



Creating a safer
Cambridgeshire

The Chief Constable of Cambridgeshire Constabulary

DRAFT STATEMENT OF ACCOUNTS 2025/26

Table of Contents

| | |
|----------------------------------------------------------------|----|
| Preface | 2 |
| Narrative Report | 4 |
| Statement of Responsibilities for the Statement of Accounts | 28 |
| The Core Statements of Accounts | |
| Expenditure and Funding Analysis | 29 |
| Comprehensive Income and Expenditure Statement | 30 |
| Movement in Reserves Statement | 31 |
| Balance Sheet | 32 |
| Cash Flow Statement | 33 |
| | |
| Notes to the Accounts | 34 |
| | |
| Accompanying Statements | |
| Pension Account | 65 |
| Glossary of Terms | 68 |

PREFACE

Introduction to the 2025/26 Statement of Accounts by Simon Megicks, Chief Constable of Cambridgeshire Constabulary

Having rejoined the Constabulary as Chief Constable in October 2025, I am pleased to return to a stable and effective policing service. While there are areas my Chief Officer Team and I will review to improve performance further, our purpose remains clear, which is to make Cambridgeshire a safer place for everyone who live, work, and visit the county. The Constabulary's Corporate Plan was refreshed during 2025/26 ensuring support and due regard is afforded to assist in the delivery of the Police and Crime Commissioner's Police and Crime Plan. Moving into 2026/27 I will be simplifying the Corporate Plan using the vision, mission and set of values to shape the direction of the Constabulary with a strong focus on meeting public expectations.

Cambridgeshire is home to around 0.9 million people and remains one of the fastest growing counties in the country. Between the 2011 and 2021 Census, its population increased by 11.1%, compared with 8.3% across the East of England and 6.6% nationally. The county spans 1,309 square miles and includes the cities of Cambridge, Ely and Peterborough, market towns and the rural Fens. Alongside major housing and infrastructure growth, a strong university and business sector, and increasingly complex crime such as county lines and serious organised crime, creates significant and evolving demands on policing. The dedication and professionalism of my workforce continue to put us in a strong position to meet those challenges.

We still have an area for improvement identified by His Majesty's Inspectorate of Constabularies and Fire and Rescue Services in responding to the public. I recognise the importance of this to public confidence and safety, and it remains a clear priority. I am therefore reviewing elements of the operational model to ensure this is fully addressed.

The most notable performance improvements during the year were in public contact and crime outcomes. Despite rising demand, 999 call volumes increased by 2.5% while the Force Communications Centre maintained strong service levels, with average wait times of 3 seconds for 999 calls and 7 seconds for 101 calls, and more than 90% service achievement each month. Victim satisfaction remained stable at 77.9%, public confidence stayed among the highest nationally, and the rolling 12 month prosecution possible outcome rate rose to 15.8%, the highest for more than two years, with improvements in shoplifting, burglary and rape outcomes.

At the same time, performance challenges remain. Recorded crime rose by 2.4%, driven mainly by growth in the north of the county, while violence against the person increased by 5.7% and sexual offences by 7.1%, including rape, sexual assault, stalking and harassment. Although theft and overall

vehicle crime fell, theft of motor vehicles increased by 13.9%. Demand also remained high, with further growth in emergency calls.

We continue to challenge the efficiency and effectiveness of every part of the Constabulary. This is essential, as we remain one of the lowest funded forces in the country in terms of government grant. We do this through close collaboration with our strategic partners in Bedfordshire and Hertfordshire, the seven force eastern region network, and local partners across Cambridgeshire.

To improve performance further and increase productivity, I am pursuing carefully targeted digital innovation to help us manage, analyse and use our data more effectively. Over time, this will support better decision making, greater efficiency and improved public visibility and safety. We will do this with care, recognising the pace of technological change and the wider context of police reform, devolution and local government reform.

I thank my officers, staff and our partners for their continued dedication and commitment to making Cambridgeshire and Peterborough safe. Together, we have made further progress across many areas of policing, while continuing to respond to a complex and changing environment. Current examples include the government's focus on reducing knife crime, tackling violence against women and girls, strengthening neighbourhood policing, and taking forward police reform, which will need to be considered carefully.

Strong financial management and the delivery of savings remain central to our approach and place the Constabulary in a sound position to respond to future challenges while securing value for money. Financial and business planning remain aligned, with a balanced budget for 2026/27 through to 2028/29. We will continue to identify and deliver savings to maintain financial resilience.

The commitment of my workforce, supported by strong leadership and the effective use of financial and non-financial resources, will enable us to continue delivering our vision of a safer Cambridgeshire.

