

# **Finance and Facilities Management Dept reports for the Finance and Resources Committee Meeting on 26<sup>th</sup> April 2007**

## **General**

Since the last Finance & Resources Committee Meeting, the Finance department has produced the February YTD Management Accounts and is currently preparing publication of the March YTD Management Accounts.

## **Supplier payments**

At the end of February, at least 97% by value of the £417k Creditor payments (Feb Purchase Ledger) are in the 30 days or less category in the Aged Creditors Listing.

## **Fee adjustments and income receipts handling**

At the time of writing (16<sup>th</sup> April), there is a backlog in Registrant direct debit cancellations and amendments of three processing days. We have two days processing backlog on rejected payments and refunds and zero days backlog on mid-cycle lapsing of Registrants. Banking of Registrant cheques and credit card reconciliations are 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. OT and PH collections occurred in March. ODP, BS and AS further fee collections are scheduled in April. Most of the income comprises Renewal fees collected.

## **Funds under Management**

At mid April, the Business Reserve account balance was £673k earning an interest rate of 2% per annum. A further £4.08M is invested in the Special Interest Bearing Account (SIBA) on a rolling monthly basis, earning 5.25% per annum. NatWest, Barclays and HSBC are active Money Market providers for HPC. The current market value of funds in our investment portfolio is approx £1.8M. We are in compliance with the Reserves Policy level Committee-approved in November 2005.

## **Fee Change Project**

The Fee Change and Key Decisions documents were approved by the Council at their meeting on 29<sup>th</sup> March. Work continues on the LISA aspects and changes to the Orthoptists & Paramedics renewals process – refer Fee Rise Project Plan.

## **2006/07 Year End Reporting**

Work in progress on completing the 22-26 Stannary St Ltd and HPC Consolidated Financial Statements and preparation for the forthcoming Baker Tilly Audit. Work is also in progress to generate year end payroll information (P14 & P35 forms to HMRC and P60's to employees) and preparation for setting up eligible new pension scheme joiners.

## **Employee training and staffing levels**

There is a team of six full-time employees in the Finance department, including the Director of Finance. Three Finance employees are enrolled in after hours, part-time professional accountancy qualifications (CIMA, AAT and ACCA) at present. Temp staff are periodically hired to cover for permanent staff on annual, study or sick leave and to help clear work backlogs (to maintain agreed service levels).

### **Significant Financial Projects/Issues (next few months in descending priority order)**

- Progress the Fee Change project (to go live in June 2007)
- Progress the Pension scheme issues – see separate paper
- Progress the Intermediate Lapsing Project MP11 (delayed to go live in June 07 so that can be rolled out with the Fee changes and Renewals changes)
- Introduce project financial reporting from 1<sup>st</sup> April

### **Facilities Management Report**

#### **Staffing**

There are six permanent employees including the Facilities Manager.

#### **22-26 Stannary St Building Project**

Space-planning is in progress for the period before and during 22-26 Stannary St refit work. Planning approval and building control<sup>1</sup> approval was obtained on the 16<sup>th</sup> of April from Lambeth Council for the building work. Following tender, we expect the building work for 22-26 SS to commence onsite in July 2007 and to be completed in January.

#### **Health and Safety Issues**

EMT consultation on the Lawrence Webster Forrest Health & Safety<sup>2</sup> and Fire Safety policies was completed in April. Implementation of the policies (H&S training etc) to occur in the new budget year, dates to be determined.

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<sup>1</sup> Approval that the proposal is safe structurally and meets fire safety requirements.

<sup>2</sup> 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.

