

BUSINESS PLAN

2025/26

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1. FOREWORD BY THE CHAIR AND CEO

This plan marks the start of Delt's second decade which in itself is a remarkable achievement.

There are very few cross-sector shared services, fewer still that have made it to 10 years of operations with the partners still wanting to collaborate, and none that have grown by nearly 300% in the same timeframe. Our business plan doesn't look to the past, but how we can continue to improve and develop in the future. We want to become the **partner of choice for public sector** support services in the South West and an employer of choice of those who want to work in public service.

We do this not for fame or fortune, but because there is nothing better than helping other people do amazing things.

We have built this plan by carefully listening to our staff and partners and incorporating their viewpoints and how we can address them. As such, it is the product of many different people and at times you may hear different voices - this is a deliberate attempt to keep the many contributions to the plan authentic.



Giles Letheren,
Chief Executive Officer,
Delt Shared Services Ltd.



Mark Greaves,
Non-Executive Chairman,
Delt Shared Services Ltd.

2. STRATEGY ON A PAGE

HELPING PEOPLE DO AMAZING THINGS

2025 2026

OUR BUSINESS PRIORITIES FOR 2025/26

- Focus on IT through service stability.
- Successfully onboarding North Somerset Council.
- Deepening connections with partners and customers to cultivate trust, better understand organisational requirements and challenges and fostering innovation.
- Measure the right things in respect of our partners and customers' satisfaction and performance management.
- Exploring opportunities to continue our growth.
- Improving internal and external communications.

OUR COMMUNICATIONS

- Delt are 'Your Kind Of People'.
- Our staff are our greatest asset.
- We are in it for the long haul and like all relationships, it's about give and take. It works best as a partnership.
- We are adaptive, integrated, distinct, trusted and progressive.

OUR WORKFORCE

- Review internal processes to lead on innovation where possible.
- Mobilising our people to collaborate and break down silos.
- Commitment to a safe, healthy and happy work environment.
- Making a positive difference in our communities, not just our workplaces.
- Promoting a healthy culture to enable individuals to improve their own resilience.

OUR OBJECTIVES

- To create a platform for sustainable economic **growth**.
- To enable closer **collaborative working** between our customers.
- To improve the **value for money** of all Delt services year on year.
- To **reduce risk** for our customers.
- To actively promote the **health and wellbeing** of both our staff and our customers.
- To help our customers **innovate** and **transform**.

OUR VALUES

- We have **integrity** and **transparency**.
- We **develop** and **empower** our people.
- We **strive** to be the **best** at what we do.
- We believe in **partnership** and **collaboration**.
- We value both **innovation** and **creativity**.

WHAT WE DO

Technology enabled business support services, delivered in the public interest.



IT Consultancy



Cyber Security



Print and Mail



Facilities Management



Training and Education



Payroll and Pensions



HR / OD Advisory

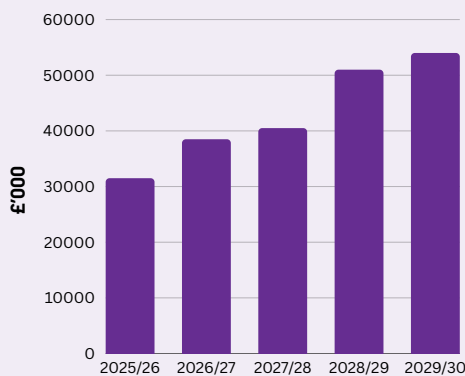


Procurement and Finance

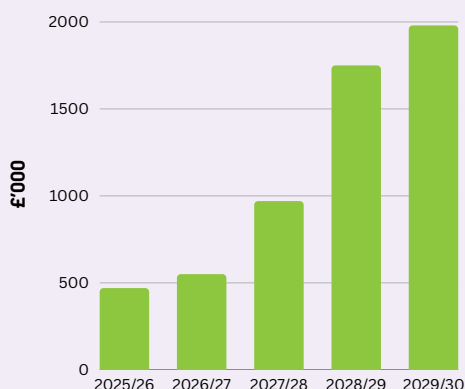


Fleet

Financials



Turnover - with growth



Surplus - with growth

3. EXECUTIVE SUMMARY

In summary, this plan sets out how we will ensure a period of stability for our existing partners, successfully onboard North Somerset Council and then explore ways to both help our clients collaborate and innovate and grow into new services and customers.

The plan reflects the consolidated activities of Delt Shared Services Ltd and Delt Trading Ltd.

LIVING OUR PROMISES

This plan demonstrates how we will deliver on our objectives as follows:

- **Creating a platform for sustainable economic growth** is reflected throughout this plan, recognising that sustainable growth is not just about generating revenue but **developing our people**, our technology, our marketplace and our relationships, whilst taking due care of our communities and our planet.
- **Enabling closer collaborative working between our partners** will be key in helping our customers and is addressed in sections 5 and 6.
- **Improving the value for money of all Delt services year on year** is a key enabler of investment into innovation and funding dividends for our shareholders as covered in sections 5, 6, 8, 9 and 10.
- **Reducing risk for our customers** both through cyber protection and standardisation of systems as explained in sections 5, 6 and 7.

- **Actively promoting the health and wellbeing of both our staff and our partners** is covered in section 8 with our ability to influence stress levels recognised in section 7.
- **Helping our customers innovate and transform** is again noted extensively in section 5 and sections 7 and 11, where the need to make a targeted investment in building more time for innovation is reflected.

And we will deliver on these objectives with:

- INTEGRITY AND TRANSPARENCY
- AS WE DEVELOP AND EMPOWER OUR PEOPLE
- STRIVE TO BE THE BEST AT WHAT WE DO
- BELIEVING IN PARTNERSHIP AND COLLABORATION
- AND VALUING INNOVATION AND CREATIVITY

Where our values are referenced in the plan they have been identified in bold blue text.

2025/2026 BUSINESS PRIORITIES

Translating the above objectives and values, our focus over the next 12 months will be as below:

FOCUS ON IT THROUGH SERVICE STABILITY

Our short-term focus is on ensuring service stability for the Plymouth City Council (PCC) and Devon Integrated Care Board (ICB) IT service after technology changes made over the last year. We recognise the importance of both cyber security and AI to our IT service – however, alongside delivering change and innovation we need to ensure system stability and continuous service improvement.

SUCCESSFULLY ONBOARDING NORTH SOMERSET COUNCIL

We will ensure that this transfer learns lessons of previous undertaking and delivers service improvements to our new partner.

DEEPENING CONNECTIONS WITH PARTNERS AND CUSTOMERS TO CULTIVATE TRUST, BETTER UNDERSTAND ORGANISATIONAL REQUIREMENTS AND CHALLENGES AND FOSTERING INNOVATION.

We will deepen the trusted relationships we have with our partners and make sure we understand what is important to them, and tailor our services appropriately.

MEASURE THE RIGHT THINGS IN RESPECT OF OUR PARTNERS AND CUSTOMERS' SATISFACTION AND PERFORMANCE MANAGEMENT.

We will adapt our service level agreements (SLAs) to cover not only technical performance measures but also how we meet our customers' expectations.

REVIEW INTERNAL PROCESSES TO LEAD ON INNOVATION WHERE POSSIBLE

We will better enable internal innovation and collaboration between our teams.

