

Finance and Facilities Management Departments September Report

General

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

Supplier payments

At the end of July, at least 99% by value of the £236k Creditor payments (July Aged Creditor Listing) are in the 30 days or less category.

Fee adjustments and income receipts handling

At the 5th September, there was a backlog in Registrant direct debit cancellations and amendments of zero processing days. We had one days processing backlog on rejected payments/refunds and zero days 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. OR, PA, PH and OT collections occurred in September. ODP, AS, BS, CS, SL and PO fee collections are scheduled in October. Most of the income comprises Renewal fees collected.

Pensions

At the end of July, there were 46 active members in the Friends Provident Scheme and 3 remaining in the Capita Flexiplan Scheme, excluding the 6 "notional" members. The new trustee of the scheme is Entrust.

Regarding the transfer values from Flexiplan, a meeting of the Capita Flexiplan Employers Group was held on 29th August and Mr N. Hacking attended on HPC's behalf. His advice was that due to complications (on surplus allocation and whether the transfer values

would be set by the Trustee at a lower level than full fund value), it may take some weeks/months to resolve final transfer values - refer Pensions Update paper.

Barnet Waddingham (BW) stated at 4th Sept that they had received the current transfer value details (at full fund value) for 27 HPC scheme members from Capita, as not all members returned a letter of authority (enabling Capita to release the details) to BW, and that only 7 individuals had to date submitted their completed transfer forms to BW – refer Pensions Update paper.

Funds under Management

At 28th August, the Business Reserve account balance was £493k earning an interest rate of 2% per annum. A further £2.58M was 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 value of our investment portfolio (including cash) at the end of July was £1,977M.

Regarding the Reserves Policy, three average budgeted months of Operating Expenses totals £3.123M. At the end of July, the sum of Investments and Working Capital totalled £3.618M.

March 07 Annual Report

Work is still 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.

Date	Ver.	Dept/Cmte	Doc Type	Title	Status
2007-06-11	a	F&R	RPT	Finance and Facilities Management Department Report June 2007	Final DD: None

Int. Aud.
Public RD: None

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 (FO). A new FO has been appointed to start on 1st October. 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 (to March 08)
- Five Year Plan update (Aug-Oct 07)
- LISA Access Rights project (Sept – March 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 refurbishment is progressing 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 being recruited for 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				Aug	Sep	Oct	Nov	Dec	2008			Total to Jul £000	Budget Jul £000	Variance £000	Annual Budget £000
	April £000	May £000	Jun £000	Jul £000						Jan £000	Feb £000	Mar £000				
INCOME																
Registration Income	835	926	818	994								3,573	4,074	(501)	12,552	
Department of Health Capital Grant Released	0	0	0	0								0	0	0	0	
Miscellaneous Income	0	0	20	(20)								0	0	0	0	
TOTAL INCOME*	835	926	838	974	0	0	0	0	0	0	0	3,573	4,074	(501)	12,552	
EXPENDITURE																
Approvals & Monitoring	3	60	65	29								157	228	(72)	657	
Chief Executive	21	36	17	19								94	85	8	256	
Committees & PLG	(4)	14	24	(3)								31	135	(104)	396	
Communications	19	98	31	34								183	209	(26)	1,016	
Council	3	46	47	29								126	207	(81)	423	
Facilities Management	102	58	44	65								268	287	(19)	981	
Finance	57	43	34	20								153	148	5	449	
Fitness to Practise	185	273	347	299								1,105	1,231	(126)	3,592	
Human Resources & Partners	50	77	47	73								247	164	84	491	
IT Department	70	104	62	70								306	276	30	844	
Operations Office	17	20	13	21								73	86	(14)	259	
Policy & Standards	11	17	16	16								59	144	(85)	431	
President	2	3	2	4								11	16	(5)	48	
Projects	(2)	0	2	3								3	41	(38)	353	
Registration	16	149	160	161								487	731	(244)	274	
Secretariat	38	(2)	15	22								73	97	(23)	2,022	
TOTAL EXPENDITURE	590	996	927	863	0	0	0	0	0	0	0	3,375	4,085	(710)	12,493	
SURPLUS/(DEFICIT)	245	(70)	(89)	112	0	0	0	0	0	0	0	198	(11)	209	59	