I also thank the people of Cambridgeshire and Peterborough for their continued support.



Simon Megicks BSc (Hons) MSc MSt (Cantab)
Chief Constable, Cambridgeshire Constabulary

Narrative Report

Contents

| | |
|---------------------------------------------------|-----------|
| 1. Foreword by the Chief Finance Officer | 5 |
| 2. Cambridgeshire | 6 |
| 3. Cambridgeshire Constabulary | |
| Statutory Framework & Responsibilities | 7 |
| The Police and Crime Plan | 8 |
| Corporate Plan | 8 |
| The Operating Model | 9 |
| Workforce | 9 |
| External Environment | 10 |
| Strategy and Resources | 12 |
| 4. Financial Performance | 15 |
| 5. Non-Financial Performance | 19 |
| 6. Outlook | 23 |
| 7. Financial Statements | 24 |
| 8. Summary and Conclusion | 26 |

1. Foreword by the Chief Finance Officer

The Narrative Report provides an overview of Cambridgeshire Constabulary's financial and non-financial performance during 2025/26. It explains the context in which the Constabulary has operated, highlights key external factors affecting performance, and sets out the financial outlook for future years.

Regulation 8 of the Accounts and Audit (England) Regulations 2015 requires local authorities, including police forces, to prepare a narrative statement commenting on financial performance and on the economy, efficiency and effectiveness with which resources have been used during the year.

Policing continues to operate in an increasingly complex environment. The Constabulary faces growing and changing demand arising from serious and organised crime, county lines activity, cybercrime, fraud, modern slavery, human trafficking, terrorism and the need to protect vulnerable victims. Advances in digital technology are also increasing the complexity of offending and investigation. Against this backdrop, and within a constrained financial environment, the Constabulary must continue to focus on economy, efficiency and effectiveness in the use of its resources.

The operating landscape also continues to evolve. During 2025/26, developments such as the neighbourhood policing guarantee and wider police reform have become more prominent under the current Government. Other changes, including local government reform and devolution, will also affect the Constabulary. Together, these developments add further complexity to the environment in which the Constabulary operates and are considered further in the Outlook section of this Narrative Statement.

During 2025/26, the Constabulary was required to maintain police officer numbers under the Government's police uplift arrangements. The Force continued to recruit strongly and ended the year above the baseline required to secure the associated grant funding. For 2026/27, the funding regime has changed, with the previous uplift grant removed and new ring-fenced grant funding introduced to support neighbourhood policing roles.

Collaboration remains a key strength. The Constabulary continues to work closely with Bedfordshire Police and Hertfordshire Constabulary through the BCH collaboration, alongside wider regional and national partnerships. These arrangements support the efficient use of public money, strengthen resilience and help position the Constabulary well for further reform and collaboration across policing.

The Constabulary also continues to work closely with local partners across Cambridgeshire and to contribute to national policing initiatives. This ongoing

focus on partnership working helps to secure value for money and supports the Constabulary's ability to respond to wider reform and collaboration programmes.

The Statement of Accounts has been prepared in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA). It is intended to help readers understand the financial position of the Chief Constable and provide assurance that public money has been used properly and accounted for appropriately.

Readers of these accounts and the subsequent external audit opinion should also be aware of the continuing impact of the national audit backlog. The financial statements for 2021/22 to 2024/25 were all concluded with disclaimed audit opinions, reflecting national audit capacity issues rather than shortcomings by the Constabulary. Work continues with KPMG to support the restoration of assurance over balances these and future years accounts.

Notwithstanding this, KPMG's 2024/25 value for money work identified no significant risks or weaknesses in the Constabulary's arrangements to secure economy, efficiency and effectiveness in the use of resources.

The Police and Crime Commissioner and the Chief Constable are separate legal entities with distinct responsibilities. The Chief Constable is responsible for the direction and control of operational policing in Cambridgeshire, while the PCC is responsible for securing the maintenance of an efficient and effective police force and holding the Chief Constable to account. This Statement of Accounts explains how the resources provided by the PCC have been used to deliver policing services to the public of Cambridgeshire.

2. Cambridgeshire

Cambridgeshire Constabulary covers approximately 1,309 square miles. The county consists of the cities of Ely, Peterborough and Cambridge, market towns and sparsely populated rural communities.

Cambridgeshire has a population around 0.9m. This resident population is ethnically diverse, with 14.6% from Black, Asian, Mixed or Other ethnic group, and is increased by students who study in the area's universities and the large numbers who visit or travel through the county each year. Cambridgeshire continues to be one of the fastest growing counties with the population expected to grow well above 900,000 by 2031. During the period between the 2011 census and 2021 census Cambridgeshire's population increased by 11.1% (89,500) compared to the East of England at 8.3% and the whole of England at 6.6%.