EXPLORING OPPORTUNITIES TO CONTINUE OUR GROWTH

We will grow in ways that benefit both our shareholders and society and the plan explores several of these potential new opportunities. Both Local Government reorganisation and consolidation in the NHS are likely to significantly change the environment in which we operate over the next decade and our ability to bring partnership and collaboration to the table will be key to enabling Delt to thrive.

MOBILISING OUR PEOPLE TO COLLABORATE AND BREAK DOWN SILOS

We will continue to develop our successful and unique culture and be seen as a public sector employer of choice.

IMPROVING BOTH INTERNAL AND EXTERNAL COMMUNICATIONS.

We have developed a new communications strategy that will help us to better understand and engage with our partners and customers.



FOCUS ON PARTNERS

We have worked with our shareholding customers (through presentations, survey feedback and focus groups) to understand their short-term and medium-term priorities. In this section we address how we will address these objectives.

ALL PARTNERS

SYSTEMS STABILITY

For all our partners, we recognise the impact of the recent disruption caused by the move of the Plymouth based data centres and network supplier changes. Restoring confidence through stability is therefore critical and more important than undertaking other changes in the short term. Whilst there is **a strong desire to further simplify and improve** the current infrastructure, this is not without risk of service disruption. For the first six months of 25/26, we will prioritise stability over infrastructure service improvement.

CYBER SECURITY

Recognising that all of our partners are frequently targeted by cyber criminals, there is a need to ensure that there is no long-term absence of either systems or data. With the threat continually evolving, the requirements in the short term are:

- Improve asset management and user access controls;
- Complete our partners' requirements under the Cyber Assessment Framework (CAF);
- Further adopt artificial intelligence (AI) and automation to support the prompt patching of all systems; and
- Continue to meet our requirements under the Data Security and Protection Toolkit and develop compliance against the CAF alongside our Cyber Essentials+ certification.

NORTH SOMERSET OPPORTUNITY

There is a strong desire from the existing shareholders to maximise the opportunities

presented by another shareholder joining Delt, whilst ensuring that the IT base remains stable. We will use lessons learnt from the previous onboarding of Devon Partnership Trust (DPT), as well as cooperation with the current North Somerset Council (NSC) IT provider, to minimise the operational risks of the transfer. We will then exploit relevant additional growth opportunities.

INNOVATION

We will help our partners innovate, mainly through gaining a better understanding of their systems and operational requirements, and then helping them **share innovations** or **working with their internal resources or external agencies** to assist in transformation exercises. This will position Delt as a facilitator for **collaboration** and **"doing things once" approach**.

Large scale systems investments are increasingly unaffordable and do not always produce the expected result so there is a desire to adopt a test, learn and grow approach, with procurements for new systems looking to start small and prove value before scaling at pace. Further adoption of Software as a Service is expected to help this approach.

The challenge of joining up and cleaning existing data to enable use of AI is recognised as is the need for investment in adequate test environments for core systems.

More detail on our approach to the above is contained in Section 6.

PLYMOUTH CITY COUNCIL

The other priorities for PCC will focus us on:

THE PIVOT TO PREVENTION

PCC are moving to a strategy of prevention by identifying and mitigating potentially high-cost future interventions early. For example, rather than solving a sudden homelessness problem, it is much better to intervene early and avoid the homelessness happening at all. AI and other digital technologies have created a wide range of new capabilities to address problems with the existing service delivery approach and are key to delivering on the prevention agenda. In the short term, we will enable the support of external specialists to support this pivot and, in the medium to long term, will need to **reskill elements of our workforce** to support, maintain and further develop these technologies.

ONBOARD OTHER SERVICES

Delt provides a number of capabilities to customers that are not currently consumed by Shareholders. The opportunity for Delt to manage additional back-office services on behalf of both Shareholders remains an area of opportunity, and one that Delt would welcome. This ambition need not be limited by existing services but could, as would be the case with the North Somerset Contact Centre opportunity, look to add value to services new to Delt.

Finally, we have feedback from focus groups that suggests we need to deliver services that are **more agile** when dealing with complex change and provide **more consistent** support when dealing with things that go wrong. This will be addressed through the increased standardisation and simplification referenced in section 7 of this plan and through the increased use of AI support and automation within our Service Desk function referenced in section 8.



DEVON NHS INTEGRATED CARE BOARD

The other priority from NHS Devon (including ICB, Primary Care and Devon Partnership Trust) will focus us on NHS Integration. There is a need to rapidly complete the work that enables Devon ICB to gain the full benefits of the national Microsoft Agreement and shared NHS tenant, which enables seamless **collaboration** with the much of the rest of the NHS.

Whilst we treat Devon NHS as a single system, that system is made up of multiple legal entities. Work undertaken for Devon Partnership NHS Trust, who as an individual entity are not a shareholder in Delt, will be transacted through Delt Trading Ltd to maintain non shareholder revenue's in Delt Shared Services below the Teckal threshold.

NORTH SOMERSET COUNCIL

After the unanimous Council approval of the resolution that “NSC joins Delt Shared Services as a shareholder, with the aim of Delt then providing IT and related services”, **this plan treats NSC as a partner**. The Support Services Agreement is expected to be signed in April 2025 with a service transfer date of the 1st October 2025.

The rationale outlined by NSC for wanting to join Delt is set out below, together with a brief note of how we intend to deliver:

- **Maximise collaboration and opportunities to share with other public sector partners.**

This will form part of our work to better understand our partners and share best practice or help in their innovation journey.

- **Improve staff satisfaction and IT provider reputation.**

Delt has always had a focus on staff, and we will ensure that the pro-active and cohesive current culture is maintained and evolved to welcome new colleagues.

We continue to improve relevant SLA levels but also ensure we are measuring those things that truly reflect the customer experience. This is reflected in one of our 25/26 priorities.

- **Retain public money within public sector**

All surpluses remain ultimately owned by our public sector shareholders and can be distributed through dividend or reinvested, as appropriate.

- **Deliver service improvements and support big innovations**

The initial plan is for the service transfer to be largely transparent to the user but the introduction of concepts like first time fix rate should quickly become apparent in increased satisfaction.

The biggest **anticipated area of innovation** is in Customer Contact Centre where the application of AI is expected to deliver better service at a lower cost.

- **Public sector security ethos**

Cyber protection as well as suitable disaster recovery planning has always been a core of our services and the decision of NSC to adopt our 24/7 proactive cyber monitoring provides an entirely new layer of protection.

- **Influence and flexibility**

We truly see our shareholders as **partners** and will continue to foster this **collaborative relationship** on a fundamental level. Our board includes representatives from each shareholder and our communications strategy will also ensure feedback from all customers is regularly monitored rather than simply relying on blunt SLA measurements.

- **Political appetite for in-source**

We will continue to promote our status as **true public sector partners** and differentiate ourselves from an outsourcing provider.

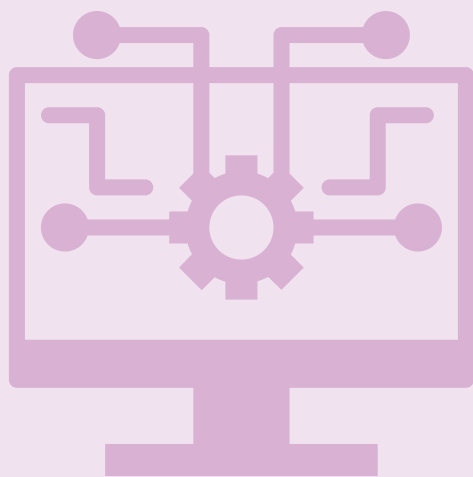
For the 2025/26 financial year, the key success factors for North Somerset will be the seamless and timely transition of services by 1st October 2025 within the agreed cost envelope. In addition, we will start to investigate certain specific growth opportunities that are presented by this new shareholder as per section 9. Prior to October 1st 2025, work for NSC will be transacted through Delt Trading Limited to maintain non shareholder revenue's in Delt Shared Services below the Teckal threshold.

