



Summary of Accounts 2011-12

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

**279 employees,
47 Councillors
and £17 million,
all working for you**

for the year ending 31st March 2012

Contacting Swale Borough Council

The Customer Service Centre deals with all enquiries across the Council; it should be your first stop when contacting us.

Copies of the Swale Summary of Accounts 2011-12 are available on the Council website
<http://www.swale.gov.uk/summary-of-accounts-2011-12/>

If you would like further hard copies or alternative versions (i.e. large print, audio, different language) we will do our best to accommodate your request - please contact the Council at:

Swale Borough Council
Swale House, East Street,
Sittingbourne,
Kent ME10 3HT

Customer Service Centre ☎ 01795 417850

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: Accountancy Section, 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

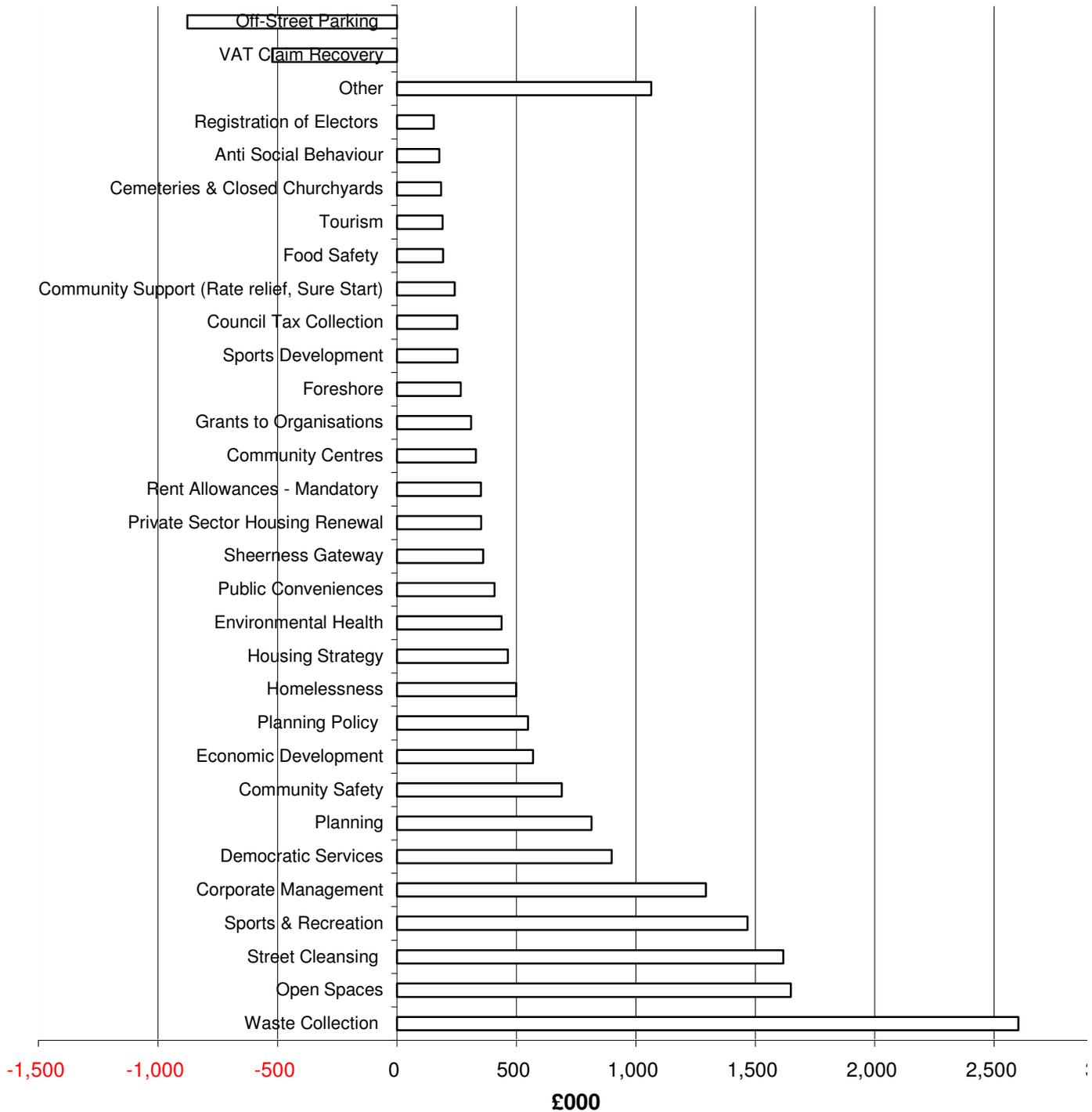
Day to Day Spending

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 Account. This account shows you the costs in 2011-12 of the Council's priorities and the amount left to be financed from local and national tax income.

