

STRATA JOINT EXECUTIVE COMMITTEE

STRATA JOINT SCRUTINY COMMITTEE

DATE OF MEETING: **28 JANUARY 2026**
11 FEBRUARY 2026

PUBLICATION DATE: **7 JANUARY 2026**

REPORT OF: **STRATA FINANCE**

SUBJECT: **STRATA BUDGET MONITORING AND OPERATIONAL PERFORMANCE – NOVEMBER 2025-26**

1. PURPOSE

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

2. BACKGROUND

2.1 The Company has been given a total of £8.72 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 30 November 2025

3.1 Business Plan Budget

The 2025-26 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 an additional surplus in 2025-26 (Appendix A). The key variations are set out below:

Expenditure Type	Projected Over / (Underspend) £	Detail
Employees	(125,144)	<ul style="list-style-type: none"> Underspend projected due to Graphics team budget moving back to EDDC and phased onboarding of project staff for new posts created by the reorganisation, partially offset by redundancy costs from the reorganisation
Supplies & Services	(189,472)	<ul style="list-style-type: none"> Overall underspend mainly driven by 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 postage costs not factored into Budget (postage costs offset by additional recharge income) and Graphics budget moving back to EDDC
Taxation on Interest	13,191	<ul style="list-style-type: none"> Higher taxation due to higher interest received on cash reserves
Income - Revenue	51,551	<ul style="list-style-type: none"> Adverse to Budget due to removal of EDDC Graphics team budget partially offset by additional postage recharges from local elections not factored into Budget
Investment interest	(49,590)	<ul style="list-style-type: none"> Interest from cash deposits higher due to continued high Base Rate (partially offset by Corporation Tax charge)

The additional surplus has been accrued and planned to be allocated to fund the move to Cloud servers as set out in the Business Plan 2026-27.

As in the previous three financial years, in order to support Strata through its transformation program £683k of additional savings from the financial year 2024-25 were returned to Strata to fund the transition from onsite servers to a cloud based server solution that has commenced in 2025-26. Of the £683k additional savings received in 2025-26 £301k is projected to be spent by the year end.

The remaining £382k has been allocated to fund the move to Cloud servers in the Business Plan 2026-27.

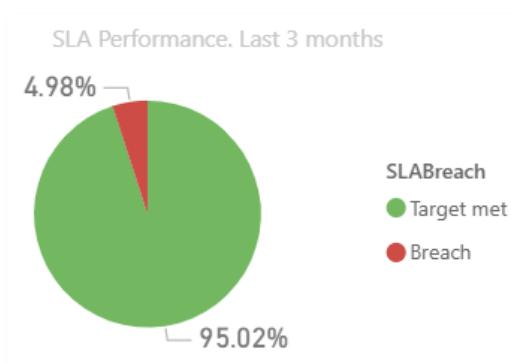
3.3 Council Recharge Account

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

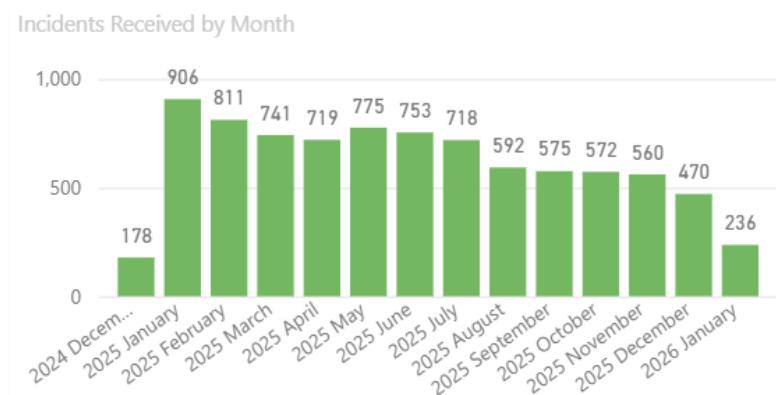
4.1 Summary

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.



The current SLA performance over the previous rolling 3 months is **95%**. This compares to a target performance of **85%**. 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 than 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 with the number of open incidents being below the 12 month average for the last 5 months of the year.

5 RECOMMENDATIONS

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

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