IT DEVELOPMENTS AND TECHNOLOGY ADVANCES

As a Shared Service Provider, we look at IT and technology through two lenses at Delt.

- 1 Firstly, we consider the IT and technology that we support for our customers and how it helps them deliver their digital and business strategies. Our role is **to support our customers in becoming 'transformation ready'** by ensuring the IT Infrastructure and applications we support are up to date and resilient, along with being simple and quick to change.

It is vital that we also understand the context of this technology in our customers' environments. By becoming **closer to our customers**, we can build well-defined links between their operations, the services that they deliver and how they deliver them, along with the way in which technology underpins their delivery. In doing so, we can ensure that Delt are ready to support our customers' service delivery transformation, shifting from a reactive to a proactive, preventative state which is fit for the current landscape within which they operate.



- 2 Then we also see the role that IT and technology play in underpinning all Delt's services and how it supports the delivery of our objectives. It is evident that the pace of technological change continues to be rapid. Developments in the capabilities offered by AI, Cloud and Data pose opportunities and threats to Delt and its customers in equal measures.

As a shared service provider, part of Delt's value proposition is to drive the standardisation and simplification of the processes used by our people to deliver against our objectives. Given Delt's broader context, it is imperative that we adopt these technologies at pace, albeit in a focused way, **to create and maintain differentiation** against both in-house teams and other shared service providers.

It is important to recognise driving adoption of these technologies will deliver benefit but also change. To adapt to delivering service in this way, our focus will change: our services will be delivered differently and our customers will need to adapt, at times, to engaging with technology rather than people. Our workforce will need to **develop skills** in new areas and our culture must mature to being service and data focused, whilst ensuring that we keep the balance of what makes Delt, Delt.

By adopting technology in this way, it is likely that Delt may support more customers without becoming larger in terms of its workforce.

ARTIFICIAL INTELLIGENCE AND DATA

The capabilities afforded by AI will enable us to change how we deliver service in terms of:

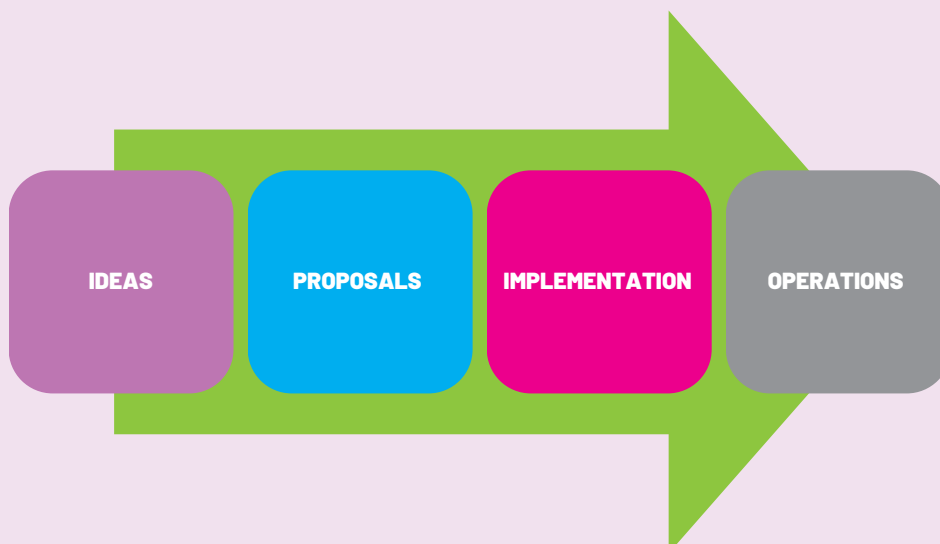
- A** How we engage with our customers;
- B** How we **make our people more productive and better informed**; and
- C** How we proactively manage and operate the environments which we support.

As we build on our current adoption of Cloud technologies, we expect to move more of our infrastructure to Cloud, particularly that which we use to manage our customers environments. In doing so this allows us far greater agility and scalability to drive economies and improved service to our existing customers and to be well placed to move rapidly to take on further growth as opportunities develop.

Lastly by taking advantage of the capabilities offered within the Data arena, along with overlaying both Cloud and AI capabilities, we gain the opportunity to get far better insights from our data. Making this available to our Service teams enables improved decision making and the ability to proactively take action to improve service quality and value. The opportunity to become a more data centric business is one that may well prove pivotal to our future success. To enable us to act quickly on these opportunities, it is critical that we continue and complete the work being undertaken to standardise and simplify our operational processes and the management tooling which we employ to deliver service. Without this being in place, the cost and risk of overlaying capabilities such as AI into our environment is unacceptable as it elevates the likelihood of operational disruption and cost over runs due to the increased level of complexity.

COLLABORATION

Our existing shareholders have said they want to see us generate more ideas around **sharing**, especially the sharing of new technology, across the public sector. Recognising that we do not anticipate becoming a transformation consultancy, we expect to add value at the two ends of the transformation continuum in idea generation and operations, supporting other more specialist organisations in the middle phases.



OPERATIONS

INFORMATION TECHNOLOGY

LEARNING

The way in which Delt delivers IT services has continued to change and evolve as we mature as a shared service provider. As we transition NSC into Delt, we must continue to evolve how we operate to ensure we stay efficient, effective and future proofed. As part of the planning for transition, we have identified further changes that we wish to make that enhance the move towards a service-oriented operating model. An operating model is broader than just restructuring, so the plan will reflect this and will also address cultural and behavioural changes needed to align to our strategy.

Acting on the feedback from our customers, we are responding to the continued priority of advising and leading initiatives to keep our customers technology current and innovative as well as an ongoing focus on cyber security which continues to be a priority for Delt. Building the capacity within Delt to deliver against this at the scale and pace demanded by our customers has been challenging during 2024. As such we are making investments to improve how we work and how we deliver service, which includes standardising and simplifying our infrastructure and adopting Cloud native technologies that bring us the scalability and agility our customers need.

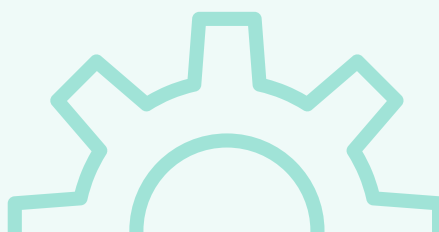
OPTIMISING

Standardising policies, processes, and architectures within Delt is key to driving efficiency, reducing complexity, and ensuring consistency across customers and service lines. A unified approach to how we deliver service enables optimised operations, faster issue resolution, and simplified compliance with regulatory and security requirements. Standardisation also enhances scalability, making it easier to onboard new customers while maintaining service quality.

However, we must avoid 'everything the same' shared services dogma and instead adopt a pragmatic approach, applying standards as a direction of travel rather than through enforcing rigid compliance.

