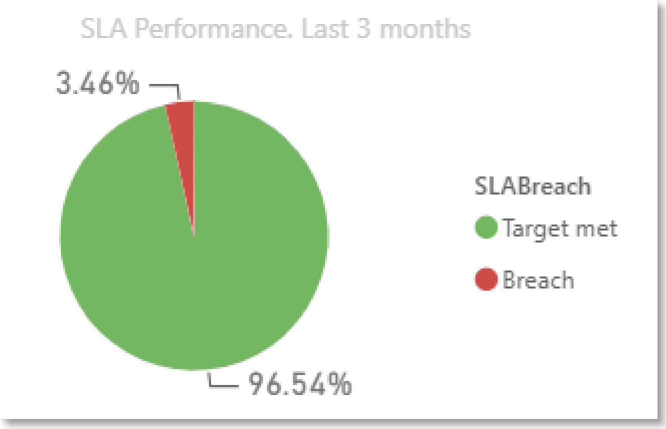
The Councils also request additional equipment for which they are subsequently invoiced. This account is brought to zero at the year end.

4

OPERATIONAL PERFORMANCE

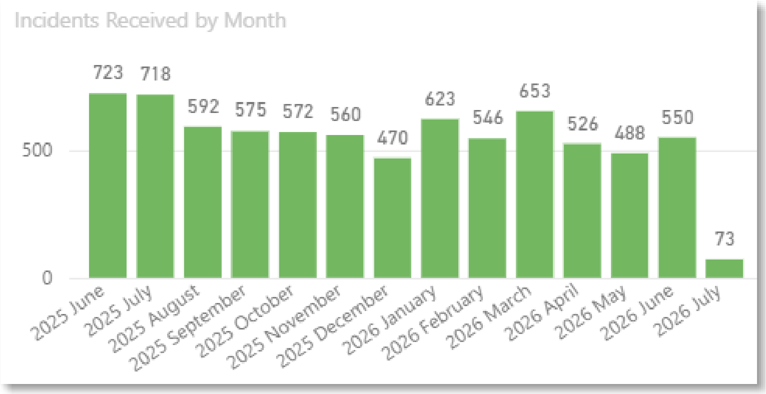
4.1 Summary

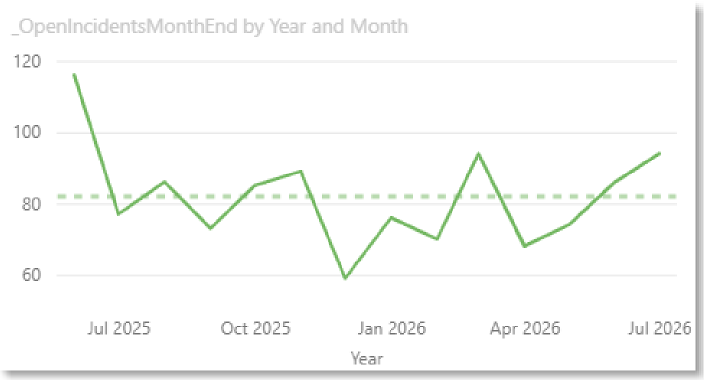
Strata monitors the performance of our service delivery on a daily basis with the results reviewed by the senior management team every week. The 3 key performance indicators we monitor are shown below. SLA performance of closing incidents within agreed resolution target, Number of incidents received on a monthly basis, and the number of incidents remaining open at the end of the month. All figures taken 2nd July 2026.



The current SLA performance over the previous rolling 3 months is over **96%**. This compares to a target performance of **90%.** Only once during the previous 12 months did the performance drop below 90% (89.5%) which was discussed with client leads of the councils and determined to be acceptable, given the amount of change occurring at the time with the roll out of telephony and EUC. It quickly returned to normal levels

The number of incidents received each month is indicative of the stability of the software and infrastructure Strata manages. Since the completion of the EUC project, the number of calls received has been consistently fewer that the number received, from an average of 775, to an average of 550, demonstrating a significant improvement.