The growth in Cambridgeshire will be further accelerated by the government announcement to target further development of new homes supported by a £10m investment to develop a plan for housing, transport, water and other infrastructure delivered by the Cambridge Growth Company (CGC). To date

planning applications for over 9,000 new homes have helped to be unlocked by CGC. Further government investment in the East to West railway between Cambridge and Oxford has the potential to generate further growth in the county.

Cambridgeshire borders 8 other counties and the Constabulary is in a strategic collaboration with the police forces of two of those counties (Bedfordshire and Hertfordshire) for the delivery of some policing services and works collaboratively with other bordering forces including Norfolk, Suffolk and Essex, and wider with Kent, Thames Valley, Surrey and Sussex in some areas of business.

During 2025/26 Cambridgeshire received the following on average:

- 999 calls per day 424
- 101 calls per day 615
- Web chats per day 63

3. Cambridgeshire Constabulary

Statutory Framework & Responsibilities

The Police Reform and Social Responsibility Act 2011 (the Act) provides the statutory framework under which the PCC and Chief Constable were established as separate legal entities. The Act prescribes the roles and responsibilities of which an overview is provided here.

“The Police and Crime Commissioner for a police area must:

- a) Secure the maintenance of the police force for that area; and
- b) Secure that the police force is efficient and effective.”

The PCC also has a role in holding the Chief Constable to account for the operational policing of Cambridgeshire.

The Chief Constable directs and controls the operations, police officers and police staff of the Constabulary to achieve the operational and organisational priorities contained within the Corporate Plan, in addition paying due regard to the PCC’s Police and Crime Plan.

The financial management responsibilities differ in that the PCC has overall responsibility for the finance of the Constabulary’s group accounts. All resources, grant and precept funding are received by the PCC and funding is provided to the Chief Constable to deliver the operational policing requirement. The Chief Constable prepares single entity accounts to demonstrate how the funding provided by the PCC has been used to achieve operational policing objectives.

The Financial Management Code of Practice for the police forces of England and Wales (the Code) has also been issued under the Police Reform and

Social Responsibility Act 2011. The Code provides financial governance arrangements for police forces and the financial requirements that the PCC and Chief Constable must adhere to. The aim being to ensure proper use, stewardship, and value for money in the use of public funds to deliver the policing service.

The Chartered Institute of Public Finance and Accountancy (CIPFA) has developed a Financial Management (FM) Code for Police and Fire Services. The CIPFA FM Code contains six overarching principles covering leadership, accountability, transparency, sustainability, standards, and assurance. The Constabulary has undertaken an assessment of its compliance with the CIPFA FM Code for the 2025/26 financial year, which sets out the Constabulary's compliance with all areas of the Code being complied with.

[The Police and Crime Plan](#)

The Police and Crime Plan (PCP) for Cambridgeshire sets the vision of the PCC for Cambridgeshire - 'Tackling Crime and Keeping Communities Safe.' The Plan is structured on strategic themes designed to ensure safe communities. The themes are early intervention and prevention; tackling crime and anti-social behaviour; supporting victims and witnesses; and building trust and confidence.

The PCP can be found at the following link: [Police and Crime Plan 2025-2028](#)

(Link address: <https://www.cambridgeshire-pcc.gov.uk/the-police-and-crime-plan/a-new-police-and-crime-plan-for-Cambridgeshire-and-Peterborough/>)

[The Corporate Plan](#)

The vision of Cambridgeshire Constabulary is to create a safer Cambridgeshire. The Corporate Plan for 2025/26 set Organisational and Operational priorities. The Organisational priorities focus on People, Partnerships, Resources and Transformation. The Operational priorities are to:

- Safeguard the vulnerable,
- Combat acquisitive crime,
- Reduce harm to communities,
- Tackle serious and organised crime, and
- Increase public satisfaction.

The Corporate Plan also sets out the Constabulary's values of fairness, integrity, diligence, and impartiality. These ensure the Constabulary has and continues to deliver an inclusive and professional policing service. The 2025/26 Corporate Plan importantly sets out the Constabulary's strategic ambitions and intent regarding diversity, equality and inclusion setting Equality Objectives and includes a Culture Statement.