Simplification complements standardisation by reducing complexity across technology, processes, and service delivery. By consolidating duplicated systems, automating routine tasks, and streamlining governance, Delt can enhance service reliability, lower operational costs, and improve agility. Additionally, by eliminating technical debt and unnecessary variation Delt can accelerate problem resolution and makes scaling services into new customers easier. This approach ensures that Delt delivers consistent, high-quality services while minimising risk and overhead. A focus on simplification allows for greater adaptability in a rapidly evolving IT landscape, ultimately benefiting both customers and Delt's internal teams.

Transitioning to cloud-native, multi-tenanted management tools will provide us significant advantages in efficiency, scalability, and cost-effectiveness. Taking a centralised, standardised approach to monitoring, automation, and security, enables consistent service delivery while delivering better value for money. By doing this we will ensure our customers benefit from improved reliability, faster response times, and **access to the latest innovations**, as many vendors prioritise feature development on their SaaS (Software as a Service) platforms. This shift also strengthens Delt's ability to onboard new customers quickly at a competitive price point.



INFORMATION TECHNOLOGY CONT.

SECURING

As the cyber security threat landscape continues to evolve, we remain committed to collaborating with our customers and partners to mitigate risks and minimise the impact of potential attacks. Our approach integrates advanced technology, skilled people and robust processes. We will prioritise cyber readiness by leveraging innovative technologies, such as AI for threat detection and response, and conducting regular tests to ensure our procedures remain current and effective.

STABILISING

Finally, we must recognise that during 2024 and early 2025 there have been several IT outages as a result of our data centre project. Primarily these were caused specific technical challenges, such as a 3rd party software bug, but the issues faced were compounded by the level of complexity in the existing shared platform. Whilst our partners and customers have been patient, there has been an understandable impact. With a heavy reliance on the technology services we provide, this sort of disruption can add considerable stress to already busy people and we need to take all reasonable measures to avoid this.

Since completion of the last complex IT change on the 12th of January 2025, there has been a continued period of stability. It is expected that the project will complete at the end of March 2025 and at that point that the long period of instability will be behind us. Whilst there is a level of confidence within Delt in relation to this, there is still work required post March 2025 to solidify this position in terms of further simplification.

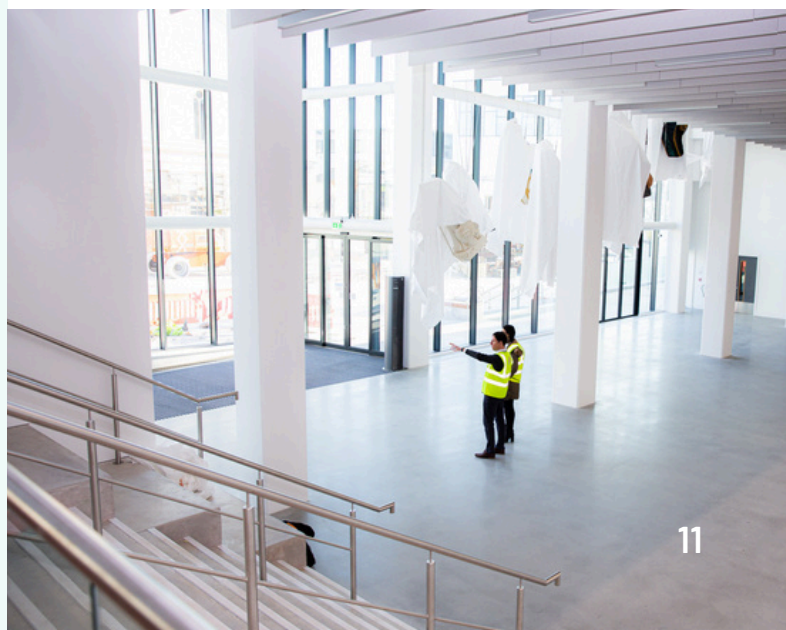
These activities will be pivotal to delivering long-term reliability that our customers expect, as their reliance on digital and the underpinning infrastructure continues to increase.

PROJECT MANAGEMENT OFFICE

Delt's Project Management Office (PMO) is a key enabler for delivering effective and efficient business change and transformation for our customers. It primarily delivers IT Projects, but the team have experience across a wide variety of industries.

The PMO has well established processes and toolsets that enable robust delivery governance. With a culture of continuous improvement, these systems will develop further to ensure that the Framework continues to align with industry best practice. AI will provide opportunities to improve project planning and execution, and reduce the effort needed to produce proposals. This will reduce overhead and enable the team to increase their focus on delivery activities.

Customer satisfaction has improved significantly over the past year as a consequence of increased collaboration between customer teams and the Project Managers aligned to them. Over the coming year, PMO will work alongside Delt's technical teams and customers to identify projects earlier and enable a more effective scheduling and resourcing process. As with other services, we need to validate that the customer satisfaction measures we have in place are properly reflective of the end user experience.



PAYROLL

During 2024 there has been significant investment in a new Human Capital Management and Payroll system which is going live summer 2025. For Delt and PCC this will be a fully integrated HCM (Human Capital Management) solution introducing greater efficiencies across the employee management lifecycle.

Immediate benefits will be seen in PCC as many of the current HR process will be through the single platform, **reducing the cost and simplifying** our application estate. For instance, the introduction of an integrated Recruitment and Onboarding module

will improve the candidate experience and allow for seamless processing between HR and Payroll teams in different organisations, reducing the risk of error or data loss and increasing the speed of onboarding new employees.

The new solution introduces automation into our Payroll Bureau services and allows for adoption of additional core HR functions by these customers, backed by a team of skilled HR and Payroll System professionals.

PROCUREMENT

Delt's Procurement Team is **continuously developing its skills** to stay aligned with evolving Public Sector Procurement legislation and principles. The team has a solid foundation of expertise, supported by qualifications from the Chartered Institute of Procurement Professionals.

Delt is committed to five key Public Sector Procurement principles: **Transparency and Fairness**; Value for Money; Competition; Non-Discrimination; and Accountability & Integrity. With third parties contributing significantly to Delt's turnover, our ability to influence the market plays a key role in achieving our objectives. Ensuring compliance with legislation, while embedding these principles within our procurement processes, remains at the heart of our approach.

Our category management approach encourages deeper expertise and stronger supplier relationships, fostering long-term **partnerships** across the supply chain.

Delt recognises its **responsibility within a sustainable ecosystem**. We place equal importance on sustainability and procurement, encouraging our customers to do the same, ensuring **a balance between People, Planet, and Profit**. Since publishing our Modern Slavery Statement in 2018, we have continued to **support ethical practices** throughout our supply chain.

The future brings developments in cloud solutions, AI, economic structures, cyber security, and environmental challenges. Delt's Procurement Team is dedicated to providing stability, guidance, and expertise to navigate these changes. By collaborating closely with stakeholders, customers, and staff, we ensure our procurement strategies remain adaptable and resilient, reinforcing our commitment to responsible procurement, sustainability, and **innovation**.



PRINT AND MAIL

The Print and Mail service to its current customer base has a steady performance, with a significant focus on delivering quality output quickly at an affordable price. The USP of the service is **quick turnaround with an agile approach** to delivering the right products.

In a move to improve our carbon footprint we are working with our supply chain to introduce inline

digitisation into the print channel, effectively capturing traditional print and sending it via email to those customers who request this option.

Digitisation would reduce both emissions and cost and would transform how our customers communicate with their service users.