The 3rd Key metric is the number of open incidents at the end of the month. This is again showing positive outcomes and whilst the number of incidents is slightly above the 12 month rolling average, this can be explained and is anticipated to reduce by the end of July 2026.

5 RECOMMENDATIONS

5.1 That the Joint Scrutiny Committee and Joint Executive Committee note the contents of the report.

Suzanne Edwards **Finance Lead – Commercial**	**Contact details** **E-mail: suzanne.edwards@exeter.gov.uk**
David Sercombe - Head of Applications, Development & Service	**Contact details** **E-mail: david.sercombe@strata.solutions**

BUDGET MONITORING
31 May 2026

STRATA SERVICE SOLUTIONS - REVENUE BUDGET

	REVENUE BUDGET	ACTUAL & COMMITMENTS to 31 MAY 2026	PROJECTED 2026-27 OUTTURN	OUTTURN VARIANCE TO BUDGET
	£	£	£	£
EMPLOYEES	4,017,488	583,232	3,943,996	(73,492)
SUPPLIES & SERVICES	5,073,538	2,785,448	5,061,310	(12,228)
TRANSPORT	8,673	339	8,673	0
SUPPORT SERVICES	60,000	0	60,000	0
TAX ON INTEREST	0	0	11,400	11,400
INCOME - REVENUE	(9,139,699)	(4,009,846)	(9,139,699)	0
INVESTMENT INTEREST	(20,000)	(8,975)	(60,000)	(40,000)
Net (Income)/Expense	**-**	**(649,802)**	**(114,320)**	**(114,320)**
2024-25 Profit handback - Income	**(936,000)**	**0**	**(936,000)**	**0**
2024-25 Profit handback - Exps	**936,000**	**0**	**936,000**	**0**
2024-25 Profit handback Net (Inc)/Exps	**0**	**0**	**0**	**0**

COUNCIL RECHARGE

	ACTUAL TO DATE
	£
EMPLOYEES	0
SUPPLIES & SERVICES	272,966
TRANSPORT	0
INCOME	(20,078)
TO BE RECHARGED TO COUNCILS	**252,888**

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strata

STRATA JOINT EXECUTIVE COMMITTEE
STRATA JOINT SCRUTINY COMMITTEE

DATE OF MEETING:	**22 JULY 2026** **12 AUGUST 2026**
PUBLICATION DATE:	**2 JULY 2026**
REPORT OF:	**STRATA FINANCE**
SUBJECT:	**STRATA BUDGET MONITORING OUTTURN - 2025-26**

1. PURPOSE

1.1 This report advises on the financial position of Strata at the end of 2025-26.

2. BACKGROUND

2.1 The Company has been given a total of £8.61 million to run the IT Services in 2025-26 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 Budget Monitoring to 31 March 2026

3.1 Savings as per Business Plan

The 2025-26 Business Plan set out a plan for the costs to be met by the Contract Payment and Other Income. Any savings generated during the year are to be distributed to the Councils at the year end.

The three Councils agreed for £683k of excess revenue savings from 2024-25 to be handed back to Strata in 2025-26 to fund the ongoing programme of transformation and transition to a Cloud based server solution. £537k of this additional income was not spent in 2025-26 and is included in the £936k Actual Revenue Savings. As approved in the 2026-27 Business Plan the 2025-26 savings of £936k will be handed back to Strata in 2026-27 as the transformation change programme continues and to fund the transition from onsite servers to a cloud based server solution.

