



Summary of Accounts

2013/14

What we do, and how we spend your money doing it

**282 employees,
47 Councillors
and £18 million,
all working for you**

for the year ending 31 March 2014

We want your views!

Each year the Council is legally required to produce a Statement of Accounts that summarises the Council's financial activities and gives details of the overall financial position. Much of the information in the document is of a technical nature satisfying both statutory requirements and local authority procedures so councils are now being encouraged to produce summary accounts.

Summary accounts are intended to be a user friendly summary of the more detailed Statement of Accounts publication and we are interested in your views as to how these summary accounts look and what further information you would like to see in them. Please either email them to finance@swale.gov.uk or send them to: Finance Department, Swale Borough Council, Swale House, East Street, Sittingbourne, Kent ME10 3HT. We have already changed their appearance in response to comments we received earlier. A full copy of the Statement of Accounts is published on the Council's website.

Statement by the Head of Finance

The Council's Statement of Accounts has been prepared to meet accounting standards. The figures in this summary were originally compiled having regard to proper accounting practice. For this summary we have changed the way some information is presented so that it is easier to understand. A full copy of the Statement of Accounts is published on the Council's website.

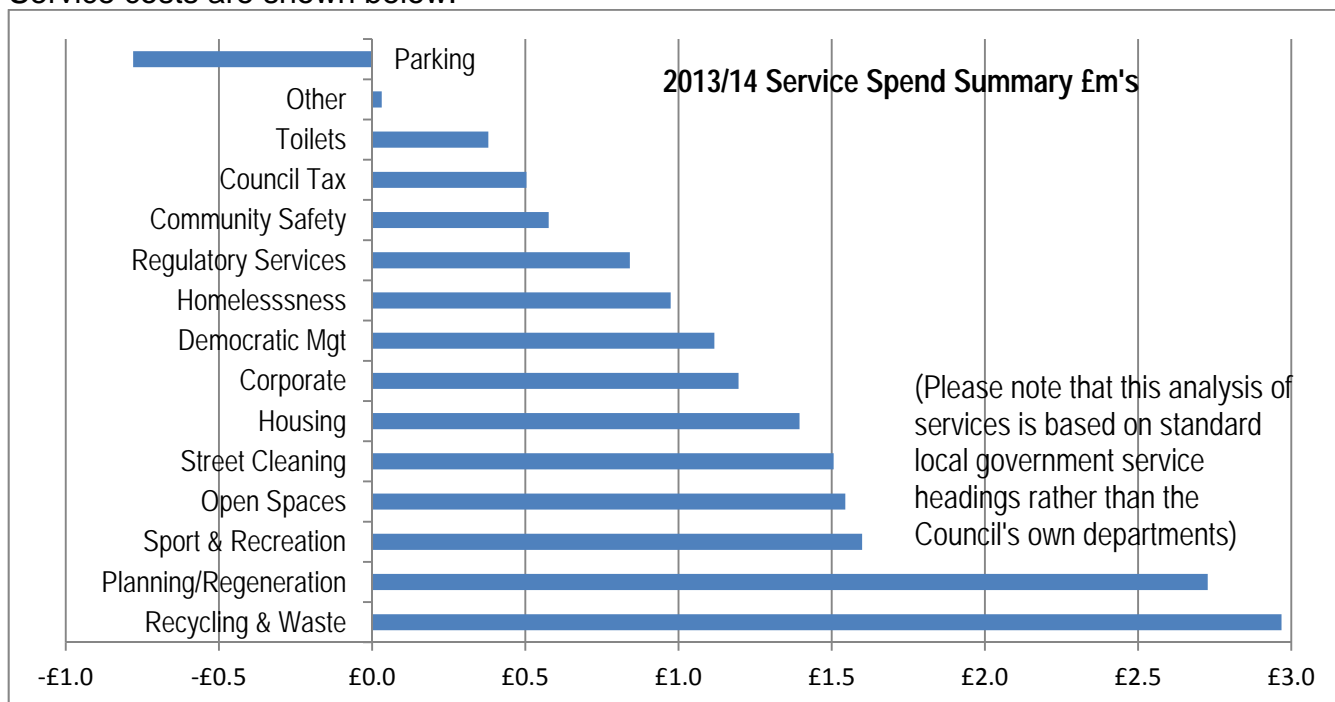
Nick Vickers CPFA
Head of Finance

Day to Day Spending

What did we spend the money on?