OTHER SERVICES

FACILITIES MANAGEMENT/ESTATES

Delt provides a full facilities, estate management and catering service. The service manages regulatory compliance in a complex estate, delivers repairs, maintenance, cleaning and caretaking services.

There are conversations underway with North Somerset Council about how we could support their Facilities Management service from 2026 as well as less advanced conversations with a Plymouth based charity who have a significant estates requirement.

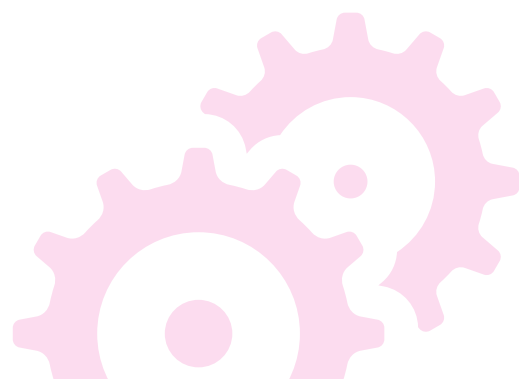
FINANCE

Delt provides a full finance service that incorporates all transaction processing through to the production of Management Accounts and supporting both internal and external audits. The finance team also support internal departments to ensure accurate and timely information for internal and external project finances and to ensure service owners have a thorough understanding of their budgets, financial performance and resource utilisation.

HR & ORGANISATIONAL DEVELOPMENT (OD)

Delt provides a full HR service including all transactional, operational and strategic activities to support the complete employee life cycle. This also covers developing and delivering people activities that help to create an organisational design combined with engaged and productive employees who are resilient and prepared the growth of the organisation.

We deliver a range of robust workforce management strategies including health & well-being, **learning and development**, succession planning, reward and recognition and performance management.



PEOPLE AND CULTURE

For Delt to continue to grow, it is imperative that our business and our people are agile and resilient in response to a changing market and economic challenges for both our current and future customers. We need to continually evolve our culture so our people are healthy, engaged and adaptable to continue making a significant impact to our organisation, our shareholders and our community; meeting the objectives in our people plan is critical.

Our strategic workforce planning (SWFP) process provides a framework for informed decisions in line with Delt's values, strategic plan, budgetary resources and workforce trends. This ongoing workstream is incorporated into our business planning process to ensure we are transforming the way we work both operationally and for our employees.

KEY PRIORITIES FOR PEOPLE AND CULTURE IN 2025 AND BEYOND

Evolving our culture to prepare for growth and longevity of the organisation requires us to be seen as an employer of choice within the public sector. This will entail:

- Continuing to embed Delt's values with a focus on **collaboration**, communication and customer-centricity through a participatory approach.
- Equipping leaders to break down silos and improve cross-departmental **collaboration**, whilst also assessing, developing and rewarding employees on behaviours that reinforce all the attributes of **collaboration**.

- Organisational redesign to prepare and accommodate for **technological innovation**, AI and enhanced IT service designs. This includes understanding how AI and automation will impact the capabilities and capacity of our workforce to enhance the productivity and effectiveness to deliver our services.
- We do not believe in bringing back employees to work in the office for the "sake of being in the office". We will continue to promote a hybrid working environment that balances the needs of our employees and the business with a focus on increasing the recruitment and retention of employees who are happy, healthy and thriving.
- Ongoing commitment to create a safe and healthy environment for staff; in doing so increasing productivity, reducing absenteeism, enhancing employee morale, attracting and retaining high-quality employees and creating a great place to work. This is demonstrated by accreditations as Very Good to Work for **Best Companies** and a Most Loved Workplace by the **Best Practice Institute**.
- Digitising people processes through the implementation of a new integrated HR System; enabling an enhanced employee experience that provides access to people activities and processes anytime and anywhere.
- Aligning our people and culture priorities with the communication strategy to create a single point of truth for all stakeholders.

MARKETPLACE AND GROWTH REVIEW BY CUSTOMER

COUNCILS: LOCAL GOVERNMENT REORGANISATION (LGR)

There is currently no clear picture about how the recently announced local government reorganisation will impact Devon, with only the certainty that it will not look like it does now. This presents both risk and opportunity to Delt.

Looking at other local government consolidations, it is likely that any sort of merger will see the majority of support services ultimately lead by whichever organisation is currently the biggest. Devon County, Torbay and Exeter City councils have all declared aspirations to grow bigger. Plymouth City Council also has aspirations to grow beyond its current boundaries and for the purposes of planning we are assuming that this is a likely outcome of LGR, with an increase in size of between 10 and 20% over three years. The opportunity to support newly enlarged organisations, in partnership with the Delt shareholders, is a potential positive outcome of Local Government Reorganisation.

In addition to the restructuring of existing organisations, there is also the possibility of the creation of a new regional Strategic Authority. As any Strategic Authority would be a new organisation without existing support service provision, this provides the best opportunity for Delt to win new business (noting that we will already be the IT supplier to the West of England Mayoral Combined Authority).

NHS SHARED SERVICES

Although a system move towards shared back-office services across Devon healthcare predates Delt, there is a renewed focus emerging in 25/26 with cross provider agreements and short-term

timetables for the transfer for finance and procurement operations.

Significant effort was expended in 23/24 looking at IT infrastructure consolidation, although this was delayed due to an agreement on moving to a single Electronic Patient Record (EPR) system for acute care. This means that any further moves to consolidate IT delivery are unlikely to move forward for at least three years while the EPR projects are completed. However, this shared software and unified operating approach will then facilitate unification of systems.

From a Delt perspective this provides both a medium-term opportunity and threat. The opportunity is that an NHS (part owned) shared service already exists in Delt. On IT alone, Delt is more than twice the size of the individual IT departments likely to be in scope of consolidation, which should make Delt the natural home for such a consolidation.

The threat was evidenced in late 2024 when for a brief period, the ICB contemplated the setup of a new shared IT service that was entirely NHS owned. This was proposed not because Delt was not operationally capable, but to achieve buy-in from the existing service providers, who are resistant to any change, but most resistant to a change that involves Delt, who they do not see as part of the NHS system.

To best support decision makers when the time comes, our approach should continue to **demonstrate performance outcomes that provide the best value for money for the region**, whilst providing assurance that our values are absolutely aligned with the public sector - we should be seen as the public sector back-office provider of choice.

REVIEW BY CUSTOMER CONT.

OTHER NHS SERVICES

Although Delt run IT services for the majority of Primary Care sites in Devon, a small number are operated by Torbay and South Devon NHS Trust. There has been prior enthusiasm from the ICB and end users for Delt to take on management of these sites, though the incumbent provider is resistant to such a change. It is possible that these sites could move to Delt during the term of the contract.

Devon Partnership Trust continues to be ambitious in its goals for IT and has a strong track record of obtaining funding for these initiatives. A conservative estimate would see DPT investing between half a million and a million pounds a year in IT improvements over and above business as usual operations. DPT is also expecting to take over the hosting of Child and Family Health Devon, which has IT requirements in the region of half a million pounds a year. As DPT is a key Delt IT customer it is likely that we would be asked to take on the delivery of these requirements.

ASW (Audit South West) Assurance is a not-for-profit NHS consortium, delivering internal audit, counter fraud and consultancy services to healthcare organisations. It is not a standalone company but rather a brand that uses staff from across the Devon system with the largest footprint in Torbay. The governance arrangements are somewhat unwieldy and there was previously some interest in exploring whether Delt could effectively host ASW Assurance. Given the financial challenges in Torbay, and the fact that Delt have been sub-contracting cyber audit work for them, it seems timely to revisit further opportunities to collaborate.