3.2 Key Variations from Revenue Budget

As outlined in paragraph 3.1 Strata has delivered a revenue saving of £936,000 in 2025-26 (Appendix A) and has refunded £936,000 to the Councils at the year end. The key variations to the Budget are set out below:

Expenditure Type	Actual Over / (Underspend) £	Detail
Employees	(171,976)	• Underspend due to: – Graphics team budget moving back to EDDC – leavers not replaced or delay replacing – phased onboarding of project staff • Partially offset by redundancy costs from the ongoing reorganisation and staffing funded by 2024-25 handback income
Supplies & Services	(38,990)	• Underspend mainly due to new contract additions part way through the year which incur a part year cost compared with full year budgeted cost • Partially offset by additional local election costs not factored into Budget and transformation and transition to Cloud Server costs (funded by 2024-25 handback income)
Taxation on Interest	17,014	• Higher Corporation Tax charge due to higher interest received on cash reserves
Income - Revenue	(684,808)	• Higher income due to: – additional income from 2024-25 handed back to Strata by the Councils – higher recharges relating to local election services – CAFReady grant income awarded during the year • Partially offset by Graphics team budget handed back to EDDC
Investment Interest	(58,471)	• Interest from cash deposits higher than budgeted due to continued high Base Rate (partially offset by Corporation Tax charge)

3.3 Council Recharge Account

The Councils also request additional equipment for which they are subsequently invoiced. This account is brought to zero at the year end.

3.4 Statement of Accounts

The audited Statement of Accounts are shown at Appendix B. These Statutory Accounts show the true financial position of the Company and are affected by items not included in the management accounts such as the Pension Fund position and depreciation/amortisation. The Statutory Accounts were approved by the Board on 29 June 2026. The Audit Completion report's conclusions found:

- No evidence of fraud and management override of controls
- No evidence of fraud or material misstatement in relation to revenue recognition
- No evidence of fraud or material misstatement in relation to related party disclosures
- No deficiencies in internal controls considered to be a material weaknesses

5 RECOMMENDATIONS

5.1 That the Joint Scrutiny Committee and Joint Executive Committee note the contents of the report.

Suzanne Edwards Finance Lead – Commercial	Contact details E-mail: suzanne.edwards@exeter.gov.uk

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BUDGET MONITORING
31 March 2026

STRATA
Solutions for government

STRATA SERVICE SOLUTIONS - REVENUE BUDGET

	REVENUE BUDGET	2025-26 OUTTURN	OUTTURN VARIANCE TO BUDGET
	£	£	£
EMPLOYEES	3,965,500	3,793,523	(171,976)
SUPPLIES & SERVICES	4,749,797	4,710,807	(38,990)
TRANSPORT	7,499	8,720	1,221
SUPPORT SERVICES	60,000	60,000	0
TAX ON INTEREST	0	17,014	17,014
INCOME - REVENUE	(8,762,795)	(9,447,603)	(684,808)
INVESTMENT INTEREST	(20,000)	(78,471)	(58,471)
Net (Income)/Expense	**(0)**	**(936,011)**	**(936,011)**

COUNCIL RECHARGE

	ACTUAL TO DATE
	£
EMPLOYEES	62,065
SUPPLIES & SERVICES	1,285,611
TRANSPORT	0
INCOME	(1,347,676)
TO BE RECHARGED TO COUNCILS	**0**

Strata Service Solutions Limited

Annual Report and Financial Statements
Year Ended 31 March 2026

Registration number: 09041662

Strata Service Solutions Limited

Contents

Strata Service Solutions Limited

Company Information

Directors	Mr N A Blaney Mr A Pengelly Ms C S Stark
Registered office	Civic Centre Paris Street Exeter Devon EX1 1JN
Auditors	PKF Francis Clark Statutory Auditor Centenary House Peninsula Park Rydon Lane Exeter Devon EX2 7XE

Strata Service Solutions Limited

Strategic Report for the Year Ended 31 March 2026

The directors present their strategic report for the year ended 31 March 2026.

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.

Fair review of the business
Turnover for the year amounted to £10,551,651 (2025: £9,932,782) with a profit before taxation for the year of £241,692 (2025: £33,160). Net current assets are £1,240,310 (2025: £1,314,795) and the company has net assets totalling £940,362 (2025: net assets £773,684). The balance sheet has moved from Shareholders funds of £773,684 in 2025 to £940,362 due to an increase in the Company's pension fund liability linked to economic conditions in the year to 31 March 2026. The Directors are satisfied that the guarantee provided by the three owner Councils in respect of the Pension Fund liabilities means that the Company can continue to trade and invest in the infrastructure required to grow the Company.

