

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.

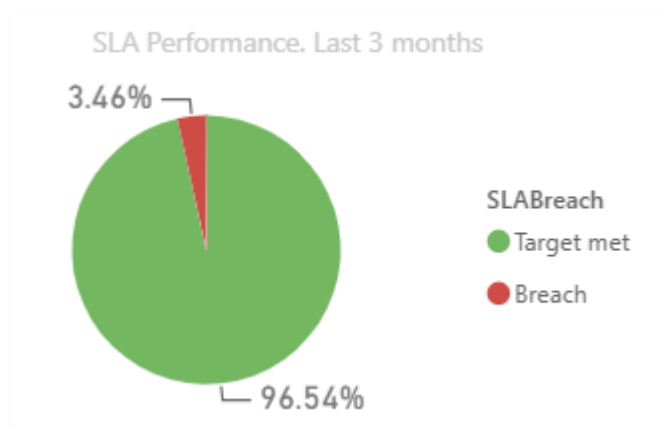
3.3 Council Recharge Account

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

OPERATIONAL PERFORMANCE

4.1 Summary

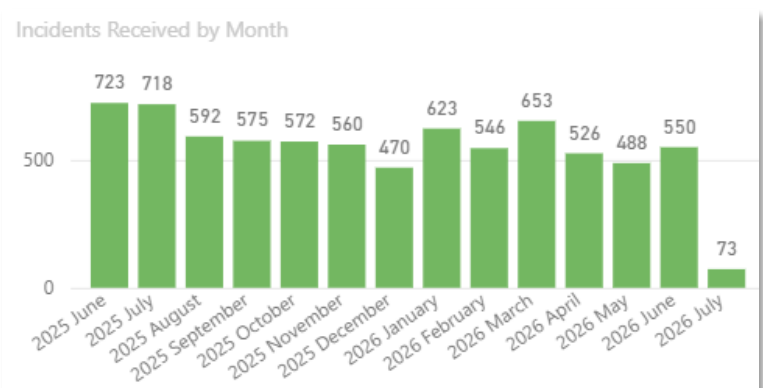
Strata monitors the performance of our service delivery on a daily basis with the results reviewed by the senior management team every week. The 3 key performance indicators we monitor are shown below. SLA performance of closing incidents within agreed resolution target, Number of incidents received 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 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 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.

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