	2006												2007			Annual Budget
	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total to Feb	Budget Feb	Variance	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>INCOME</b>																
Registration Income	851	773	970	853	885	1,069	701	857	843	833	907	0	9,543	9,899	(357)	10,801
Department of Health Capital Grant Released	21	21	21	21	21	0	0	0	0	0	0	0	105	105	0	105
Miscellaneous Income	0	0	0	0	0	0	0	0	0	100	0	0	100	0	100	0
<b>TOTAL INCOME*</b>	<b>872</b>	<b>794</b>	<b>991</b>	<b>874</b>	<b>906</b>	<b>1,069</b>	<b>701</b>	<b>857</b>	<b>843</b>	<b>933</b>	<b>907</b>	<b>0</b>	<b>9,747</b>	<b>10,004</b>	<b>(257)</b>	<b>10,906</b>
<b>EXPENDITURE</b>																
Approvals & Monitoring	37	60	36	25	34	29	26	38	28	29	38	0	379	655	(276)	714
Chief Executive	18	24	21	21	39	20	19	22	38	1	20	0	242	248	(6)	270
Committees & PLG	19	18	17	10	5	19	16	13	5	17	19	0	158	245	(87)	268
Communications	50	46	50	60	37	56	138	128	49	47	116	0	779	918	(139)	1,002
Council	14	15	11	134	45	(21)	61	23	8	23	21	0	334	448	(114)	489
Facilities Management	61	100	164	49	56	66	100	150	77	(40)	99	0	881	980	(99)	1,069
Finance	84	(10)	61	52	51	52	41	92	43	48	61	0	575	391	184	427
Fitness to Practise	199	236	297	189	255	200	183	257	269	203	234	0	2,521	2,372	149	2,587
Human Resources & Partners	23	31	40	17	48	57	45	31	46	44	26	0	408	365	43	398
IT Department	98	106	105	96	100	29	61	78	46	70	53	0	842	986	(145)	1,052
Operations Office	8	35	19	46	80	34	31	28	31	21	21	0	354	321	33	364
Policy & Standards	9	20	10	16	12	23	13	11	11	11	12	0	148	277	(130)	303
President	3	1	5	1	5	4	7	2	4	2	4	0	38	45	(8)	50
Registration	143	123	128	134	137	129	139	109	110	127	88	0	1,367	1,797	(430)	1,961
Secretariat	27	18	22	14	18	29	23	26	16	14	15	0	220	235	(16)	257
<b>TOTAL EXPENDITURE</b>	<b>793</b>	<b>821</b>	<b>986</b>	<b>863</b>	<b>923</b>	<b>724</b>	<b>904</b>	<b>1,008</b>	<b>780</b>	<b>618</b>	<b>825</b>	<b>0</b>	<b>9,245</b>	<b>10,285</b>	<b>(1,040)</b>	<b>11,209</b>
<b>SURPLUS/(DEFICIT)</b>	<b>78</b>	<b>(27)</b>	<b>4</b>	<b>11</b>	<b>(17)</b>	<b>344</b>	<b>(202)</b>	<b>(150)</b>	<b>63</b>	<b>315</b>	<b>82</b>	<b>0</b>	<b>503</b>	<b>(281)</b>	<b>784</b>	<b>(303)</b>