Performance in the year exceeded the Business Plan expectations and resulted in £936k of funds being returned to the Owners. Efficiencies were mainly achieved through transformational initiatives, staffing restructure and renewal software contractual arrangements this amount will be reinvested in further transformation over the coming years. Over the life of the Company, it has delivered refunds to the Councils totalling £8,553 million.

Strata continually updates its performance metrics, aligning them with industry best practices. The key metrics include service requests, incident occurrences, change requests, new projects, system uptime, and outages. These refined metrics provide a clearer focus, enabling prompt adjustments if any metric deviates from the norm or exceeds expectations for a given period. The Partnership has outlined an ambitious business plan for 2026/27, aimed at transforming partner interactions with the public. This transformation is supported by the adoption of industry best practices like ITIL and a revamped project and resource management process.
In summary, the Company has surpassed financial expectations while continuing to invest in significant transformation initiatives for its owners.

Strata Service Solutions Limited

Strategic Report for the Year Ended 31 March 2026

Principal risks and uncertainties
The Company, owned by three Local Authorities, operates on fixed budgets, necessitating stringent management to achieve set objectives.
Current global economic conditions pose a risk of reduced local government grants. Technology plays a pivotal role in revamping the councils' operational models and curbing overall expenditure, which is reflected in the business plan for 2026/27, emphasizing 'investment to save' strategies.

The English Devolution White Paper (Power and Partnership: Foundations for Growth) was published on 16 December 2024. It set out the government's plans for a joint programme of devolution and local government reorganisation which could impact the ownership of the Company. The new councils to be formed following the reorganisation are scheduled to come into being in April 2028 and as such Strata will continue to operate on a business as usual basis until the impact on its ownership becomes clearer.

As the owners are Local Authorities, they are subject to political change, which can affect the Company. If political change does take place in one of the owners, there is still a requirement to give 18 months' notice after the end of the two year period prior to leaving the Company, which should allow for a full assessment of the Company moving forward. In reality, however, as the three Councils have merged the infrastructure on which they run their respective businesses, it would be financially challenging for one of the Councils to serve notice. A Council would have to put in place alternate infrastructure and compensate the other authorities for the additional costs that they would incur going forward. Further details are given in the accounting policies under Going Concern.

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

....
Mr N A Blaney
Director

Strata Service Solutions Limited

Directors' Report for the Year Ended 31 March 2026

The directors present their report and the financial statements for the year ended 31 March 2026.

Directors of the company
The directors who held office during the year were as follows:

Mr S P I Davey (ceased 16 July 2025)

Ms J J Yelland (ceased 25 April 2025)

Mr N A Blaney

Mr A Pengelly (appointed 25 April 2025)

Ms C S Stark (appointed 16 July 2025)

Disclosure of information to the auditors
Each director has taken 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 auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

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

....
Mr N A Blaney
Director

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

Independent Auditor's Report to the Members of Strata Service Solutions Limited

Opinion

We have audited the financial statements of Strata Service Solutions Limited (the 'company') for the year ended 31 March 2026, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2026 and of its profit for the year 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members of Strata Service Solutions Limited

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the company. We gained an understanding of the company and the industry in which the company operates as part of this assessment to identify the key laws and regulations affecting the company. As part of this, we reviewed the company’s website for indication of any regulations and certification in place and discussed these with the relevant individuals responsible for compliance. The key regulations we identified were health and safety regulations, breaches of The General Data Protection Regulation (“GDPR”) and achieving accreditation to the public services network. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and relevant tax legislation.

We discussed with management how the compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the company complies with laws and regulations and deals with reporting any issues if they arise. As part of our planning procedures, we assessed the risk of any non compliance with laws and regulations on the company’s ability to continue trading and the risk of material misstatement to the accounts.

