



Summary of Accounts 2015/16

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

**277 employees,
47 Councillors
and £19 million,
all working for you**

for the year ending 31 March 2016

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. A full copy of the Statement of Accounts is published on the Council's website. <http://www.swale.gov.uk/statement-of-accounts/>

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.

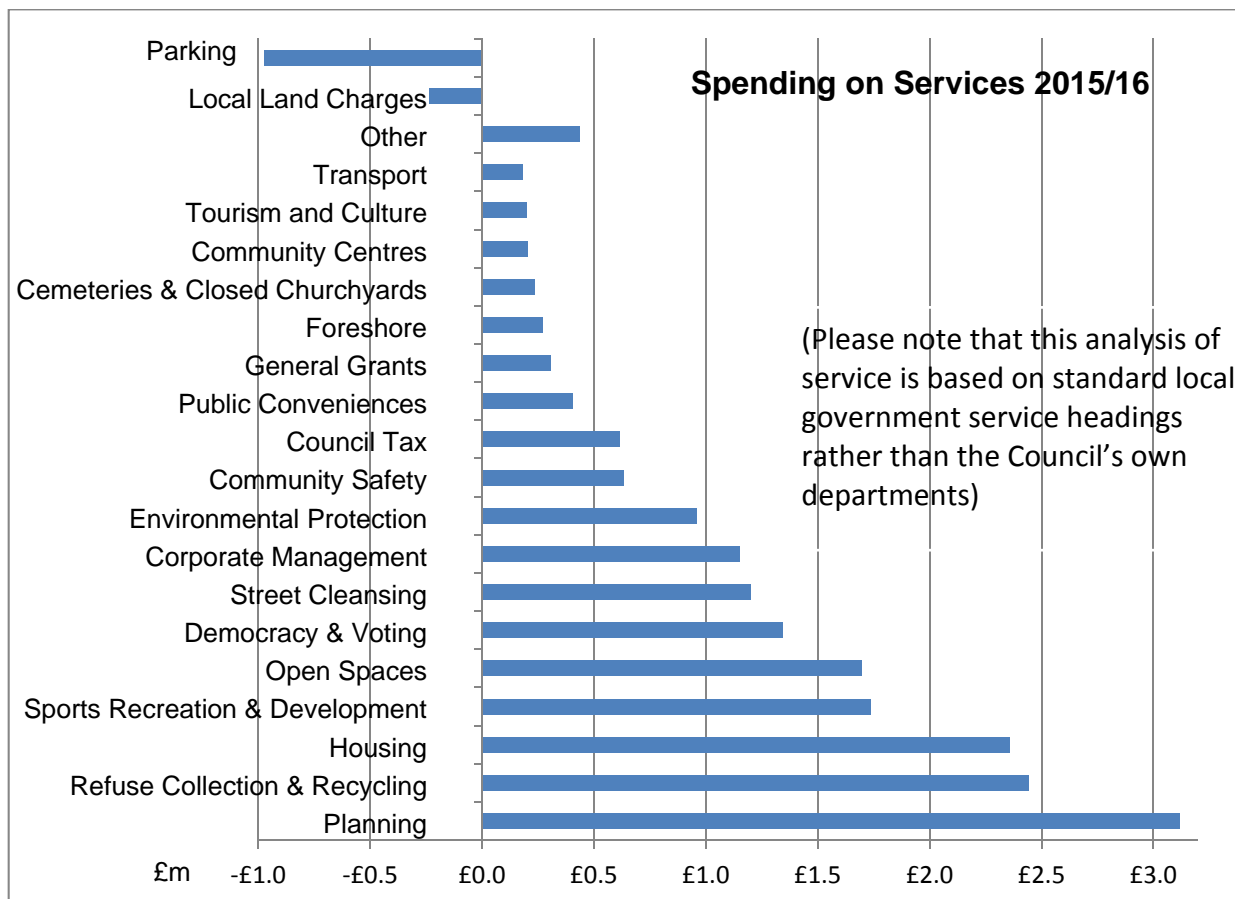
Nick Vickers CPFA
Head of Finance

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 2015/16 of the Council's priorities and the amount left to be financed from local and national tax income.