\* Total Income is excluding investment income

Health Professions Council  
February

Consolidated Department Monthly Variances

Finance Department

	2006			2007									Mar	Total to Feb £000	Budget Feb £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					
<b>EXPENDITURE</b>																
Approvals & Monitoring	23	(0)	24	34	25	30	33	21	32	31	22	0	276	655	379	
Chief Executive	5	(2)	1	2	(16)	3	3	1	(15)	22	3	0	6	248	242	
Committees & PLG	3	5	6	12	17	3	6	9	17	5	3	0	87	245	158	
Communications	34	37	33	23	46	28	(55)	(45)	34	36	(33)	0	139	918	779	
Council	27	26	30	(94)	(4)	62	(21)	18	33	18	20	0	114	448	334	
Facilities Management	28	(11)	(75)	40	33	24	(11)	0	0	0	0	0	99	980	881	
Finance	(49)	46	(25)	(17)	(16)	(16)	(7)	(55)	(7)	(12)	158	0		391	391	
Fitness to Practise	17	(20)	(82)	26	(40)	16	33	(41)	(53)	13	(19)	0	(149)	2,372	2,521	
Human Resources & Partners	11	3	(7)	16	(15)	(24)	(12)	2	(13)	(10)	7	0	(43)	365	408	
IT Department	(11)	(18)	(3)	7	2	74	42	25	27	(6)	7	0	145	986	842	
Operations Office	22	(4)	11	(16)	(49)	(4)	46	(48)	(4)	6	6	0	(33)	321	354	
Policy & Standards	16	6	15	10	13	2	(56)	82	14	14	14	0	130	277	148	
President	1	3	(1)	3	(0)	(0)	(3)	2	0	2	0	0	8	45	38	
Registration	20	40	35	30	27	35	25	54	53	36	76	0	430	1,797	1,367	
Secretariat	(6)	4	(1)	8	4	(8)	0	(6)	6	8	7	0	16	235	220	
<b>TOTAL BUDGET VARIANCE</b>	<b>141</b>	<b>113</b>	<b>(38)</b>	<b>85</b>	<b>26</b>	<b>224</b>	<b>25</b>	<b>20</b>	<b>124</b>	<b>161</b>	<b>272</b>	<b>0</b>	<b>1,224</b>	<b>10,285</b>	<b>9,061</b>	
<b>TOTAL MONTHLY BUDGET</b>	<b>934</b>	<b>934</b>	<b>949</b>	<b>949</b>	<b>949</b>	<b>949</b>	<b>928</b>	<b>1,027</b>	<b>904</b>	<b>779</b>	<b>1,096</b>	<b>0</b>			<b>10,398</b>	
<b>TOTAL EXPENDITURE</b>	<b>793</b>	<b>821</b>	<b>986</b>	<b>863</b>	<b>923</b>	<b>724</b>	<b>904</b>	<b>1,008</b>	<b>780</b>	<b>618</b>	<b>825</b>	<b>0</b>			<b>9,245</b>	

\* Total Income is excluding investment income

	<i>Actual Mar 06 £000</i>	2006 April £000	May £000	Jun £000	Jul £000	Aug £000	Sep £000	Oct £000	Nov £000	Dec £000	2007 Jan £000	Feb £000	Mar £000	<i>Budget Mar 07 £000</i>
<b>FIXED ASSETS</b>														
Tangible Fixed Assets	3,579	3,524	3,470	3,412	3,358	3,310	3,325	3,317	3,313	3,299	3,488	3,587		4,071
Investments	1,714	1,708	1,523	1,550	1,556	1,666	1,751	1,790	1,751	1,791	1,785	1,763		1,647
<b>TOTAL FIXED ASSETS</b>	<b>5,293</b>	<b>5,232</b>	<b>4,993</b>	<b>4,962</b>	<b>4,914</b>	<b>4,977</b>	<b>5,076</b>	<b>5,106</b>	<b>5,065</b>	<b>5,090</b>	<b>5,273</b>	<b>5,350</b>	<b>0</b>	<b>5,718</b>
<b>CURRENT ASSETS</b>														
Debtors	115	383	193	188	182	158	149	131	128	97	81	51		139
Bank & Cash	4,002	4,042	3,619	3,501	3,739	4,054	4,388	4,567	4,065	3,413	3,722	3,450		2,349
<b>CURRENT LIABILITIES</b>														
Creditors and accrued expenses	(1,584)	(1,339)	(1,030)	(1,229)	(1,097)	(1,174)	(1,187)	(1,288)	(1,398)	(1,090)	(1,068)	(1,241)		(1,065)
<b>WORKING CAPITAL</b>	<b>2,533</b>	<b>3,086</b>	<b>2,782</b>	<b>2,460</b>	<b>2,824</b>	<b>3,038</b>	<b>3,350</b>	<b>3,410</b>	<b>2,796</b>	<b>2,420</b>	<b>2,735</b>	<b>2,260</b>	<b>0</b>	<b>1,423</b>
<b>LOANS</b>		<b>0</b>		<b>0</b>		<b>0</b>			<b>0</b>		<b>0</b>			<b>0</b>
Deferred income	(5,478)	(5,914)	(5,475)	(5,103)	(5,410)	(5,726)	(5,908)	(5,959)	(5,461)	(4,959)	(5,134)	(4,660)		(5,025)
<b>NET ASSETS</b>	<b>2,348</b>	<b>2,404</b>	<b>2,300</b>	<b>2,319</b>	<b>2,328</b>	<b>2,289</b>	<b>2,518</b>	<b>2,557</b>	<b>2,399</b>	<b>2,551</b>	<b>2,874</b>	<b>2,950</b>	<b>0</b>	<b>2,116</b>
Represented by:														
Capital Grant Receivable - LISA	105	84	63	42	21	0	0	0	0	0	0	0		0
Income and expenditure account	2,243	2,320	2,237	2,277	2,307	2,289	2,518	2,557	2,399	2,551	2,874	2,950		2,116
	<b>2,348</b>	<b>2,404</b>	<b>2,300</b>	<b>2,319</b>	<b>2,328</b>	<b>2,289</b>	<b>2,518</b>	<b>2,557</b>	<b>2,399</b>	<b>2,551</b>	<b>2,874</b>	<b>2,950</b>	<b>0</b>	<b>2,116</b>