We also evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements. The key incentive identified is to meet the targets set by the group and we determined that the principal risks were related to the overstatement of profit, either through overstating revenue, understating expenditure or management bias in accounting estimates.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

• Enquiries of management regarding their knowledge of any non compliance with laws and regulations that could affect the financial statements. As part of these enquiries we also discussed with management whether there have been any known instances of fraud.

• Discussed with the health and safety officer if any incidents have been reported during the year.

• Review of the GDPR policy and enquiries to management as to the occurrence and outcome of any reportable breaches.

• Reviewed the most recent certificate for accrediation to the public services network.

• Reviewed legal and professional costs to identify any possible non compliance or legal costs in respect of non compliance.

• Audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

• Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate omissions, collusion, forgery, misrepresentations, or the override of internal controls. We are also less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

....
Tom Beable (FCA) (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Centenary House
Peninsula Park
Rydon Lane
Exeter
Devon
EX2 7XE

Date:............................

Strata Service Solutions Limited

Profit and Loss Account

Year Ended 31 March 2026

	Note	2026 £	2025 £
Turnover	3	10,557,776	9,932,782
Cost of sales		(3,566,963)	(4,096,522)
Gross profit		6,990,813	5,836,260
Administrative expenses		(6,820,866)	(5,899,494)
Operating profit/(loss)	4	169,947	(63,234)
Other interest receivable and similar income		78,471	70,394
Interest receivable/(payable) and similar expenses	7	9,000	26,000
Profit before tax		257,418	33,160
Tax on profit	8	(17,014)	(15,279)
Profit for the financial year		240,404	17,881

The notes on pages 15 to 25 form an integral part of these financial statements.

Strata Service Solutions Limited

Statement of Comprehensive Income

Year Ended 31 March 2026

	Note	2026 £	2025 £
Profit for the year		240,404	17,881
Remeasurement loss on defined benefit pension schemes	14	(58,000)	(51,000)
Total comprehensive income for the year		182,404	(33,119)

The notes on pages 15 to 25 form an integral part of these financial statements.

Strata Service Solutions Limited

Balance Sheet

31 March 2026

	Note	2026 £	2025 £
Fixed assets			
Intangible assets	9	1,673,596	1,303,919
Tangible assets	10	787,711	598,521
		2,461,307	1,902,440
Current assets			
Stocks		75,112	28,810
Debtors	11	3,600,173	2,935,708
Cash at bank and in hand		1,221,943	807,713
		4,897,228	3,772,231
Creditors: Amounts falling due within one year	12	(3,656,918)	(2,457,436)
Net current assets		1,240,310	1,314,795
Total assets less current liabilities		3,701,617	3,217,235
Creditors: Amounts falling due after more than one year	12	(2,745,529)	(2,248,551)
Net assets excluding pension liability		956,088	968,684
Net pension liability	14	-	(195,000)
Net assets		956,088	773,684
Capital and reserves			
Called up share capital	15	3	3
Profit and loss account		956,085	773,681
Total equity		956,088	773,684

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

....
Mr N A Blaney
Director

Company Registration Number: 09041662

Strata Service Solutions Limited

Statement of Changes in Equity

Year Ended 31 March 2026

	Share capital £	Profit and loss account £	Total £
At 1 April 2025	3	773,681	773,684
Profit for the year	-	240,404	240,404
Other comprehensive income	-	(58,000)	(58,000)
Total comprehensive income	-	182,404	182,404
At 31 March 2026	3	956,085	956,088

	Share capital £	Profit and loss account £	Total £
At 1 April 2024	3	806,800	806,803
Profit for the year	-	17,881	17,881
Other comprehensive income	-	(51,000)	(51,000)
Total comprehensive income	-	(33,119)	(33,119)
At 31 March 2025	3	773,681	773,684