Service costs are shown below:



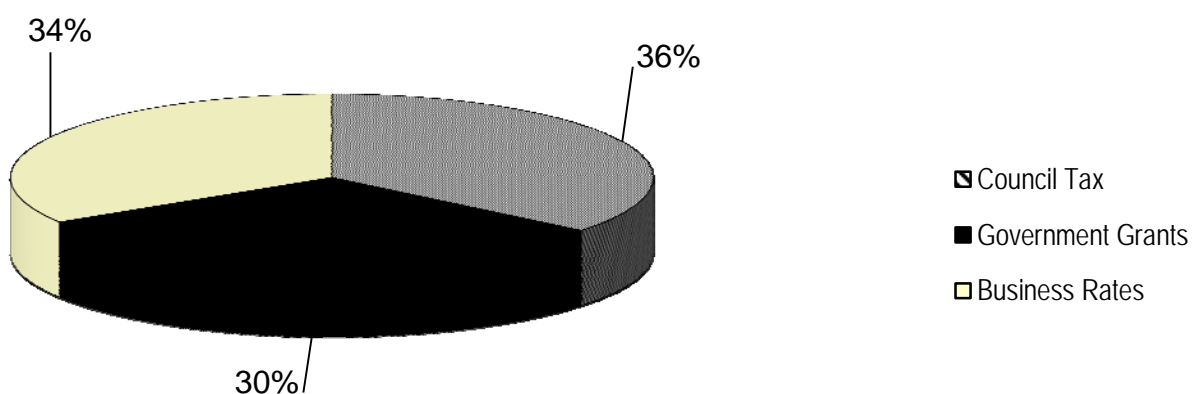
In 2015/16, the amount in our revenue account (the General Fund) increased by £241,000. The main reasons for differences to the budget are shown below:

Over or (Under) spend £'000	Reason for Budget Variance
1,636	Underspend in 2014/15 which was spent in 2015/16
(1,155)	Additional Income
(435)	Procurement/ Shared Service Savings
(279)	Staff Vacancies
(232)	Delayed Projects
302	Overspends
(78)	Other variances
(241)	Increase to General Fund

How did we pay?

How we paid for services	2015/16 £'000
Council tax	(7,032)
Council tax freeze grant	(158)
New homes bonus grant	(2,823)
Revenue support grant	(2,929)
Business rates	(6,650)
Total income	(19,592)

We spent £19.4 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 2015/16 was £19.6 million. As the chart here shows, 36% came from Council tax, 30% came from government grant and 34% 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 £5.4 million.

Revenue account surplus	2015/16 £'000
Income from taxes / grants	(19,592)
Service expenditure	19,351
Surplus for year	(241)

At the end of the financial year, our General Fund reserve stood at £5.365 million.

	2015/16 Net Expenditure £'000
General Fund balance at start of year	(5,124)
Contributions to balances	(241)
General Fund balance at the end of the year	(5,365)

Cash flow	2015/16 £'m
Cash and cash equivalents in hand on 1 April 2015	10.9
Net cash in from running services	(0.4)
Net cash out from making investments	1.4
Cash and cash equivalents in hand on 1 April 2016	11.9

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:

	31 March 2016 £'000
Buildings, land and other long term assets owned by the Council	60,153
Stocks	10
Short-term investments	12,989
Amount others owe to us	3,814
Cash and cash equivalents	11,891
Total assets	88,857
Amount we owe to others	(12,568)
Liability related to pension scheme	(58,297)
Other long term liabilities	(5,927)
Net assets	12,065
Financed by:	
Useable reserves (can be used to provide services)	(17,858)
Unusable reserves (held for accounting purposes only, not to provide services)	5,793
Total reserves	(12,065)

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 £2.3 million were:

Capital spending	Budget for 2015/16 £'000	Actual Spending 2015/16 £'000	Over or (Under) spend £'000
Disabled facilities grants – partnership funding	1,132	854	(278)
The Meads Community Centre	498	480	(18)
Sheppey and Swallows Leisure Centre	0	356	356
Wylie Court slabbing over gas main	120	120	0
Emergency accommodation, house purchase	200	174	(26)
Iwade play area	92	0	(92)
Other	336	325	(11)
Total	2,378	2,309	(69)