\* Balance sheet includes investment income

	Actual Mar 06 £000	2006											2007			Total 11 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			
<b>Opening Balance (1st)</b>		4,002	4,042	3,618	3,500	3,739	4,054	4,393	4,567	4,153	3,412	3,722	3,450			
Registration Income		851	773	970	853	885	872	898	857	843	833	906				
Investment Income		4	24	20	13	(3)	47	0	5	49	4	3				
Investment Sales		0	111	7	0	108	0	0	26	0	15	25				
Deferred Income Movements		437	(439)	(371)	307	315	182	52	(498)	(503)	176	(474)				
Bank Loan																
Miscellaneous Income											100					
<b>Total Cash Receipts</b>		<b>1,292</b>	<b>469</b>	<b>626</b>	<b>1,173</b>	<b>1,305</b>	<b>1,101</b>	<b>950</b>	<b>390</b>	<b>389</b>	<b>1,128</b>	<b>460</b>	<b>0</b>	<b>9,283</b>		
Expenditure		793	821	986	863	923	724	904	1,008	780	618	825	0			
Depreciation		(57)	(50)	(58)	(54)	(58)	(18)	(16)	(17)	(17)	(17)	(16)				
Asset disposal / writeoff		(10)	(8)	0	(4)	0	(1)	(0)	0	0	0	0				
Aged Cred / Accrual Movements		245	308	(199)	132	(78)	(13)	(101)	(197)	395	21	(171)				
Debtor Movements		268	(189)	(5)	(6)	(24)	(8)	(18)	(3)	(31)	(16)	(30)				
<b>Payments to Creditors</b>		<b>1,239</b>	<b>882</b>	<b>724</b>	<b>931</b>	<b>763</b>	<b>684</b>	<b>768</b>	<b>791</b>	<b>1,127</b>	<b>606</b>	<b>608</b>	<b>0</b>	<b>9,124</b>		
Capital Expenditure		13	4	0	3	10	34	8	13	3	206	112				
Investment Purchases		0	7	19	0	217	44	0	0	0	6	12				
Loan Repayments		0		0	0	0	0	0	0	0	0	0				
<b>Other Payments</b>		<b>13</b>	<b>11</b>	<b>19</b>	<b>3</b>	<b>227</b>	<b>78</b>	<b>8</b>	<b>13</b>	<b>3</b>	<b>212</b>	<b>124</b>	<b>0</b>	<b>711</b>		
<b>Closing Balance</b>	<b>4,002</b>	<b>4,042</b>	<b>3,618</b>	<b>3,500</b>	<b>3,739</b>	<b>4,054</b>	<b>4,393</b>	<b>4,567</b>	<b>4,153</b>	<b>3,412</b>	<b>3,722</b>	<b>3,450</b>	<b>3,450</b>			
<b>Budgeted Closing Balance</b>																
<b>Variance</b>			3,618	3,500	3,739	4,054	4,393	4,567	4,153	3,412	3,722	3,450	3,450			

\* Cash flow includes investment income