Strata Service Solutions Limited

Statement of Cash Flows

Year Ended 31 March 2026

	Note	2026 £	2025 £
Cash flows from operating activities			
Profit for the year		240,404	17,881
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	4	692,371	610,969
Finance income		(78,471)	(70,394)
Finance costs	7	(9,000)	(26,000)
Corporation tax	8	17,014	15,279
		862,318	547,735
Working capital adjustments			
Net pension movement	14	(244,000)	(19,000)
Increase in stocks		(46,302)	(3,840)
Increase in trade debtors	11	(664,465)	(43,263)
Increase/(decrease) in trade creditors	12	1,197,755	(172,783)
Increase in deferred income	12	496,978	154,059
Cash generated from operations		1,602,284	462,908
Corporation tax paid		(15,287)	(18,097)
Net cash flow from operating activities		1,586,997	444,811
Cash flows from investing activities			
Interest received		78,471	70,394
Acquisitions of tangible assets		(452,205)	(304,570)
Acquisition of intangible assets		(799,033)	(408,539)
Net cash flows from investing activities		(1,172,767)	(642,715)
Net increase/(decrease) in cash and cash equivalents		414,230	(197,904)
Cash and cash equivalents at 1 April		807,713	1,005,617
Cash and cash equivalents at 31 March		1,221,943	807,713

The notes on pages 15 to 25 form an integral part of these financial statements.

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its principal place of business and registered office is:
Civic Centre
Paris Street
Exeter
Devon
EX1 1JN

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of accounting and statement of compliance
The company's financial statements have been prepared in accordance with FRS 102 - the Financial Reporting Standard applicable in the UK and Republic of Ireland.

There are no material departures from FRS 102.

The functional currency of Strata Service Solutions Limited is considered to be pounds sterling because that is the currency of the economic environment in which the company operates.

Going concern
Each year the Company produces a Business Plan, setting out projected financial returns for the following period (latest three years) based on the agreed funding mechanism. The latest Business Plan runs to 2028-29 and projects that the costs of the business will be met by the Company's income stream in each year. This is based on known cost pressures and income increases in line with inflation.

As disclosed within the Strategic Report, the Local Authority owners are required to give 18 months' notice, in order to terminate services. At the date of approval of the financial statements, no owner had served notice.

On this basis, the directors have prepared the financial statements on a going concern basis.

Key sources of estimation uncertainty

The directors have considered the judgements and estimation uncertainties included in these financial statements and the accounting policies applied and concluded that these do not have a significant effect on the amounts recognised in the financial statements or lead to a risk of causing a material misstatement of the carrying amounts of assets and liabilities within the next financial year. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects that period only, or in the period of revision and future periods if the revision affects both current and future periods.

The items in the financial statement where these judgements and estimates have been made include:

Due to advancements in technology the estimation of the useful economic life of intangible assets, which predominately are made up of software, is deemed to be a key estimate. The carrying amount is £1,673,596 (2025 - £1,303,919).

Due to advancements in technology the estimation of the useful economic life of tangible assets, which predominately are made up of computer equipment, is deemed to be a key estimate. The carrying amount is £787,711 (2025 - £598,521).

Defined benefit pension liability - assumptions surrounding the discount rate, future salary increases, inflation and future pension increased are considered key estimates. There is also an asset ceiling in place. The carrying amount is £Nil (2025 - £(195,000)).

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of information technology services to the relevant councils. Turnover is shown net of value added tax, returns, rebates and discounts. Fees are invoiced quarterly and recognised in the period to which they relate. Revenue is accrued or deferred as appropriate.