The Corporate Plan can be found at the following link: [Cambridgeshire Constabulary Corporate Plan 2025/26](#)

(Link address: [Chief Constable's Introduction | Corporate Plan 2025 - 2026 | Cambridgeshire Constabulary](#))

The Operating Model

The Constabulary maintains its commitment to the tri-force collaboration with Bedfordshire and Hertfordshire (BCH) as well as wider networking and collaboration across the Eastern Region (including Kent Police). However local policing remains at the centre of the Constabulary's operating model.

We continue to work with local partners across Cambridgeshire to have a joined-up response to tackling the cause of crime and continue to seek ways with our partners to prevent crime. Where possible the Constabulary also collaborates with the Cambridgeshire Fire and Rescue Service and the East of England Ambulance Service to identify opportunities for joint working through the Strategic Interoperability Board.

The Constabulary is also part of national policing arrangements and initiatives where these are put in place for the benefit and consistency of policing nationally and to deliver the Strategic Policing Requirement.

An annual planning process is undertaken to determine whether the operating model and resources remain appropriate, and always with a focus on maintaining a sustainable operating model. The financial resources are considered alongside other resources which are deployed by the Chief Constable to meet the objectives of the Corporate Plan and in supporting the PCC's Police and Crime Plan.

Workforce

The Constabulary employs police officers, police staff and police community support officers (PCSOs) and is supported by the special constabulary to deliver its policing model. The workforce is overseen by the monthly Strategic Workforce Planning meeting. The budget for 2025/26 included 1,718 budgeted full time equivalent (FTE) police officers with actual officer strength (FTE) on 31 March 2026 being 1,708.

The Home Office measures the maintenance of the officer Uplift baseline based on headcount. The Constabulary had 1,737 officers on 31 March 2026 which is five officers above the required baseline of 1,732. The turnover rate for the Constabulary for 2025/26 was 7.5%, which has increased compared to 2024/25 where the rate was 6.8%. Cambridgeshire's retention for 2025/26 was above the national average for all forces, which was 6.8%.

The Black, Asian, Mixed and Other ethnic group population in the county of Cambridgeshire is 14.6% (based on census 2021 data). The percentage of police officers within the Force from Black, Asian, Mixed and Other Ethnic Groups for the year is 5.0%, compared to the previous year which was 5.2%.

The Constabulary therefore remains below the percentage for the whole county identifying as Black, Asian, Mixed and Other ethnic groups.

Based on headcount female police officers total 662 (38.1%) at the 31 March 2026, which has remained consistent with the percentage at the end of the prior year.

In addition to police officers the Constabulary employs police staff in various roles. The headcount of police staff numbers at the end of March 2026 totaled 934 of which 64.6% were female, a slight decrease on 0.4% on the prior year. The Constabulary also employs Police Community Support Officers (PCSOs) which totaled 29 at the end of the year with 37.9% being female.

Overall, the headcount at the end of the year for the whole workforce (police officers, police community support officers, the special constabulary, and police staff) was 2,771 with 1,301 (46.9%) female employees and 1,470 (53.1%) males.

The table below shows the headcount at 31 March 2026 of female and male police officers by rank, police community support officers, police staff and special constables.

| Headcount Strength | | | | | |
|------------------------------|-------------|--------------|------------|--------------|-------------|
| Police Officers | Male | % | Female | % | Total |
| ACPO | 5 | 100.0% | 0 | 0.0% | 5 |
| Ch Supt | 4 | 66.7% | 2 | 33.3% | 6 |
| Supt | 10 | 83.3% | 2 | 16.7% | 12 |
| Ch Insp | 22 | 75.9% | 7 | 24.1% | 29 |
| Insp | 45 | 68.2% | 21 | 31.8% | 66 |
| Sgt | 186 | 70.2% | 79 | 29.8% | 265 |
| Cons | 803 | 59.3% | 551 | 40.7% | 1354 |
| TOTAL | 1075 | 61.9% | 662 | 38.1% | 1737 |
| <i>includes career break</i> | 3 | 37.5% | 5 | 62.5% | 8 |

| Headcount Strength | | | | | |
|--------------------|------|-------|--------|-------|-------|
| Police Staff | Male | % | Female | % | Total |
| Staff | 331 | 35.4% | 603 | 64.6% | 934 |
| PCSOs (All) | 18 | 62.1% | 11 | 37.9% | 29 |

| Headcount Strength | | | | | |
|--------------------|------|-------|--------|-------|-------|
| Specials (All) | Male | % | Female | % | Total |
| Specials | 46 | 64.8% | 25 | 35.2% | 71 |

[External Environment](#)

The Constabulary delivers an essential public service and operates within a complex landscape shaped by key stakeholders and external influences. The people of Cambridgeshire are central to this, and the Force is committed to protecting communities, preventing crime and keeping people safe. As the

county's population grows, demand for policing continues to increase. At the same time, new technologies and the evolving nature of crime are adding further complexity to the environment in which the Constabulary operates and seeks to bring offenders to justice. Policing must therefore continue to adapt, innovate and transform to meet these challenges.