During 2024 there were some early-stage discussions between Delt and the NHS property team about the possibility of using Delt as a vehicle to support better use of NHS assets. Other ICB priorities ended up taking precedence but this is a potential area of opportunity.

NORTH SOMERSET COUNCIL

The NSC arrangements bring significant additional opportunities. At the time of writing, additional services in cyber security and procurement have been agreed that are over and above the original proposal. Further IT related service enhancements are under discussion.

Beyond IT services, discussions around the transfer of print work from NSC to Delt Print and Mail are well advanced. Though relatively small in volume, this would see NSC joining a second share class and offer further opportunities for economies of scale. NSC have also expressed interest in taking the Delt payroll service as their current contract is due to expire. This would be a significant win, increasing the value of the payroll business by approximately 20%.

The biggest opportunity and one about which North Somerset is especially enthusiastic is in the delivery of contact centre and customer services. This is not currently a Delt service offering. However, the current arrangements (a partnership between NSC and Agilisys) work well, and include the provision of the service to a number of other public and third sector clients. As the current contracts come to an end, Agilisys have a strategic intent to focus more on products than services.

There is an opportunity for Delt to take over the Customer contact centre shared service largely as is, **in partnership with** North Somerset Council, including all the people currently providing the service. It is in effect, a largely self-contained business that would only rely on Delt for administrative support (HR, Finance etc) and a commercial home.



REVIEW BY CUSTOMER CONT.

NORTH SOMERSET COUNCIL CONT.

There is something of **a technical revolution underway** in the contact centre space and thus significant opportunity to both enhance and/or cost optimise the current service, which is the primary motivation for NSC. If done well and with an appropriate investment in future business development the potential for growth into other local authorities is seen by NSC as significant.

Beyond 2025, there is a willingness to consider if Delt could add value to traditionally in-house professional services such as legal. The success of HB Public Law, Essex Legal Services and Pathfinder Legal Services (formerly LGSS Law) demonstrate that shared services can work effectively in this area.

NSC are open to exploring Delt as a supplier as other commissioning opportunities arise.

WEMCA

North Somerset currently provide IT services (via Agilisys) to the West of England Mayoral Combined Authority (WEMCA) under a partnership agreement. This agreement will continue in the short term, making Delt responsible for IT services at WEMCA. This is significant less because of the value of the contract, but more because WEMCA is one of the first regional strategic authorities that are now being promoted as part of extensive devolution by central government. That Delt will have a proven ability to deliver services to a such a combined authority is an opportunity for the future as more such organisations are formed. WEMCA and similar bodies are growing at a time when other parts of local government are shrinking and consolidating.

Although WEMCA currently **share infrastructure and systems** with North Somerset, they have an appetite to become more independent in the future and although their current size would not qualify them to join Delt as a shareholder, they are nearing a point where it could be viable.



MARKETPLACE AND GROWTH

REVIEW BY SERVICE

INFORMATION TECHNOLOGY

Given the changing landscape of the Public Sector and the forces which are driving the changes, it is likely that there are significant opportunities for Delt's IT Services to grow. We expect this growth to primarily come from the delivery of commodity IT Infrastructure services which can be adopted with minimal business disruption, and which afford the greatest opportunities to drive economies of scale. To achieve and enable this growth Delt must ensure that our operating model is aligned to accommodate growth without significant disruption for existing or future customers.

This will be achieved by ensuring a focus on standardisation and simplification in terms of the tools and processes which we use to support IT. We need to retain the flexibility to adapt to the varying technologies, architectures and the associated variations in maturity which may come with future customers. To support this aim we will continue to invest in our tools which act as the 'front door' into Delt, providing **a simple, human centric user experience** differentiates Delt and represents part of our DNA.

It is also critical that Delt continues to invest in building understanding and capability in the technologies which are supported by these services. We must also continue to build knowledge and experience in newer technologies such as Cloud and AI, ensuring we support our customers in how to effectively adopt and get benefit from them. Finally, we must ensure a continued focus on ensuring we maintain and improve our customers cyber security posture. Many Public Sector organisations cannot independently afford to direct sufficient resources to counter the ever-growing Cyber threat.

Leveraging economies of scale helps lower the threshold of the resources needed to improve organisations Cyber posture.

PAYROLL

With public sector organisations being our target market, we see frequent opportunities to grow the bureau service through traditional tender exercises which allows customers to satisfy procurement legislation. With the new HCM solution we are now well placed to be able to offer the right product and service, at the appropriate price point. We are not aiming to be cheap, but to have the right balance of a suitable HCM solution, run and supported by skilled payroll professionals who are able to deal with, and offer advice regarding the complexities of public sector payroll and pensions.

Plymouth City Council, as the shareholder in Delt's Payroll Operations have invested significantly in the new HCM solution and our growth ambitions in this area reflect the need to deliver a return on that investment.

FINANCE

Growth in the finance service is likely to stem from consultancy and project opportunities. We have recently been providing financial governance support **to two significant digitisation projects** in the social care sector. It is hoped that we can **build on these relationships** with care providers to support improvement to their financial processes and controls.

REVIEW BY SERVICE CONT.

PRINT AND MAIL

Customer satisfaction here is high and there are new opportunities on the horizon through expansion in North Somerset Council, and the retendering of the Torbay Council contract.

The potential for new service lines is always under review, with a possibility of introducing flatbed printer and cutting table with an additional FTE to expand into signage. This is currently outsourced, and insourcing would increase real turnover as opposed to the current passthrough/procurement approach.

We have witnessed a reduction in the number of local print companies in the last few years and continue to explore options to extend our market in the local geography, enhancing our B2B opportunities, with marked success in delivering greater volumes to high profile organisations like Plymouth Argyle Football Club.

During 2025 we will be introducing a web shop specifically aimed at the delivery of print, allowing more small businesses to access our services in a manner convenient to them. We will also be adding Graphic Design services to our offering to provide a broader service offering to both current and new customers.

HR & OD

Providing Human Resources (HR) and Organisational Development (OD) services to our current and future customers remains a part of our growth plans. We will be focusing on organisations who will benefit from **transforming their people practices** through consultancy or project-based work packages as well as providing a recruitment service to help businesses recruit top talent.



COMMUNICATIONS

Our marketplace is predominately a public sector that is going through a period of significant change and challenge. Both Local Government and Healthcare are seeing a central government drive for consolidation. Alongside these structural changes, expanded digital adoption and the introduction of AI could well make the landscape in which we work unrecognisable over the next decade. With this amount of change, Delt must position itself as **the provider of choice** for back-office services, or it risks getting lost in the inevitable restructuring.

Ultimately, the end goal of communications at Delt is to not just maintain, but develop closer relationships with our shareholders and customers. With this in mind, we have recognised the need to engage more effectively with our customers at a decision maker level.

Whilst the Senior Responsible Owner (SRO) model has helped improve relationships, consuming so much of operational leaderships time on managing relationships is unsustainable and damaging to service delivery.

We recognise the need to invest in specific customer account management skills and will restructure ourselves with this in mind, ensuring that we avoid being side-lined during a period of change.