We show the cost of running our services in our revenue account known as the Comprehensive Income and Expenditure Statement. This account shows you the costs in 2013/14 of the Council's priorities and the amount left to be financed from local and national tax income.

Service costs are shown below:



In 2013/14, the amount in our revenue account (the General Fund) increased by £1,331,000. The main differences to the budget are shown below:

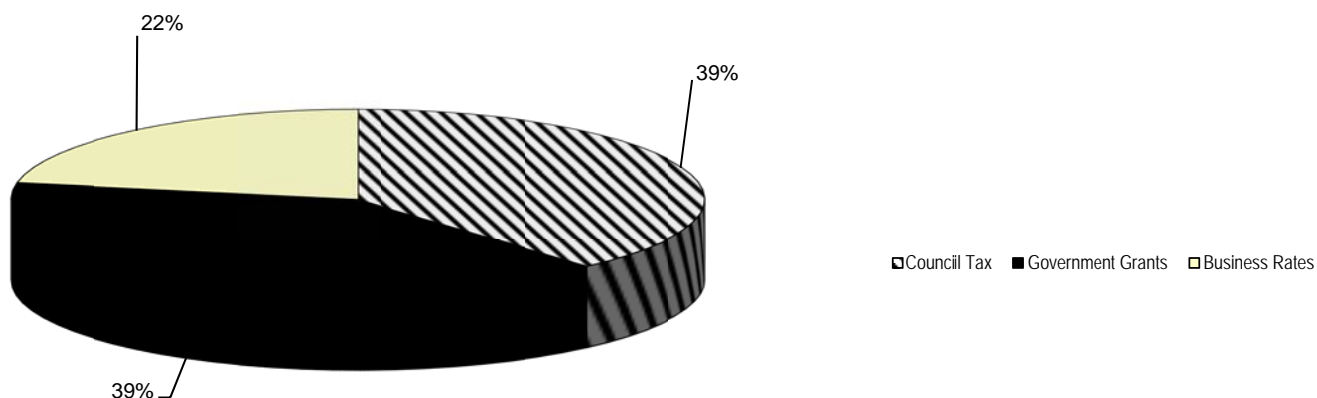
Detail	Over or (Under) spend £'000	Explanation
Rollover of specific grants	316	To be agreed at Cabinet 16 July 2014.
Underspend in 2012/13 increased the General Fund which were then agreed to be spent in 2013/14	566	Agreed by Cabinet on 10 July 2013.
Business rates	(450)	A shortfall of £140,000 on business rate offset by £590,000 grant to compensate the Council for small business rate relief.
Contracts	(319)	Savings on Gateway, street sweeping, public conveniences, refuse and grounds maintenance contracts.
Support services	(142)	Savings on salaries, IT equipment, bank charges, training and legal fees.

Detail	Over or (Under) spend £'000	Explanation
Stay Put Scheme	(139)	Unspent grants from Primary Care Trust and Warm Homes Healthy People Grant. Also underspend on salaries.
Development Control	(125)	Increased income from Planning Fees and pre-application planning fees, saving on planning appeals and on enforcement costs and other running costs.
Preceptors Council Tax Support	(125)	This is the first of a three year support grant which will be used for the 2014/15 budget as per the Medium Term Financial Plan.
Property	(112)	Savings on salaries, energy costs and additional rental income.
Community Safety	(93)	Troubled Families grant spend outstanding.
Democratic services	(85)	Savings on salaries and grants.
Rushenden Retrofit Project	(78)	Unspent grant and general underspend.
Housing Benefits and Council Tax	(73)	This is an extremely volatile budget on a gross budget of £50 million.
Government Flood Business Support	(69)	Two grants received from Central Government to help businesses with any flood damage.
Housing Options	123	Overspend on gross landlord payments.
Other	(526)	Details are in the Cabinet report 16 July 2014.
Underspend on Revenue	(1,331)	

How did we pay?