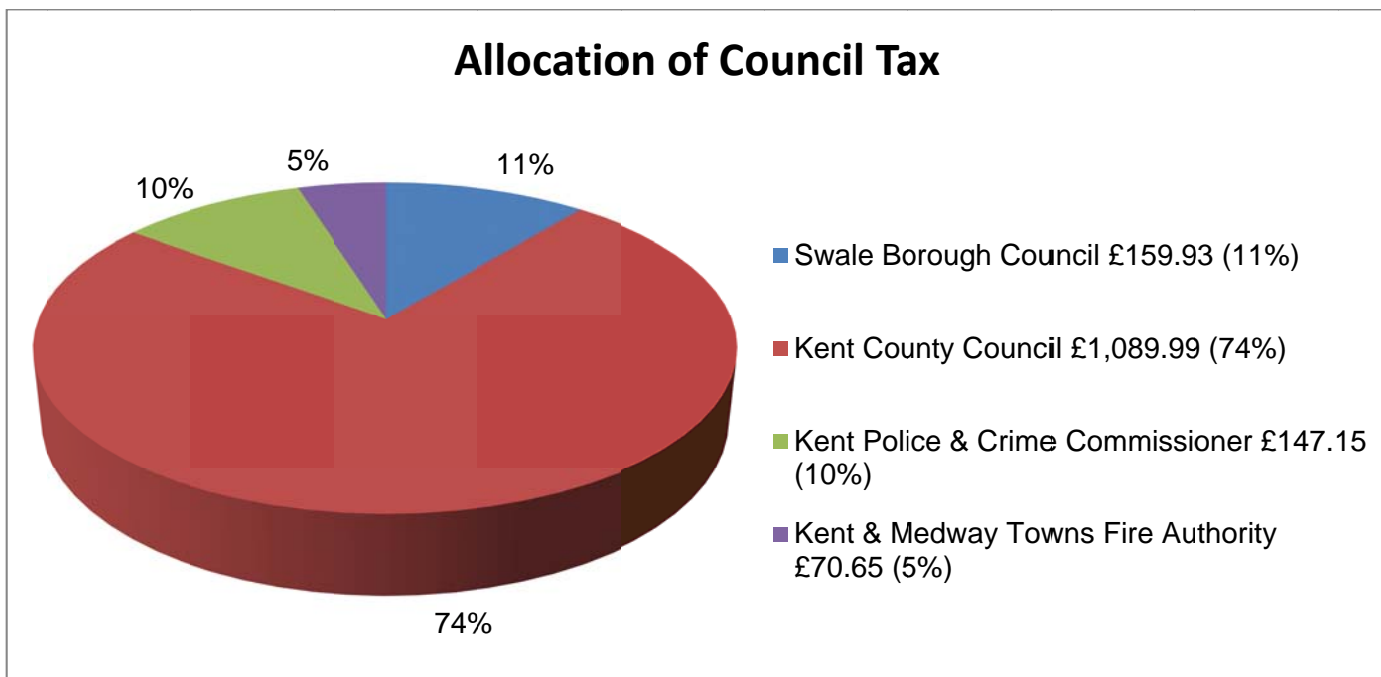
Council Tax 2015/16

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 2015/16 (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 rates, are collected by Swale Borough Council, and then redistributed to the Government, Kent County Council and the Fire Services on an agreed percentage allocation.



Swale's share of the council tax for a Band D property 2015/16	£
The amount of money we needed	346.15
Less: revenue support grant	(68.34)
Less: our share of business rates	(117.88)
The amount you paid for Swale's services	159.93

Council Tax 2016/17

Although not part of the 2015/16 accounts, details are added for your information on the 2016/17 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 2016/17 this figure is 43,959.22. If your home is in Band D, your council tax for this year will be £1,517.63 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	98.10	726.66	47.10	978.48
Band B	124.39	114.45	847.77	54.95	1,141.56
Band C	142.16	130.80	968.88	62.80	1,304.64
Band D	159.93	147.15	1,089.99	70.65	1,467.72
Band E	195.47	179.85	1,332.21	86.35	1,793.88
Band F	231.01	212.55	1,574.43	102.05	2,120.04
Band G	266.55	245.25	1,816.65	117.75	2,446.20
Band H	319.86	294.30	2,179.98	141.30	2,935.44

Our Purpose

Our overarching purpose is making Swale a better place.

Our Corporate Priorities

A Borough to be proud of

This priority theme focuses on the Council's aspirations for Swale as a physical place.

A Community to be proud of

This priority theme focuses on the Council's aspirations for the people of Swale.

A Council to be proud of

This priority theme focuses on the Council's need to develop its own organisational capacity and culture as it continually re-assesses how it can best achieve the objectives of the other two priority themes.

Our Values – Swale FIRST

- **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