During 2025/26, inflation remained stubborn with the Consumer Prices Index (CPI) ending the year at 3.3%. Interest rates continue to remain high, ending the year at 3.75%, although there has been some downward movement over the year. Higher interest rates adversely impact the cost of external borrowing to the Constabulary but at the same time provide an opportunity for returns on the investment of cash balances.

The Constabulary collaborates with other police forces. In addition, the Force takes seriously the role it plays in the wider public sector in Cambridgeshire by working closely with and supporting partnership arrangements with other public sector bodies. This work is evident through various initiatives and in particular the Constabulary's involvement in the Local Resilience Forum (LRF) and Strategic Coordinating Group (SCG) for Cambridgeshire.

The Constabulary is also involved in several collaborative initiatives which have a direct impact on the operational and financial environment. These range from local collaboration with neighbouring forces to regional arrangements and national initiatives.

Central government through the Home Office also influences the environment within which the Constabulary operates. The Constabulary has a duty to ensure value for money and collaboration arrangements help to deliver this. The Home Office under the Labour government are driving forward further collaboration through Police Reform. 'From Local to National: A New Model for Policing' was published by government in January 2026 with the intent to:

- Focus local forces on local crime through Local Policing Areas (LPAs).
- Create a stronger policing system by reducing the number of police forces and reform the national tier of policing by creating the National Police Service (NPS).
- Develop high standards through better use of data and a new Police Performance Framework.
- Develop modern capabilities in both the workforce and through data and technology with a new National Centre for AI (artificial intelligence) in Policing.

These new initiatives will be on top of existing arrangements such as the National Enabling Programme, Single Online Home, the Police ICT company and Blue Light Commercial. All with the intention of driving efficiency and sharing of expertise through collaboration arrangements.

Government policy continues to influence the Constabulary through the funding arrangements and key national initiatives. These national themes are included in the work of the Constabulary.

Risk management is embedded into the work of the Constabulary on an ongoing and continuous basis. It features clearly in the governance arrangements, and it effectively underpins and enables the business to identify, assess and manage a range of both internal and external factors. The Constabulary maintains strategic and operational risk registers and the risk management process is managed by the Organisational Improvement Centre. Formal accountability for the process lies with the Deputy Chief Constable and governance is ensured through the Risk Review Board that adds further scrutiny to the risk processes.

The Joint Audit Committee oversees the risk management arrangements of the Force and ensures that the Constabulary's processes are aligned with the Commissioner's processes. Risk management arrangements are also in place in BCH collaboration overseen by the Joint Chief Officer Board (JCOB).

The Constabulary also maintains a fraud risk register.

[Strategy and Resources](#)

Cambridgeshire Strategic Threat and Risk Assessment (CamSTRA)

CamSTRA is the Constabulary's established business planning process, refined annually. It identifies force-wide threats and risks, assesses current and future demand, and informs decisions on resource deployment and reallocation. CamSTRA underpins business and operational planning and links directly to financial planning, informing the annual refresh of the Medium-Term Financial Strategy.

The Constabulary's latest Police Effectiveness, Efficiency and Legitimacy (PEEL) inspection by HMICFRS published in March 2024 stated that:

“Despite having some of the lowest funding and personnel per person in England and Wales, the constabulary takes on financial challenges through innovative projects that raise funds. This includes raising money by sharing its innovative CamSTRA process”.

And that:

“The constabulary manages its finances well. Its financial plans are sensible and sustainable”.

Medium Term Financial Strategy (MTFS)

During 2025/26 the MTFS for the period 2026/27 to 2029/30 including the revenue and capital budget plans and the reserves strategy was approved by the PCC on 26 February 2026. The current 2026/27 MTFS can be accessed at the following link: [2026/27 to 2029/30 Medium Term Financial Strategy](#)

A high-level summary of the Medium-Term Financial Plan for the revenue budget is provided below.