Government grants

Government grants relating to fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the profit and loss account as the expenditure is incurred.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	**Depreciation method and rate**
Computer equipment	5 years straight line

Intangible assets

Intangible assets are stated in the balance sheet at cost, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost over their useful life as follows:

Asset class	**Amortisation method and rate**
Software	3-5 years straight line

Stocks

Stocks represent consumable stock and are carried at cost less provision for impairment.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Defined benefit pension obligation

A liability is recognised on the balance sheet in respect of defined benefit pension plans and is calculated as the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. Where the fair value of the plan assets exceeds the present value of the defined benefit obligation an assessment is made about the ability to realise pensions assets through reductions in future employer's contributions, which can result in a ceiling being placed on the value of the net asset that can be recognised. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

3 Turnover

The analysis of the company's Turnover for the year from continuing operations, all of which is attributable to the United Kingdom, is as follows:

	2026 **£**	**2025** **£**
Fee income	9,865,405	9,321,813
Grant income	692,371	610,969
	10,557,776	9,932,782

4 Operating profit/(loss)

Arrived at after charging/(crediting)

	2026 £	2025 £
Depreciation expense	263,015	199,143
Amortisation expense	429,356	411,826

5 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2026 £	2025 £
Wages and salaries	2,675,798	3,233,745
Social security costs	368,029	310,887
Pension costs, defined benefit scheme - service charge	432,000	539,000
	3,475,827	4,083,632

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

	2026 No.	2025 No.
Administration and support	76	73

6 Auditor's remuneration

	2026 £	2025 £
Audit of the financial statements	15,250	14,960

7 Interest payable and similar expenses

	2026 £	2025 £
Net finance costs in respect of defined benefit pension scheme	(9,000)	(26,000)

8 Taxation

Tax charged/(credited) in the profit and loss account

	2026 £	2025 £
Current taxation		
UK corporation tax	17,014	15,279

The tax on the profit for the year is higher than the standard rate of corporation tax in the UK (2025 - higher than the standard rate of corporation tax in the UK) of 25% (2025 - 25%).

The differences are reconciled below:

	2026 £	2025 £
Profit before tax	257,418	33,160
Corporation tax at standard rate	64,355	8,290
Impact of mutual trading status	(44,768)	9,660
Marginal relief	(2,573)	(2,671)
Total tax charge	17,014	15,279

By virtue of its members, the company has been set up as a mutual trading company and as such the tax charge for the year is only applied to its external investment income, being interest receivable, and also to consultancy fees income from non-mutual customers.

9 Intangible assets

	Software £	Total £
Cost or valuation		
At 1 April 2025	4,996,181	4,996,181
Additions	799,033	799,033
At 31 March 2026	5,795,214	5,795,214
Amortisation		
At 1 April 2025	3,692,262	3,692,262
Amortisation charge	429,356	429,356
At 31 March 2026	4,121,618	4,121,618
Carrying amount		
At 31 March 2026	1,673,596	1,673,596
At 31 March 2025	1,303,919	1,303,919

10 Tangible assets

	Computer equipment £	Total £
Cost or valuation		
At 1 April 2025	2,491,598	2,491,598
Additions	452,205	452,205
Disposals	(39,511)	(39,511)
At 31 March 2026	2,904,292	2,904,292
Depreciation		
At 1 April 2025	1,893,077	1,893,077
Charge for the year	263,015	263,015
Eliminated on disposal	(39,511)	(39,511)
At 31 March 2026	2,116,581	2,116,581
Carrying amount		
At 31 March 2026	787,711	787,711
At 31 March 2025	598,521	598,521

11 Debtors

	2026 £	2025 £
Trade debtors	116,583	159,379
Other debtors	5,757	5,757
Prepayments and accrued income	3,477,833	2,770,572
	3,600,173	2,935,708

12 Creditors

	Note	2026 £	2025 £
Due within one year			
Trade creditors		699,310	288,935
Social security and other taxes		83,331	205,495
Outstanding defined contribution pension costs		66,139	63,033
Other creditors		4,053	3,614
Accruals		2,787,040	1,881,041
Corporation tax	8	17,045	15,318
		3,656,918	2,457,436
Due after one year			
Deferred income		2,745,529	2,248,551

13 Obligations under leases and hire purchase contracts

Operating leases
The total of future minimum lease payments is as follows:

	2026 £	2025 £
Not later than one year	28,757	41,477
Later than one year and not later than five years	100,650	-
	129,407	41,477

Lease payments recognised as an expense in the year were £52,633 (2025: £72,613).

