

Finance and Facilities Management Departments July Report

General

Since the last Finance & Resources Committee Meeting, the Finance department has produced the June Management Accounts.

Supplier payments

At the end of June, at least 99% by value of the £316k Creditor payments (June Aged Creditor Listing) are in the 30 days or less category.

Fee adjustments and income receipts handling

At the 12th July, there was a backlog in Registrant direct debit cancellations and amendments of three processing days. We had two days processing backlog on rejected payments/refunds and one day backlog on mid-cycle lapsing of Registrants. Banking of Registrant cheques and credit card reconciliations was up to date.

Income Collection cycle

Direct debit collections of Registrants' fees (cover at least 83% of renewal fees by value) are done by the Finance Dept, with collections made two months in advance. RA, PA & OR collections occurred in July. A further fee collection is scheduled in August for the CS, PO & SL profession. Most of the income comprises Renewal fees collected.

Pensions

At the end of June, there were 36 members in the Friends Provident Scheme and 5 in Capita, excluding the "notional" members.

Funds under Management

At 16th July, the Business Reserve account balance was £395k earning an interest rate of 2% per annum. A further £2.78M is invested in the Special Interest-bearing Account (SIBA) on a rolling monthly basis, earning 5.75% per annum. NatWest, Barclays and

HSBC are active Money Market providers for HPC. The market value of funds. The value of our investment portfolio (including cash) at the end of June was £2.031M.

Regarding the Reserves Policy, three average budgeted months of Operating Expenses totals £3.123M. At the end of June, the sum of Investments and Working Capital totalled £3.327M.

Financial System Upgrade Project

The project timetable was updated and work on updating the Finance process maps in greater detail and flow chart format is now largely completed. The "go live" date is April 2008. Information about system functionality and business requirements material is being gathered from a range of sources.

March 07 Annual Report

Work is in progress on completing aspects of the Annual Report in accordance with the process timetable. An issue arose on the need to notify HM Treasury about the details of a payment made in December 2006. At the time of writing, we are waiting on a response from HM Treasury. This has caused a delay in getting the Annual Report signed off by the relevant parties.

Employee training and staffing levels

There is a team of five full-time permanent employees in the Finance department including the Director of Finance. This excludes one vacant post (the Finance Officer). Two Finance employees are enrolled in after hours, part-time professional accountancy qualifications (CIMA and ACCA) at present. Temp staff are periodically hired to cover for staff on annual/study/sick leave and to help the Transaction Manager and P/L Officer achieve their required service level targets.

Significant Financial Projects/Issues (next few months)

- Financial System Upgrade project (May – April 08)
- Five Year Plan update (Aug-Oct)
- LISA Access Rights project (Sept – Feb 08)

Facilities Management Report

Staffing

There are six permanent employees including the Facilities Manager. Areas covered include Reception, Building Maintenance, Post room, Catering, Health and Safety, Insurance, Travel and Building project liaison.

22-26 Stannary St Building Project

The 22-26 Stannary St premises were evacuated in mid July and building construction work commenced by CFC Group Ltd in accordance with the project timetable.

Health and Safety Issues

Following approval of the policies, implementation of Lawrence Webster Forrest Health & Safety¹ and Fire Safety policies (including training) to be progressed in the next 6 months.

Procurement

A Procurement Officer contract post is under consideration to support “supplier relationship managers” at HPC in improving procurement practices and analysing opportunities for ongoing cost savings.

¹ Health and Safety aspects relating to the physical environment include; Disabled Access, Fire Risk, Physical Security, Water Quality and Electrical Work testing. Health and Safety aspects relating to people (employees, contractors, Council and Committee members and Partners) include; Vehicle use, Display screen equipment, eyesight testing, first aid training, manual handling and lifts, and maintenance work by contractors.

	2007						2008						Total to Jun £000	Budget Jun £000	Variance £000	Annual Budget £000
	April £000	May £000	Jun £000	Jul £000	Aug £000	Sep £000	Oct £000	Nov £000	Dec £000	Jan £000	Feb £000	Mar £000				
INCOME																
Registration Income	835	926	818										2,579	3,014	(436)	12,552
Department of Health Capital Grant Released	0	0	0										0	0	0	0
Miscellaneous Income	0	0	20										20	0	20	0
TOTAL INCOME*	835	926	838	0	0	0	0	0	0	0	0	0	2,598	3,014	(416)	12,552
EXPENDITURE																
Approvals & Monitoring	3	60	65										128	185	(57)	657
Chief Executive	21	36	17										74	64	10	256
Committees & PLG	(4)	14	24										34	88	(55)	396
Communications	19	98	31										149	145	3	1,016
Council	3	46	47										97	61	36	423
Facilities Management	102	58	44										204	216	(12)	981
Finance	57	43	34										133	111	22	449
Fitness to Practise	185	273	347										805	877	(72)	3,592
Human Resources & Partners	50	77	47										174	123	51	491
IT Department	70	104	62										236	207	29	844
Operations Office	17	20	13										51	65	(14)	259
Policy & Standards	11	17	16										43	108	(65)	431
President	2	3	2										7	12	(5)	48
Projects	(2)	0	2										0	28	(28)	353
Registration	16	149	160										325	553	(228)	274
Secretariat	38	(2)	15										51	75	(23)	2,022
TOTAL EXPENDITURE	590	996	927	0	0	0	0	0	0	0	0	0	2,512	2,918	(406)	12,493
SURPLUS/(DEFICIT)	245	(70)	(89)	0	0	0	0	0	0	0	0	0	86	96	(10)	59