| | Budget 2026/27 £000 | Forecast 2027/28 £000 | Forecast 2028/29 £000 | Forecast 2029/30 £000 |
|---------------------------------------------|------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Total In-House Expenditure | 137,996 | 142,822 | 147,411 | 152,019 |
| Net Cost of Police Pensions | 25,180 | 26,163 | 27,079 | 28,027 |
| Total BCH Collaboration | 43,151 | 44,686 | 45,675 | 46,693 |
| Total Collaboration & Partnership | 6,076 | 6,276 | 6,473 | 6,726 |
| Constabulary Expenditure | 212,403 | 219,947 | 226,638 | 233,465 |
| Total Income | (2,309) | (2,438) | (2,439) | (2,440) |
| Total Constabulary Budget | 210,094 | 217,509 | 224,199 | 231,025 |
| Total OPCC Office Expenditure | 1,751 | 1,796 | 1,839 | 1,884 |
| Total Corporate Costs and Grants | (2,355) | (2,169) | (2,032) | (1,896) |
| Total Capital Financing Costs | 7,906 | 8,026 | 7,218 | 7,899 |
| Savings to be Identified | | | | (1,637) |
| NET BUDGET REQUIREMENT (NBR) | 217,396 | 225,162 | 231,224 | 237,275 |
| Budget Increase Year on Year | 9,784 | 7,766 | 6,062 | 6,051 |
| Financed by: | | | | |
| Formula Grant | 111,700 | 113,700 | 113,275 | 113,400 |
| Uplift Grant (baseline of ringfenced grant) | - | - | - | - |
| Precept | 99,167 | 105,140 | 111,309 | 117,273 |
| Pension Grant | 4,433 | 4,433 | 4,433 | 4,433 |
| National Insurance Exemption | 2,569 | 2,569 | 2,569 | 2,569 |
| Contribution (to)/from Reserves | - | (280) | 38 | - |
| Collection Fund - (Deficit) | (473) | (400) | (400) | (400) |
| TOTAL FINANCING | 217,396 | 225,162 | 231,224 | 237,275 |

The MTFFS is forecast to be balanced through to 2028/29 with savings being required to balance 2029/30. However various assumptions are used for unknown factors, particularly in quantifying cost and uncertainty in respect of future cost pressures such as inflation, pay awards and regulatory or statutory requirements that the Constabulary must respond to. It is therefore expected that further savings will also be required in 2027/28 and 2028/29. The Police Settlement for 2026/27 was a single year settlement. The government's Comprehensive Spending Review (CSR) through to 2028/29 does not provide force level allocations. This similarly represents a risk and uncertainty to the financial plan.

Precept flexibility was provided to PCCs for 2026/27 allowing an increase up to £15 on a band D property – the PCC supported a rise of £14.94 for

Cambridgeshire. The precept increase in future years is forecast at £15 for a band D property which will be subject to government confirmation, and consultation and approval by the PCC.

Despite this uncertain financial climate, the Constabulary will continue to meet the policing requirements of the county.

Medium Term Capital Plan

The PCC has approved the Capital Strategy containing the Medium-Term Capital Plan (MTCP) forecast at £42.5m over the next four years, which will support the Force with appropriate infrastructure and assets to deliver operational policing.

The new Milton Police Station is due to open in 2026/27. With the completion of this major capital construction budget the capital programme has returned to routine capital investment and smaller scale projects totalling £12.1m in 2026/27. The areas of capital investment are:

- £1.8m on the vehicle fleet.
- £2.8m ICT projects and developments.
- £5.7m on the built estate although with all individual projects being under £1m.
- £1.9m on other schemes mainly operational projects.

The financing of the proposed capital programme is now less dependent on external borrowing with £8.1m planned across the 4-year MTF period. This is much less than recent years due to the completion of Milton Police Station. The main sources of funding planned over the 4 years are capital receipts (£16m), revenue contributions (£14.1m) supplemented by some planned contributions from reserves for the new Emergency Services Network (ESN) and the new taser units.

Reserves

The reserves are held by the PCC and are separated between usable and unusable reserves. Usable reserves are those that can be applied to help meet expenditure in a one-off context whereas unusable reserves are typically generated or applied because of technical accounting requirements. The MTF period is not dependent on the use of reserves with no draw down required to support the 2026/27 revenue budget. The Constabulary maintains its focus on the identification and delivery of recurrent revenue savings to achieve a sustainable financial position, protect the reserves and provide financial resilience.

Usable reserves consist of earmarked reserves held for specific purposes and the general reserve which the Constabulary is required to hold. The Constabulary holds earmarked reserves to meet known risks, areas of uncertainty including the Insurance reserve, ESN and the Budget Assistance Reserve, and to support investment where needed.

The MTF5 plans to increase the General reserve to £11.6m by 2029/30 to reflect the increasing net revenue budget over the same period. Movements to and from the reserves during 2025/26 are provided in the Movement in Reserves Statement and accompanying notes.

The total of all usable reserves at the end of 2025/26 stood at £31.9m.