It will not be enough to simply engage better with decision makers, we also need to tell our story more effectively with all stakeholders. Delt are sometimes seen as a threat, rather than an embedded part of the public sector who fully share the values of the organisations we support. We need to ensure that stakeholders recognise that we are **'your kind of people.'**

COMMUNICATIONS FUTURE FOCUS

We acknowledge the need for greater alignment in our approach to communications by SLT and the communication function and have identified a number of interventions to improve outcomes. These include short-term tactical improvements such as resetting relationships with customers' communications departments and introducing communications attendance at SLT. The following were also put in place:

- Strategic communications leadership.
- Horizon-scanning processes.
- Better use of communications expertise on offer.

- Embedded communications good practice into project management.
- Help SLT (through practise and presentation) on working with an excellent communications team, how communications can help them and linking business objectives with communications outcomes.
- **Celebrating Delt's successes more widely**, particularly with existing shareholders.

We have also undertaken field research into the perceptions and attitudes of shareholders towards Delt, which took place over the summer of 2024. Its findings and our responses are set out in Section 5.

COMMUNICATIONS STRATEGY CREATION

A new strategy 'Your Kind Of People' was created in January 2025. Its aim is to use two-way communications to **deepen long-term relationships with people**. This is supported by objectives to "have the best possible relationships with staff, with customers and with future clients and employees".

To achieve this, the strategy sets out a number of far-reaching interventions, including a restructure of the (very small) communications team. This will free up existing directors to concentrate on their areas of delivery and bring greater coherence and clarity of messaging across multiple customers.

The strategy envisions aligning business requirements with communications outcomes. To do this requires increased focus on SLT driving organisational messaging and communications planning with the creation and ownership of a forward communication plan.

This in turn will drive internal and external communication activity across the organisation.

A major plank of the strategy is to leverage the day-to-day opportunities our staff are involved in so that they can become 'ambassadors' for the organisation. This is based on evidence that shows that good relationships foster greater business outcomes for both parties.

Some staff (Customer Architects, Service Delivery Managers and Portfolio Managers) are already embedded in our customer or shareholder set up and collaborate closely with them on a daily basis. Others have, historically, had less contact. We need to both **upskill these staff** so they feel able to represent the organisation – and give them the information they need to be effective at this.



FINANCIALS

We are setting out an ambitious and challenging financial forecast for Delt:

£'000	2025/26	2026/27	2027/28	2028/29	2029/30
Income	31,856	37,522	40,333	50,830	53,179
Cost of Sales	27,164	32,353	34,764	44,245	46,180
Overhead (incl. depreciation)	4,274	4,610	4,598	4,785	5,015
Surplus	408	559	971	1,800	1,984
Closing unreserved cash	2,479	2,698	3,690	5,299	7,059

Growth is a key objective and our forecast includes known opportunities as outlined below. Further prospects that are not reflected above include transfers of services, such as procurement and soft facilities maintenance, from existing shareholders, creation of additional service provisions such as legal, a small business offering to other public interest sectors such as social care and the creation of a transformation/AI business.

To achieve the above growth will require close **collaboration** amongst our existing partners and involves some factors that are not in Delt's sole control, such as the results of the Local Government Reorganisation or the One Devon Shared Corporate Services Initiative, both of which are subject to significant political as well as commercial influence. We therefore view these projections as ambitious goals and a call to action for our future. Actual results are likely to differ depending upon the actions of all parties involved.

The key assumptions supporting our forecast are:

- NSC (incl. MCA, cyber & payroll) included as a Shareholder from October 2025.
- NSC Estates service provision included from 2026/27.

- Customer Service/Contact Centre function established in 2026/27 and grows as a service over the following years. Service would start with NSC and then expand to include PCC and other external customers after that.
- Growth from Local Government Rationalisation from 2027/28, based on PCC aspirations to increase in size between 10% and 20% over three years.
- Delt takes on infrastructure and commodity IT for NHS Devon as part of their move to shared services from 2028/29. Based on 25% of existing budgets for RDUH and UHP.
- The secondment posts that we provide for PCC (ARCAT posts) and the ICB (digital envoys) are not extended when the current arrangements expire at the end of March 2026.
- Investment of £125k per annum in resources to focus on the optimisation of internal processes and systems **to support innovation** and **continuous service improvement**.
- Inflation of 2.5% in 2026/27 and 2% thereafter.

CAPITAL PLAN

Capital contribution for the founding shareholders per year is forecast at £400k. The key assumptions for the capital plan are summarised below and driven by the IT strategic roadmap:

- Move to subscription-based licencing for Cisco devices
- There will be a 10% reduction in storage requirements by financial year 28/29, and that the on-premises data centre will reduce in size by 50% by 33/34
- By financial year 34/35 the requirement for complex routing within buildings will have reduced by 20%
- Network Hardware deployed in buildings has a lifecycle of between 7 and 8 years
- Data Centre Hardware has a 5 year lifecycle which includes a 5 yearly refresh of the top of rack (cumulus) devices
- Acceptance of the transition from capital to revenue expenditure as part of cloud migration

Delt Shared Capital plan											
Capital items (£'000)	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34	FY34/35	10 Year total
ITSM - replacement for ServiceNow		400									400
Hosting and backup		93	197	239	303			161	130		1,123
Connectivity and communications	178	224	101	120	236	290	120	160		193	1,622
Increase Public cloud and SaaS adoption		75									75
Information architecture & data management consultancy		50									50
Address lack of test environments (higher risk only)		20									20
Provision for growth			110	200	200	100	100				710
Total Capital (£'000)	178	862	408	559	739	390	220	321	130	193	4,000



CORPORATE SOCIAL RESPONSIBILITY

WE DON'T WANT TO JUST HELP PEOPLE TO AMAZING THINGS, BUT WE WANT TO DO AMAZING THINGS OURSELVES TOO.

Beyond our core operations, we are driven by a sincere commitment to making a positive difference in our community through our 5 Pillars of Corporate Social Responsibility (CSR).

Our dedication is shown not only in the socio-economic contributions we make but also in the way we conduct our business responsibly and care for our employees.

The 5 Pillars that make up our CSR strategy are fully integrated into our employee wellbeing programmes. Whether it's socially, financially, mentally or physically.

Everything we do, including our activities, events, development opportunities, and initiatives, all have the cohesive purpose to work together to support the bigger picture!



ENVIRONMENT

We are committed to reducing our environmental impact across our organisation and the services which we deliver to our customers.



COMMUNITY INVOLVEMENT

We aim to tackle the issues that impact society and contribute positively to our communities.



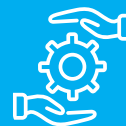
WELLBEING

We strive to promote a health culture to enable our people to feel more resilient and cope, successfully, with both personal and work life.



