

## **Finance and Facilities Management Dept reports for the Finance and Resources Committee Meeting on 7<sup>th</sup> February 2007**

### **General**

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

### **Supplier payments**

At the end of December, at least 97% by value of the £351k Creditor payments (Dec 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 (26<sup>th</sup> Jan), there is a backlog in Registrant direct debit cancellations and amendments of zero processing days. We have zero 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 are also 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. CH collections occurred in December. A further fee collection is scheduled in February for the PO, CS and SL professions. Most of the income comprises Renewal fees collected.

### **Funds under Management**

At 25th January, the Business Reserve account balance was £256k earning an interest rate of 2% per annum. A further £3.5M is invested in the Special Interest-bearing Account (SIBA) on a rolling monthly basis, earning 5.5% 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 £XXM. We are in compliance with the Reserves Policy level Committee-approved in November 2005.

### **Tax Issues**

In order to commence with the application to cancel the VAT Registration for Stannary Street Ltd, we need to trigger the GBP 250,000 limit for refurbishment project costs incurred. Once this limit is exceeded (some time after Feb 2007), the VAT dis-application provisions will likely apply. Baker Tilly will then contact HMRC to cancel the VAT Registration for the property company. To date the limit has not been reached.

### **Fee Change Project**

Consultation phased to be completed on the 6<sup>th</sup> of February and analysis of responses in progress. This will feed into the "Key Decisions" document going to Council in late March.

### **Budget for 07/08 Year**

Mostly completed, subject to getting the Council's final approval on the fee rise in late March

### **March 05 and 06 Annual Report publication**

Final copies were sent in January to the Privy Council and the Printers.

### **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 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)
- Complete the BACS/IP project including Registration staff training
- Progress the Pension scheme issues – see separate paper
- Progress the Intermediate Lapsing Project MP11 (to go live in March 07)
- 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. Following planning permission in mid March, we expect the building work for 22-26 SS to commence in May 2007 and to be completed in late October.

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

Lawrence Webster Forrest Health & Safety<sup>1</sup> and Fire Safety policies to be completed by March 2007 and implementation of improvements to occur in the new budget year.

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<sup>1</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.