* Total Income is excluding investment income

	2006			2007									Total to Jun £000	Budget Jun £000	Total Expenditure £000
	April £000	May £000	Jun £000	Jul £000	Aug £000	Sep £000	Oct £000	Nov £000	Dec £000	Jan £000	Feb £000	Mar £000			
EXPENDITURE															
Approvals & Monitoring	61	(2)	(2)										57	185	128
Chief Executive	0	(15)	4										(10)	64	74
Committees & PLG	32	22	1										55	88	34
Communications	16	(63)	44										(3)	145	149
Council	4	1	(41)										(36)	61	97
Facilities Manangement	(30)	13	29										12	216	204
Finance	(21)	(6)	4										(22)	111	133
Fitness to Practise	109	21	(57)										72	877	805
Human Resources & Partners	(9)	(36)	(6)										(51)	123	174
IT Department	(1)	(35)	7										(29)	207	236
Operations Office	4	1	8										14	65	51
Policy & Standards	25	19	20										65	108	43
President	2	1	2										5	12	7
Projects	9	7	11										28	28	0
Registration	185	38	4										228	553	325
Secretariat	9	7	7										23	75	51
TOTAL BUDGET VARIANCE	395	(26)	37	0	0	0	0	0	0	0	0	0	406	2,918	2,512
TOTAL MONTHLY BUDGET	985	970	963	0	0	0	0	0	0	0	0	0			2,918
TOTAL EXPENDITURE	590	996	927	0	0	0	0	0	0	0	0	0			2,512

* Total Income is excluding investment income

	<i>Actual Mar 07 £000</i>	2007										2008			<i>Budget Mar 07 £000</i>
		April £000	May £000	Jun £000	Jul £000	Aug £000	Sep £000	Oct £000	Nov £000	Dec £000	Jan £000	Feb £000	Mar £000		
FIXED ASSETS															
Tangible Fixed Assets	3,714	3,699	3,720	3,737										5,387	
Investments	1,848	1,945	1,979	1,905										1,786	
TOTAL FIXED ASSETS	5,562	5,644	5,699	5,642	0	0	0	0	0	0	0	0	0	7,173	
CURRENT ASSETS															
Debtors	240	209	195	197										89	
Bank & Cash	4,049	3,620	3,032	2,520										2,436	
CURRENT LIABILITIES															
Creditors and accrued expenses	(1,840)	(1,176)	(1,349)	(1,297)										(1,117)	
WORKING CAPITAL	2,449	2,653	1,878	1,420	0	0	0	0	0	0	0	0	0	1,408	
LOANS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Deferred income	(5,429)	(5,399)	(4,705)	(4,257)										(6,056)	
NET ASSETS	2,582	2,898	2,872	2,805	0	0	0	0	0	0	0	0	0	2,525	
Represented by:															
Capital Grant Receivable - LISA	651	651	651	651										651	
Income and expenditure account	1,931	2,247	2,221	2,154										1,874	
	2,582	2,898	2,872	2,805	0	0	0	0	0	0	0	0	0	2,525	

* Balance sheet includes investment income

	Actual Mar 07 £000	2007									2008			Total 3 Months £000
		April £000	May £000	Jun £000	Jul £000	Aug £000	Sep £000	Oct £000	Nov £000	Dec £000	Jan £000	Feb £000	Mar £000	
Opening Balance (1st)		4,050	3,620	3,032	2,522	2,522	2,522	2,522	2,522	2,522	2,522	2,522	2,522	
Registration Income		834	925	818										
Investment Income		2	8	44										
Investment Sales		0	20	84										
Deferred Income Movements		(29)	(694)	(447)										
Bank Loan														
Miscellaneous Income				20										
Total Cash Receipts		807	259	519	0	0	0	0	0	0	0	0	0	1,585
Expenditure		590	996	927										
Depreciation		(15)	(14)	(17)										
Asset disposal / writeoff		0		0										
Aged Cred / Accrual Movements		664	(171)	51										
Debtor Movements		(31)	(15)	3										
Payments to Creditors		1,208	796	964	0	0	0	0	0	0	0	0	0	2,968
Capital Expenditure		0	35	33										
Investment Purchases		29	16	32										
Loan Repayments		0	0	0										
Other Payments		29	51	65	0	0	0	0	0	0	0	0	0	145
Closing Balance	4,050	3,620	3,032	2,522	2,522	2,522	2,522	2,522	2,522	2,522	2,522	2,522	2,522	
Budgeted Closing Balance														
Variance			3,032	2,522	2,522	2,522	2,522	2,522	2,522	2,522	2,522	2,522	2,522	

* Cash flow includes investment income