



# Summary of Accounts 2016/17

**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 2017**

## **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 this 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](mailto: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.

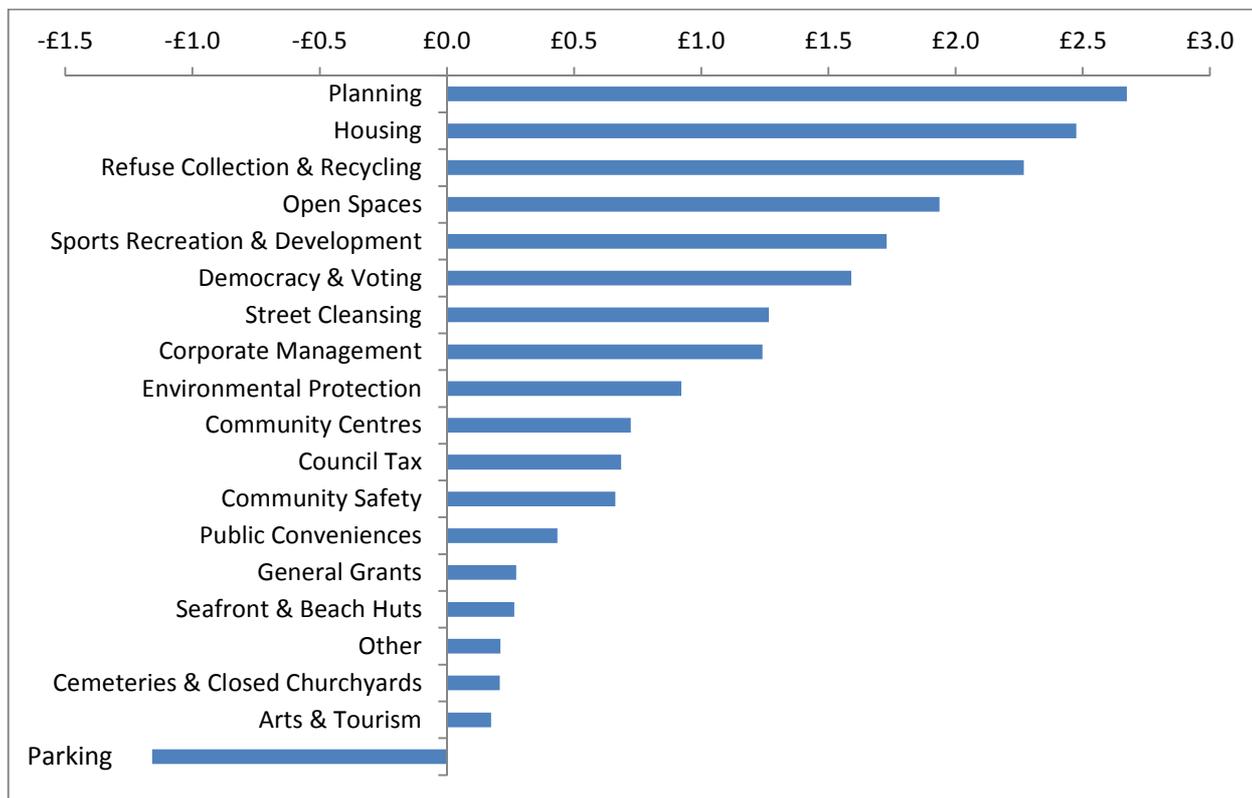
**Nick Vickers CPFA**  
Chief Finance Officer

## 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 2016/17 of the Council's priorities and the amount left to be financed from local and national tax income.

Service costs are shown below:



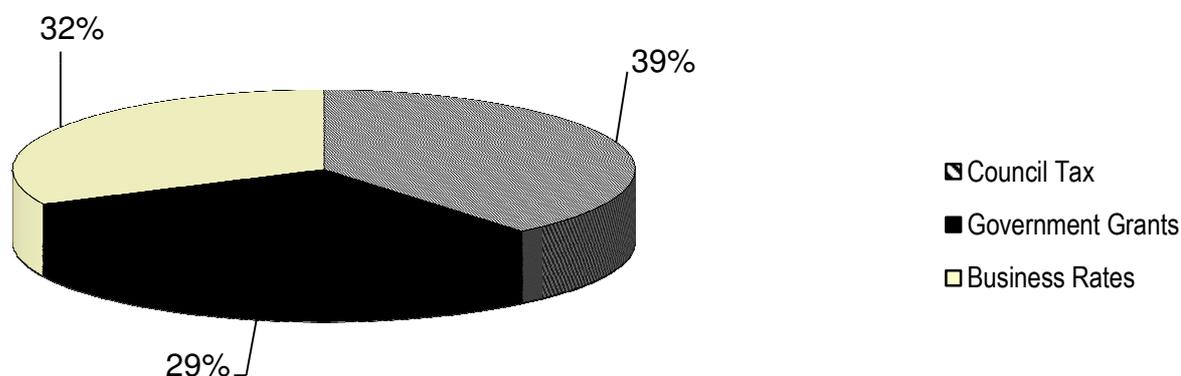
In 2016/17, the amount in our revenue account (the General Fund) decreased by £491,000. The main reasons for differences to the budget are shown below:

Over or (Under) spend £'000	Reason for Budget Variance
1,910	Underspend in 2015/16 which was spent in 2016/17
(1,272)	Additional Income
(412)	Procurement / Shared Service Savings
1,019	Additional Costs
(754)	Net Underspends
<b>491</b>	<b>Decrease to General Fund</b>

## How did we pay?

How we paid for services	2016/17 £'000
Council tax	(7,291)
Council tax freeze grant	(79)
New homes bonus grant	(3,482)
Revenue support grant	(1,955)
Business rates	(6,065)
<b>Total income</b>	<b>(18,872)</b>

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 2016/17 was £18.9 million. As the chart here shows, 39% came from Council tax, 29% came from government grant and 32% came from business rates.

## Did we have anything left over?

We spent more than we received from income in last year leading to a deficit on our revenue account. This deficit for the year was added to accumulated surpluses from previous years to give a new balance of £4.9 million.

<b>Revenue account surplus</b>	<b>2016/17 £'000</b>
Income from taxes / grants	(18,872)
Service expenditure	19,363
<b>Surplus for year</b>	<b>491</b>

At the end of the financial year, our General Fund reserve stood at £4.874 million.

<b>Balance on General Fund</b>	<b>2016/17 Net Expenditure £'000</b>
General Fund balance at start of year	(5,365)
Contributions to balances	491
<b>General Fund balance at the end of the year</b>	<b>(4,874)</b>

The movement in our cash flow is shown below:

<b>Cash flow</b>	<b>2016/17 £'m</b>
Cash and cash equivalents in hand on 1 April 2016	11.9
Net cash in from running services	54.8
Net cash out from making investments	(58.6)
<b>Cash and cash equivalents in hand on 1 April 2017</b>	<b>8.1</b>

## 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:

	<b>31 March 2017</b> <b>£'000</b>
Buildings, land and other long term assets owned by the Council	64,735
Short-term investments	17,992
Amount others owe to us	4,332
Cash and cash equivalents	8,050
<b>Total assets</b>	<b>95,109</b>
Amount we owe to others	(14,901)
Liability related to pension scheme	(66,266)
Other long term liabilities	(4,563)
<b>Net assets</b>	<b>9,379</b>
<u>Financed by:</u>	
Useable reserves (can be used to provide services)	(17,427)
Unusable reserves (held for accounting purposes only, not to provide services)	8,048
<b>Total reserves</b>	<b>(9,379)</b>

## 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 £2.9 million were:

<b>Capital spending</b>	<b>Budget for 2016/17 £'000</b>	<b>Actual Spending 2016/17 £'000</b>	<b>Over or (Under) spend £'000</b>
Disabled Facilities Grants	1,943	1,541	(402)
Easthall Farm Community Centre	964	598	(366)
Minster Leas Promenade Resurfacing	306	150	(156)
Faversham Pools Refurbishment	150	150	0
Newington Car Park Wall	125	114	(11)
Thistle Hill New Play Area	181	1	(180)
Sittingbourne Skate Park	240	0	(240)
Faversham Creek Regeneration Project	200	0	(200)
Other services	599	400	(199)
<b>Total</b>	<b>4,708</b>	<b>2,954</b>	<b>(1,754)</b>