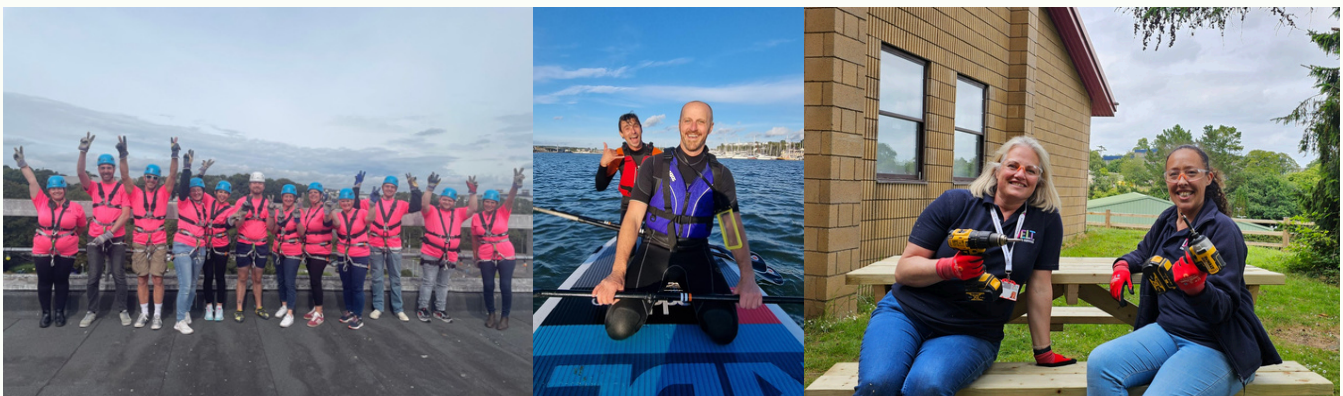
DIVERSITY AND INCLUSION

We will develop a diverse and enabled workforce. We will promote equal opportunities for all.



OPERATING PRACTICES

We operate our business in an open, honest and ethical manner. We actively strive to implement socially responsible supply chains.



KEY CSR PRIORITIES

COMMUNITY IMPACT

Our teams, collectively, deliver significant financial benefits with £16M of socio-economic gain (per annum) to the Southwest and over 300 jobs, which would have otherwise left the region, are now supported through our services.

We are proud of what we do and the benefits our services bring to local people and the local economy it delivers but we are also committed to tackling economic equality and having our employees involved with the community:

- We have ongoing success **recruiting students and apprentices** as well as **upskilling existing employees through the apprenticeship programme**.
- We have strong engagement with schools, universities and colleges throughout the South West where we are involved in activities in such as mentoring, providing internships and delivering career
- We are signed up to the Armed Forces Covenant with a Silver Award based on the support we provide Service Leavers and Veterans with employment opportunities with the aim to achieve a Gold Award by 2026.
- We are signed up to the Care Leavers Covenant which is a national inclusion programme that supports care leavers aged 16-25 to live independently.
- For employees who carry out voluntary work for registered charities, Delt will match up to two days taken from the staff member's annual leave entitlement with the same amount of paid "charity leave".

EQUALITY, DIVERSITY & INCLUSION

We recognise we can't build diverse teams without creating an inclusive environment and we are always looking for a way to ensure we are creating a workplace where employees have equal opportunities during the entire employee lifecycle.

- We foster a company culture where **every voice is welcome, heard, and respected** by providing multiple channels for staff feedback – anonymous surveys, staff feedback forums, Delt Rad, Staff Briefings,
- We have **partnered with Plymouth City Council** to provide a LGBTQ+ Staff Network.
- In 2025, we will introduce additional resources and support to neurodiversity in the workplace.
- We eliminate bias in our internal and external hiring process by engaging multiple interview panels in the process; made up of staff from across the organisation including cross functional leadership and team roles as well as members from Delt Rad.
- Provide environments, buildings and materials which are accessible and inclusive. Everyone has the right to be able to access environments.



ENVIRONMENT SUSTAINABILITY - OUR CARBON REDUCTION PLAN

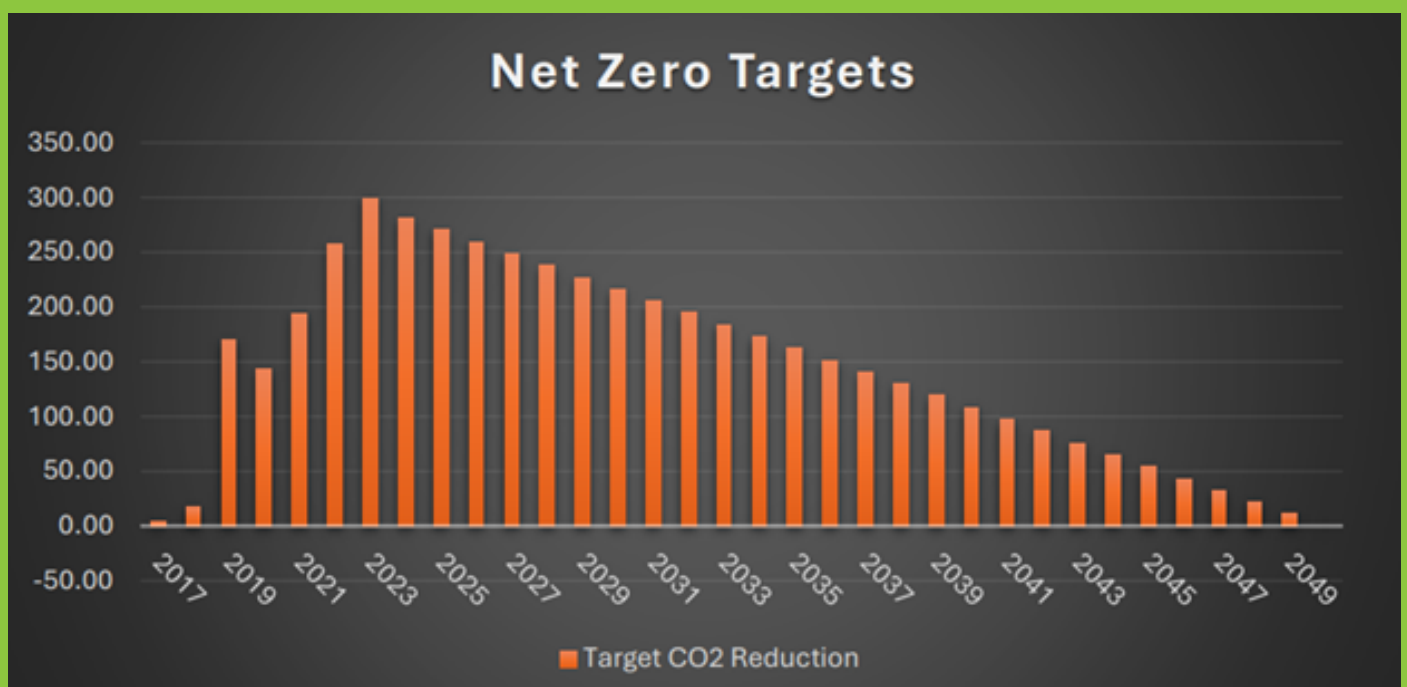
As environmental sustainability becomes a growing priority, Delt recognises the importance of minimising its carbon footprint and have committed to a path to Net Zero by 2050.

Achieving net zero will involve:

- 1 Reducing emissions from our operations (like energy use in buildings, commuting, and business travel).
- 2 Encouraging sustainable practices in areas such as procurement, waste management, and staff behaviour.
- 3 Offsetting any unavoidable emissions, such as by investing in environmental projects that remove CO2 from the atmosphere.

Our roadmap includes activities in four main areas:

- A prioritisation of efforts on the major emission sources specifically those associated with people's movements and how they work, in addition to the way products are procured and moved
- Comprehensive education programme around personal responsibility which aligns with company policies, procedures and performance management
- Development of a longer-term strategy for reducing transport, remote working, and rationalising buildings to fit modern working patterns.
- Use of data to help track and report on net zero efforts including investing in systems to help monitor energy usage and provide us with analytics to support reductions in transport and procurement.



HELPING PEOPLE DO AMAZING THINGS

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