The Cost of Services is shown below:

Cost of Services 2011-12



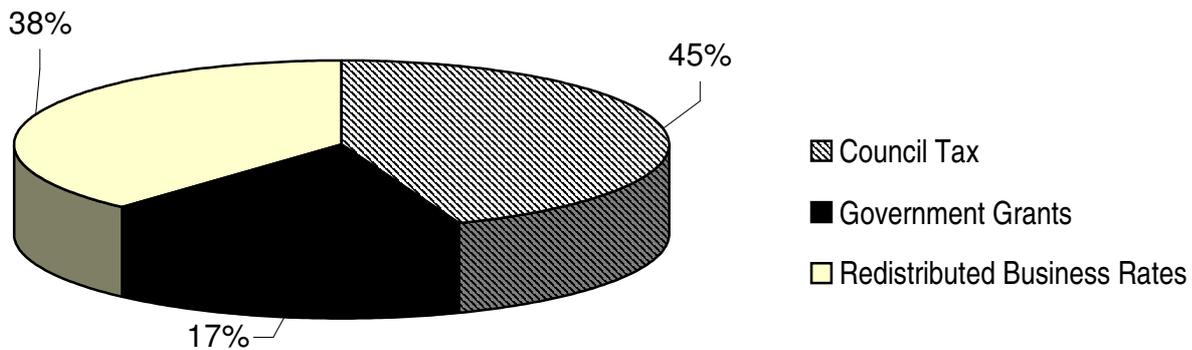
In 2011-12, the amount in our revenue account (the General Fund) increased by £682,000. The main differences to the budget are shown below:

Detail	Budget over/(under) spend £'000	Explanation
2010/11 underspends	606	Rollover agreed at Cabinet on 8 July 2011
Variations advised re cost centres requesting rollovers	(47)	Underspends in 2011/12 to be rolled forward into 2012/13
Salaries	(206)	As a result of vacancy management
Learning & Skills	(149)	Delays in setting up the apprenticeship scheme
Contracts	(269)	Net savings on grounds maintenance, street cleansing, public conveniences and refuse collection
Use of reserves	(100)	Use of reserves to fund 2010/11 expenditure.
Parking Management	(91)	Increase in car parking enforcement income following the introduction of the new partnership contract. Savings also made from reduced maintenance costs and sale of surplus equipment.
Planning Fees	(72)	Increased general and pre-application fees income
Building Control	(69)	Savings arising from the Building Control Partnership
Allowance for bad debts	(61)	Due to reduction in sundry debts
Leisure & Sports Centres	(70)	Reduction in operating fee for 2011/12 only
Financial guarantee	68	Financial guarantee entered into for the Drill Hall Faversham
Discretionary Rate Relief	68	The scheme supports voluntary and community groups in Swale by reducing part or all of their non-domestic rates bill
Housing Benefits	(55)	Savings on running expenses
Refuse Collection	(44)	Reduced fly tipping, and litter picking costs
Energy Costs	(45)	Savings on energy costs
Parks & Open Spaces	(35)	Project slippage
Human Resources	(32)	Savings on partnership with another local council
Other	(79)	
Total Net Variance	(682)	

How did we pay?

We spent £17.2 million on running services after allowing for income. We paid for our spending using local and national taxes and redistributed Business Rates as follows:

How we paid for services	2011-12 £'000
Council Tax	(8,483)
Council Tax Freeze Grant	(192)
New Homes Bonus Grant	(846)
Revenue Support Grant	(2,274)
Redistributed Business Rates	(7,355)
Total Income	(19,150)



Our total income for 2011-12 was £19.2 million. As the chart here shows, 45% came from Council tax, 17% came from government grant and 38% came from redistributed 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 £3.8 million.