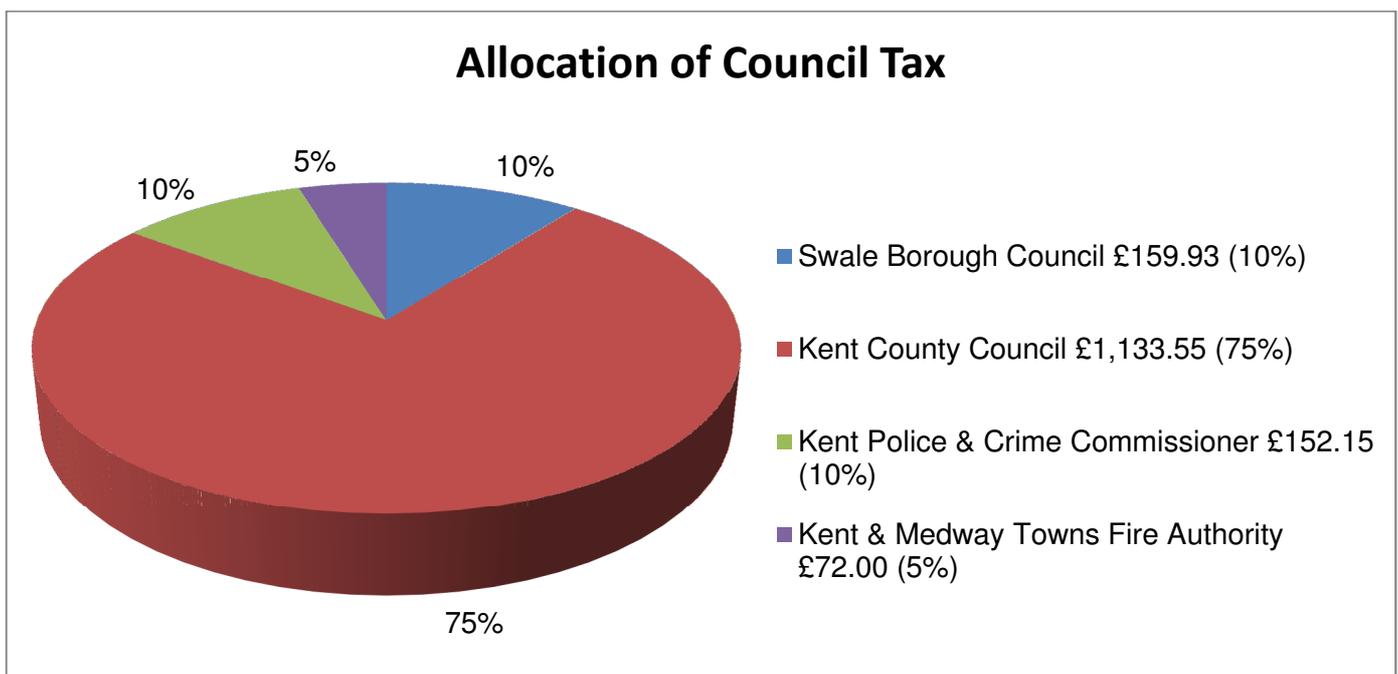
## Council Tax 2016/17

### 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 2016/17 (ignoring contribution to parishes) the County Council received 75p from every £1, the Police and Crime Commissioner 10p, the Fire and Rescue Service 5p, and Swale Borough Council kept 10p 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.



<b>Swale's share of the council tax for a Band D property 2016/17</b>	<b>£</b>
The amount of money we needed	342.37
Less: revenue support grant	(44.47)
Less: our share of business rates	(137.97)
<b>The amount you paid for Swale's services</b>	<b>159.93</b>

## Council Tax 2017/18

Although not part of the 2016/17 accounts, details are added for your information on the 2017/18 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 2017/18 this figure is 45,299.89. If your home is in Band D, your council tax for this year will be £1,574.20 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:

	<b>Swale Borough Council</b>	<b>Kent Police &amp; Crime Commissioner</b>	<b>Kent County Council</b>	<b>Kent and Medway Fire and Rescue Authority</b>	<b>Total</b>
	£	£	£	£	£
Band A	109.92	104.77	785.88	48.90	1,049.47
Band B	128.24	122.23	916.86	57.05	1,224.38
Band C	146.56	139.69	1,047.84	65.20	1,399.29
<b>Band D</b>	<b>164.88</b>	<b>157.15</b>	<b>1,178.82</b>	<b>73.35</b>	<b>1,574.20</b>
Band E	201.52	192.07	1,440.78	89.65	1,924.02
Band F	238.16	226.99	1,702.74	105.95	2,273.84
Band G	274.80	261.92	1,964.70	122.25	2,623.67
Band H	329.76	314.30	2,357.64	146.70	3,148.40

## 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