* Total Income is excluding investment income

	2006				2007								Total to Jul £000	Budget Jul £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)	14									72	228	157
Chief Executive	0	(15)	4	2									(8)	85	94
Committees & PLG	32	22	1	50									104	135	31
Communications	16	(63)	44	30									26	209	183
Council	4	1	(41)	116									81	207	126
Facilities Manangement	(30)	13	29	7									19	287	268
Finance	(21)	(6)	4	17									(5)	148	153
Fitness to Practise	109	21	(57)	54									126	1,231	1,105
Human Resources & Partners	(9)	(36)	(6)	(32)									(84)	164	247
IT Department	(1)	(35)	7	(1)									(30)	276	306
Operations Office	4	1	8	0									14	86	73
Policy & Standards	25	19	20	20									85	144	59
President	2	1	2	0									5	16	11
Projects	9	7	11	10									38	41	3
Registration	185	38	4	16									244	731	487
Secretariat	9	7	7	0									23	97	73
TOTAL BUDGET VARIANCE	395	(26)	37	303	0	0	0	0	0	0	0	0	710	4,085	3,375
TOTAL MONTHLY BUDGET	985	970	963	1,166	0	0	0	0	0	0	0	0			4,085
TOTAL EXPENDITURE	590	996	927	863	0	0	0	0	0	0	0	0			3,375

* 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	3,777								5,387	
Investments	1,848	1,945	1,979	1,905	1,850								1,786	
TOTAL FIXED ASSETS	5,562	5,644	5,699	5,642	5,627	0	0	0	0	0	0	0	7,173	
CURRENT ASSETS														
Debtors	240	209	195	197	162								89	
Bank & Cash	4,049	3,620	3,032	2,520	2,886								2,436	
CURRENT LIABILITIES														
Creditors and accrued expenses	(1,840)	(1,176)	(1,349)	(1,297)	(1,281)								(1,117)	
WORKING CAPITAL	2,449	2,653	1,878	1,420	1,767	0	0	0	0	0	0	0	1,408	
LOANS	0	0	0	0	0	0	0	0	0	0	0	0	0	
Deferred income	(5,429)	(5,399)	(4,705)	(4,257)	(4,528)								(6,056)	
NET ASSETS	2,582	2,898	2,872	2,805	2,866	0	0	0	0	0	0	0	2,525	
Represented by:														
Capital Grant Receivable - LISA	651	651	651	651	651								651	
Income and expenditure account	1,931	2,247	2,221	2,154	2,215								1,874	
	2,582	2,898	2,872	2,805	2,866	0	0	0	0	0	0	0	2,525	

* Balance sheet includes investment income

	Actual Mar 07 £000	2007				2008								Total 4 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	2,885	2,885	2,885	2,885	2,885	2,885	2,885	2,885	
Registration Income		834	925	818	994									
Investment Income		2	8	44	4									
Investment Sales		0	20	84	0									
Deferred Income Movements		(29)	(694)	(447)	271									
Bank Loan														
Miscellaneous Income				20	(20)									
Total Cash Receipts		807	259	519	1,249	0	0	0	0	0	0	0	0	2,834
Expenditure		590	996	927	863									
Depreciation		(15)	(14)	(17)	(3)									
Asset disposal / writeoff		0		0	0									
Aged Cred / Accrual Movements		664	(171)	51	16									
Debtor Movements		(31)	(15)	3	(34)									
Payments to Creditors		1,208	796	964	842	0	0	0	0	0	0	0	0	3,810
Capital Expenditure		0	35	33	58									
Capital write-off		0	0	0	(14)									
Investment Purchases		29	16	32	0									
Loan Repayments		0	0	0	0									
Other Payments		29	51	65	44	0	0	0	0	0	0	0	0	189
Closing Balance	4,050	3,620	3,032	2,522	2,885	2,885	2,885	2,885	2,885	2,885	2,885	2,885	2,885	
Budgeted Closing Balance														
Variance			3,032	2,522	2,885	2,885	2,885	2,885	2,885	2,885	2,885	2,885	2,885	

* Cash flow includes investment income