How we paid for services	2013/14 £'000
Council Tax	(7,428)
Council Tax Freeze Grant	(270)
New Homes Bonus Grant	(1,763)
Revenue Support Grant	(5,495)
Other Government Grants	(79)
Business Rates	(4,260)
Total Income	(19,295)

We spent £18.2 million on running services after allowing for income. We paid for our spending using local and national taxes and business rates as follows:



Our total income from government grants, council tax and business rates for 2013/14 was £19.3 million. As the chart here shows, 39% came from Council tax, 39% came from government grant and 22% came from business rates.

Did we have anything left over?

We spent less than we received from income in last year leading to a surplus on our revenue account. This surplus for the year was added to accumulated surpluses from previous years to give a new balance of £4.6 million.

Revenue Account Surplus	2013/14 £'000
Income from taxes / grants	(19,295)
Service expenditure	18,226
Other	262
Surplus for year	(1,331)

At the end of the financial year, our General Fund reserve stood at £4,618 million.

	2013/14 Net Expenditure £'000
General Fund balance at start of year	(3,287)
Contributions to balances	(1,331)
General Fund balance at the end of the year	(4,618)

Cash Flow	2013/14 £'m
Cash and cash equivalents in hand on 1 April 2013	10.3
Net Cash in from operating activities	6.1
Net Cash in from investing activities	2.6
Net Cash in from financing activities	0.8
Cash and cash equivalents in hand on 1 April 2014	19.8

Balance Sheet

What are we worth?

At the end of each financial year, we draw up a balance sheet that represents how much Swale's land and buildings are worth, what is owed to others, what others owe us and how much cash we have:

	£'000
Buildings, land and other long term assets owned by the Council	49,814
Stocks	2
Amount others owe to us	3,596
Cash and cash equivalents	19,801
Total Assets	73,213
Amount we owe to others	(10,853)
Liability related to pension scheme	(51,927)
Other long term liabilities	(4,380)
Net Assets	6,053
Financed by :	
Useable reserves (can be used to provide services)	(13,756)
Unusable reserves (held for accounting purposes only, not to provide services)	7,703
Total Reserves	(6,053)

Capital Expenditure

Capital expenditure represents money spent by the Council for the purchase, upgrading or improvement of assets such buildings, equipment and vehicles. The main items of expenditure totalled £1.9 million were:

Capital Spending	Budget for 2013/14 £'000	Actual Spending 2013/14 £'000	Over or (Under) spend £'000
Disabled Facilities Grants – Partnership Funding	1,086	911	(175)
Disabled Facilities Grants – Council Funding	189	37	(152)
Thistle Hill & Easthall Farm	170	170	0
Sheppey Leisure Centre Roof	161	141	(20)
Ambleside Faversham Churchill	118	118	0
Financial System	97	70	(27)
ICT Mid Kent Improvement Partnership	59	62	3
Rushenden Affordable Housing	60	60	0
Toilets	0	59	59
Iwade Play Area	92	0	(92)
Other	310	317	7
Total	2,342	1,945	(397)