Revenue Account Surplus	2011-12 £'000
Income from taxes/ grants	(19,150)
Service Expenditure	17,245
Lower Medway Internal Drainage Board	325
Parish Precepts	772
Other	126
Surplus for the year	(682)

At the end of the financial year, our General Fund reserve stood at £3.816 million.

	2011-12 Net Expenditure £'000
General Fund Balance at start of year	(3,134)
Contribution to Balances	(682)
General Fund Balance at the end of the year	(3,816)

Cash flow	2011-12 £'m
Cash and cash equivalents in hand on 1 April 2011	1.7
Net Cash In from Operating Activities	4.9
Net Cash Out from Investing Activities	(7.1)
Net Cash In from Financing Activities	9.1
Cash and cash equivalents in hand on 1 April 2012	8.6

Balance Sheet

What are we worth?

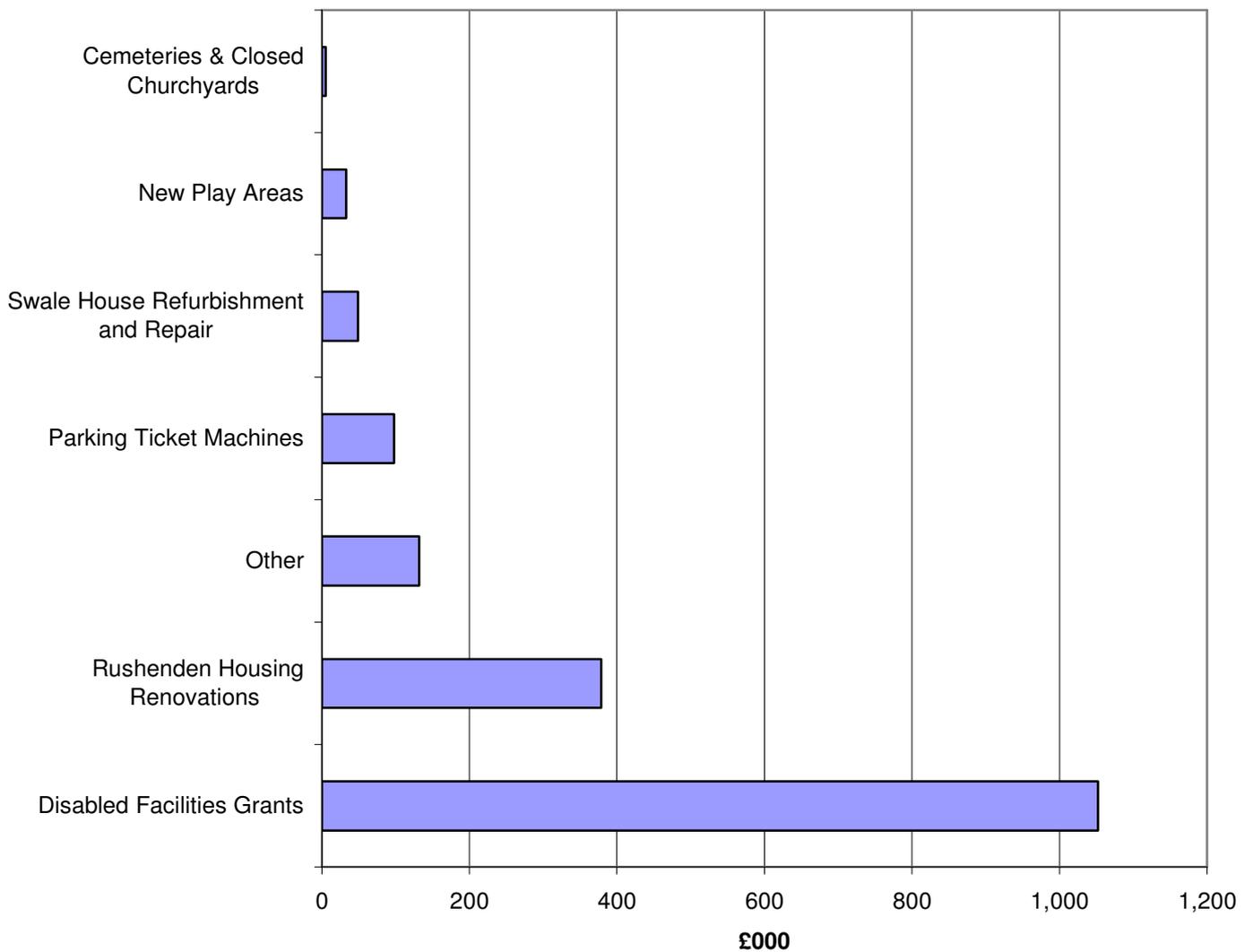
At the end of each financial year, we draw up a balance sheet that represents how much Swale's land and buildings are worth, what is owed to others, what others owe us and how much cash we have:

	£'000
Buildings, land and other long term assets owned by the council	53,672
Stocks	5
Amount others owe to us	3,830
Short Term investments	8,006
Cash and cash equivalents	8,606
Total Assets	74,119
Amount we owe to others	(11,523)
Liability Related to Pension Scheme	(39,488)
Other long term liabilities	(4,298)
Net Assets	18,810
FINANCED BY:	
Usable Reserves (can be used to provide services)	(12,331)
Unusable Reserves (held for accounting purposes only not to provide services)	(6,479)
Total Reserves	(18,810)

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 £1.7 million were:

Capital Expenditure 2011-12



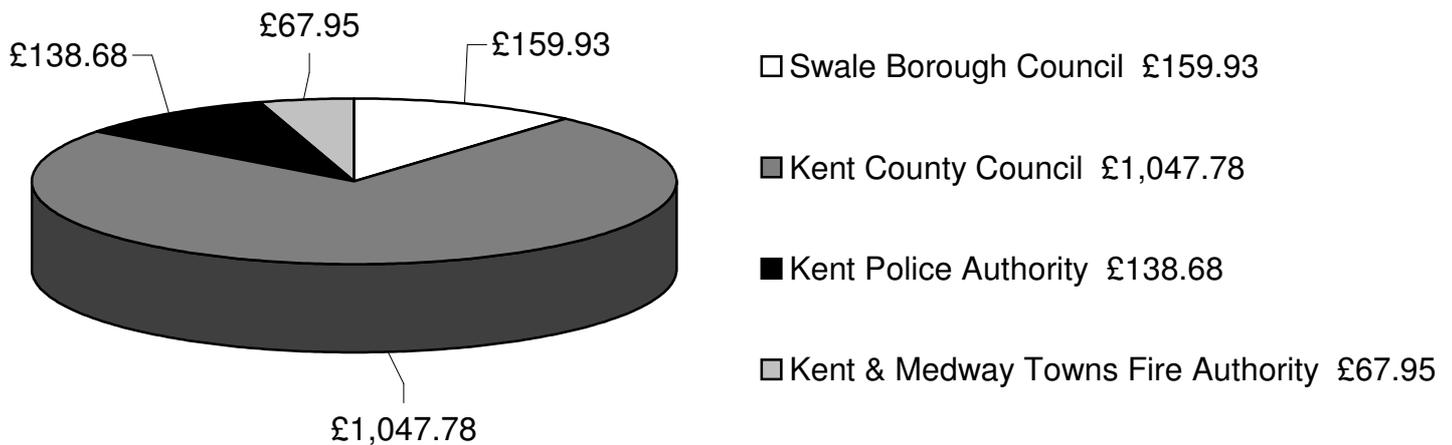
Council Tax 2011-12

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 2011-12 (ignoring contribution to parishes) the County Council received 74p from every £1, the Police Authority 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 2011-12

	£
The amount of money we needed	362.48
Less: collection fund deficit	1.84
Less: revenue support grant	47.39
Less: our share of business rates	153.32
The amount you paid for Swale's services	159.93

Council Tax 2012-13

Although not part of the 2011-12 accounts, details are added for your information on the 2012-13 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 2011-12 this figure is 48,401.04. If your home is in Band D, your council tax for this year will be £1,414.34 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:

	Kent County Council	Kent Police Authority	Kent and Medway Towns Fire Authority	Swale Borough Council	Total
	£	£	£	£	£
Band A	698.52	92.45	45.30	106.62	942.89
Band B	814.94	107.86	52.85	124.39	1,100.04
Band C	931.36	123.27	60.40	142.16	1,257.19
Band D	1,047.78	138.68	67.95	159.93	1,414.34
Band E	1,280.62	169.50	83.05	195.47	1,728.64
Band F	1,513.46	200.32	98.15	231.01	2,042.94
Band G	1,746.30	231.13	113.25	266.55	2,357.23
Band H	2,095.56	277.36	135.90	319.86	2,828.68

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