4. Financial Performance

a. Economic climate

Like many public sector bodies, the Constabulary continues to face financial pressures from challenging funding settlements from government and wider economic uncertainty, including changing tariffs and potential trade impacts. Costs remained elevated due to high interest rates, although inflation eased during 2025/26. Increases in National Insurance contributions have also raised costs, including through third party suppliers.

The PCC has raised additional precept in recent years which has helped to meet the costs of policing the county. In 2025/26 the precept was raised by £13.95 per annum on a band D property - the maximum increase to the precept allowed being £14.00.

A one-year only funding settlement was received for 2025/26 continuing to make financial planning in the medium term less certain. The 3-year Comprehensive Spending Review (CSR) was published in 2025 but without individual force allocations.

These issues taken together maintain an uncertain economic climate which will need to be kept under review, managed and planned for in future budgets. The continual need to find savings remains a priority in securing financial resilience and sustainability for the Constabulary.

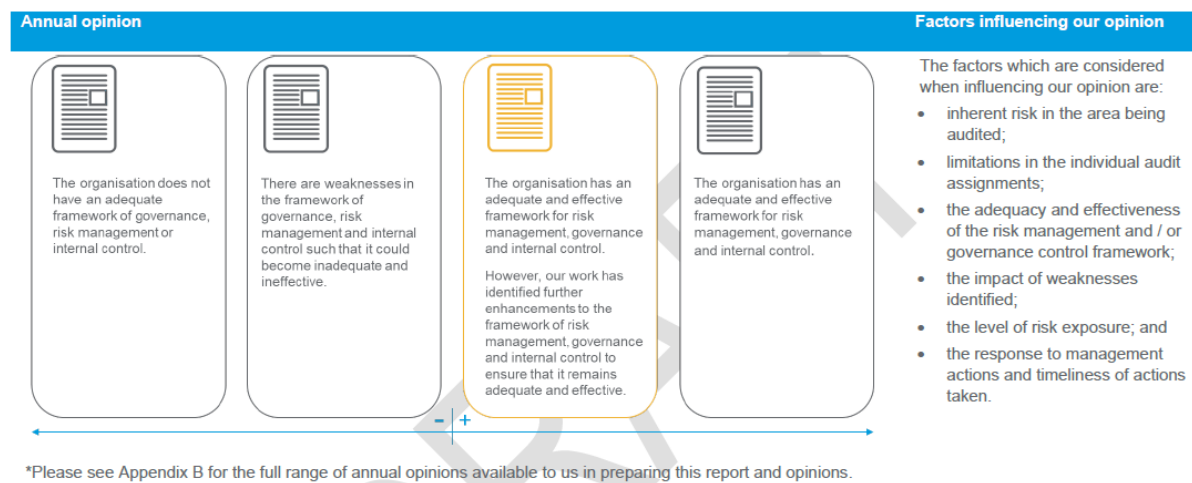
b. Financial Management

The financial standing of Cambridgeshire Constabulary is very robust with sound financial management practices in place. The Constabulary's most recent HMICFRS Police Effectiveness, Efficiency and Legitimacy inspections stated that:

“The constabulary manages its finances well. Its financial plans are sensible and sustainable”.

The Force operates a Scheme of Governance, which includes the Financial Regulations and Contract Standing Orders supported by Force Financial Instructions (FFI) which are updated annually. This provides the overall financial framework for the Force to work towards achieving best practice in financial management.

The internal auditor has assessed the financial management arrangements of the Constabulary and has raised no significant issues. Financial audits have been undertaken during the year with positive assurance opinions on the general ledger, payments and creditors and the financial management in the Eastern Region Serious and Organised Unit (ERSOU). For 2025/26 the draft Internal Audit Opinion based on the overall adequacy and effectiveness of the risk management, control and governance processes was a substantial assurance assessment as demonstrated below.



The Constabulary complies with the CIPFA Financial Management Code of Practice and has undertaken an assessment against the 6 principles and 17 financial management standards based on the arrangements in place during 2025/26. Of the standards all are assessed as green. The assessment was reported to the Joint Audit Committee on 31 July 2026.

c. Revenue Outturn 2025/26

The revenue outturn reflects a combination of prudent financial management, sustainable reserves and capital financing decisions, together with several favourable variances that are not expected to be wholly recurrent.

The Constabulary reported several underspends across both operational and support budgets during the year. A significant proportion of these favourable variances did arise from workforce vacancies rather than from sustainable recurring efficiencies. Within Local Policing Crime and Vulnerability, an underspend of £1,124k was driven primarily by vacancy related pay savings across Intelligence, Investigation Standards and Protecting Vulnerable People. These savings were partly offset by higher ICT costs, overtime and other operational pressures incurred in maintaining service delivery. Whilst the outturn was favourable, it reflects continuing demand and capacity pressures and should therefore be interpreted with appropriate caution when assessing the sustainability of the financial position.