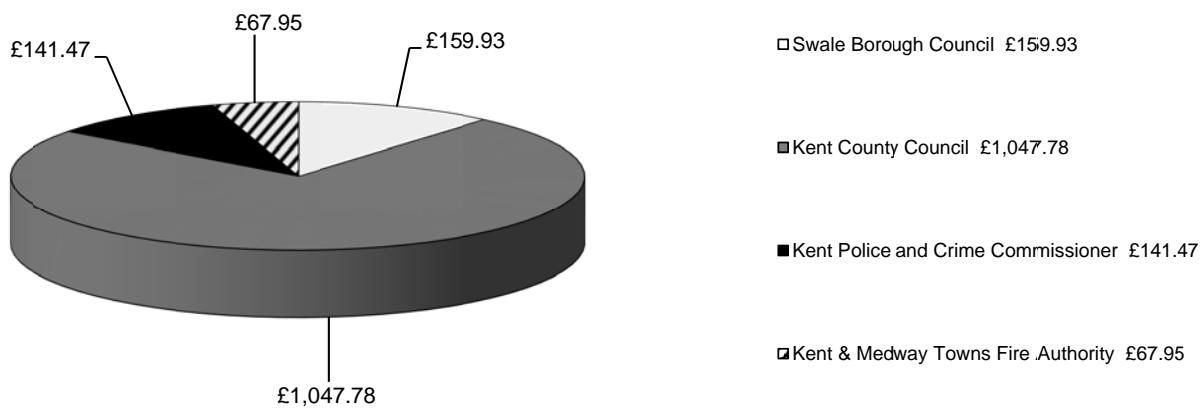
Council Tax 2013/14

How council tax is calculated.

Swale Borough Council provides many local services but not all. Others come from Kent County Council, the Police Authority and Kent Fire and Rescue Service. If you live in an area with a parish council, it too provides local services. The council tax you pay is divided between these authorities.

In 2013/14 (ignoring contribution to parishes) the County Council received 74p from every £1, the Police and Crime Commissioner 10p, the Fire and Rescue Service 5p, and Swale Borough Council kept 11p from every £1 collected.

The council tax goes towards paying for the services provided by the county council, the borough council, the police and fire services and parish councils. The Council also receives money from central government in the form of the Revenue Support Grant or from business rates. The Revenue Support Grant comes from general taxation. The business rate, although collected by Swale Borough Council, is paid to the government which then repays a proportion of it back to local councils based on population.



Swale's share of the council tax for a Band D property 2013/14	£
The amount of money we needed	350.01
Less: revenue support grant	(115.71)
Less: our share of business rates	(74.37)
The amount you paid for Swale's services	159.93

Council Tax 2014/15

Although not part of the 2013/14 accounts, details are added for your information on the 2014/15 council tax. Your council tax bill is made up of the money needed by all the local authorities divided by the "tax base". This is the number of properties registered for council tax as if every one was in a Band D property. For 2014/15 this figure is 41,828.25. If your home is in Band D, your council tax for this year will be £1,442.17 plus a contribution towards your parish council's spending if applicable. This amount varies depending on their spending.

Council tax is initially always calculated for a Band D home. That figure is then used to work out the level of tax for the other bands. Each other band is a proportion of Band D's amount, as shown below:

	Swale Borough Council	Kent Police & Crime Commissioner	Kent County Council	Kent and Medway Towns Fire and Rescue Authority	Total
	£	£	£	£	£
Band A	106.62	96.19	712.44	46.20	961.45
Band B	124.39	112.22	831.18	53.90	1,121.69
Band C	142.16	128.25	949.92	61.60	1,281.93
Band D	159.93	144.28	1,068.66	69.30	1,442.17
Band E	195.47	176.34	1,306.14	84.70	1,762.65
Band F	231.01	208.40	1,543.62	100.10	2,083.13
Band G	266.55	240.47	1,781.10	115.50	2,403.62
Band H	319.86	288.56	2,137.32	138.60	2,884.34

What are our aims?

Our Purpose

- Making Swale a better place

Our Corporate Priorities

- Embracing Localism
- Open for Business
- Healthy Environment

Our Competencies

- Leadership at all levels
- Performance
- Ambition
- Customer Care
- Team Work

Our Values

- **Fairness** - being objective to balance the needs of all those in our community
- **Integrity** - being open, honest and taking responsibility
- **Respect** - embracing and valuing the diversity of others
- **Service** - delivering high quality, cost effective public service
- **Trust** - delivering on our promises to each other, customers and our partners