14 Pension and other schemes

Defined benefit pension schemes
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 Councils have provided guarantees to meet their share of their respective liabilities to the scheme in the event of the insolvency of the company.

The date of the most recent comprehensive actuarial valuation was 31 March 2026. 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 2029 and will set contributions for the period 1 April 2029 to 31 March 2032. 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.

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was £434,000 (2025 - £522,000).

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the balance sheet are as follows:

	2026 £	2025 £
Fair value of scheme assets	18,174,000	15,381,000
Present value of defined benefit obligation	(14,343,000)	(11,964,000)
	3,831,000	3,417,000
Other amounts recognised in the balance sheet (*)	(3,831,000)	(3,612,000)
Defined benefit pension scheme deficit	-	(195,000)

(*) The asset ceiling applied at 31 March 2026 reflects that the company's ability to realise the full economic benefits of the net pensions asset of £3,831,000 (2025: £3,417,000), calculated under the accounting standards for post-employment benefits, through reductions in future employer's contributions is limited, due to the company's LGPS funding commitments.

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2026 £
Present value at start of year	11,964,000
Current service cost	432,000
Interest cost	706,000
Benefits paid net of transfers in	(183,000)
Contributions by scheme participants	201,000
Experience loss on defined benefit obligations	1,665,000
Change in demographic assumptions	221,000
Change in financial assumptions	(663,000)
Present value at end of year	14,343,000

Fair value of scheme assets

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

	2026 £
Fair value at start of year	15,381,000
Interest income	928,000
Return on plan assets, excluding amounts included in interest income/(expense)	591,000
Actuarial gains and losses	580,000
Employer contributions	687,000
Contributions by scheme participants	201,000
Benefits paid	(183,000)
Administrative expenses	(11,000)
Fair value at end of year	18,174,000

Analysis of assets

The major categories of scheme assets are as follows:

	2026 £	2025 £
Cash and cash equivalents	441,000	397,000
Equity instruments	11,256,000	10,064,000
Debt instruments	4,130,000	3,640,000
Property	1,338,000	1,279,000
Other assets	1,009,000	1,000
	18,174,000	15,381,000

Return on scheme assets

	2026 £	2025 £
Return on scheme assets	591,000	537,000

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.

Principal actuarial assumptions

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

	2026 %	2025 %
Discount rate	6.20	5.90
Future salary increases	3.90	3.85
Future pension increases	2.90	2.85
Inflation	3.25	3.10

Post retirement mortality assumptions

	2026 Years	2025 Years
Current UK pensioners at retirement age - male	22.00	21.00
Current UK pensioners at retirement age - female	24.00	23.00
Future UK pensioners at retirement age - male	23.00	23.00
Future UK pensioners at retirement age - female	26.00	24.00

15 Share capital

Allotted, called up and fully paid shares

	2026		2025	
	No.	£	No.	£
Ordinary shares of £1 each	3	3	3	3

16 Commitments

Other financial commitments
The Company entered into one commitment at the year end relating to the Finance Convergence project.
The total amount contracted for but not provided in the financial statements was £168,214 (2025 - £180,935).

17 Related party transactions

Key management personnel

The directors are not remunerated from this company, other key management remuneration is as follows:

Key management compensation

	2026 £	2025 £
Salaries and other short term employee benefits	119,298	113,857
Post-employment benefits	20,147	19,523
	139,445	133,380

Summary of transactions with other related parties
Entities with joint control over the company
The company recognised turnover of £10,557,760 (2025: £9,929,867) to the Councils which jointly control it. At the year end £116,583 (2025: £159,379) was owed to the company by the Councils.

Entities under common control:
During the year an entity under common control received services from the company to the value of £nil (2025: £1,268). At the year end £nil (2025: £nil) was owed to the company by the company under common control.

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