Local Policing Operations underspent by £2,531k, largely due to vacancies across police officers, Police Community Support Officers (PCSOs) and police staff. Although this contributed to a favourable outturn, the savings were partially offset by increased overtime and other non-pay pressures, including travel, to sustain frontline resilience. Accordingly, the underspend does not represent a recurring reduction in the underlying cost of service delivery and will require continued workforce stabilisation to support a sustainable medium-term financial position.

People and Professionalism reported an underspend of £286k, arising mainly from officer vacancies, with additional income within the Enterprise Hub helping to offset modest pressures relating to overtime, training, travel and redundancy. The overall position remained stable during the year, although has been reliant on vacancy related savings again.

Non-Operational Services underspent by £1,223k. This reflected a combination of corporate budget pressures offset by significant underspends within estates, fleet and insurance. Estates benefited from lower utilities costs compared to budget and vacancy savings, fleet from lower fuel costs and the revised treatment of capital-related vehicle charges, and insurance from a lower provision requirement. Whilst these variances supported the outturn position, they were influenced by technical, market and one-off factors, some of which have been adjusted in the 2026/27 budget such as utility costs.

Collaboration and Partnership recorded an underspend of £774k, including a £574k underspend on the Constabulary's share of BCH collaborated budgets after transfers to reserves. The outturn reflected a combination of timing differences, workforce related variances and cost reclassifications rather than any structural reduction in collaboration activity. This distinction is important in assessing financial sustainability, as the outturn position does not itself reduce the ongoing cost base of collaborative delivery.

Revenue Contribution to Capital Outlay (RCCO) ended the year with additional contributions above budget of £3,780k. This reflected a deliberate and planned increase in the use of revenue funding to support the capital programme, including amounts approved during the year as part of the capital financing strategy and the capital elements of fleet and regional collaboration charges. Although this is increased expenditure in year, it represents a prudent financial management approach which reduces the requirement for borrowing, therefore limiting future interest and minimum revenue provision costs to support longer-term financial sustainability and resilience. The Constabulary has adopted this approach in recent years which has worked well.

The overall OPCC position was an overspend of £1,522k. Whilst the PCC's Office itself reported a small underspend, the net position was driven by corporate and treasury related activity. Lower borrowing, favourable interest rates, a reduced minimum revenue provision requirement and a technical adjustment relating to the Neighbourhood Policing grant generated savings. These were more than offset however by the sunk costs to end the Monks

Wood project and movements to reserves agreed during the year. The outturn therefore reflects the combined effect of treasury gains, accounting movements and agreed reserve movements rather than a deterioration in the underlying financial position.

There was a net transfer to reserves during the year of £4,970k to mitigate known future risks and support planned expenditure, in line with the financial strategy previously reported. Maintaining appropriate reserve levels remains an important component of the Constabulary's approach to financial resilience and sustainability.

Summary of Revenue Expenditure against budget as at 31 March 2026

| | Full Year budget £'000 | Outturn £'000 | Variance £'000 |
|----------------------------------------|-----------------------------------|--------------------------|---------------------------|
| Local Policing - Crime & Vulnerability | 30,597 | 29,473 | (1,124) |
| Local Policing - Operational | 95,611 | 93,080 | (2,531) |
| People & Professionalism | 5,307 | 5,021 | (286) |
| Non -Operational | 21,130 | 19,907 | (1,223) |
| Collaborated and Partnerships | 48,038 | 47,264 | (774) |
| Chief's Net Budget Requirement | 200,683 | 194,745 | (5,938) |
| Total PCC Budget | 4,560 | 9,862 | 5,302 |
| Net Budget Requirement | 205,243 | 204,607 | (636) |

d. Capital Outturn 2025/26

Under the Police and Social Responsibility Act 2011 the physical estate from which the Constabulary operates is held by the PCC. The PCC therefore incurs capital expenditure on land and buildings, ICT and other items of plant and equipment of a capital nature to enable the Constabulary to operate effectively and meet operational policing requirements.

The 2025/26 capital programme closed in a controlled position, with expenditure of £30,223k against the budget of £35,771k, resulting in an underspend of £5,548k. The position demonstrates strong financial governance, with agreed investments remaining deliverable and carried forward into 2026/27. The main areas of variance relate to Land and Building schemes (£3,411k) which is due to the timing of major works and projects and similarly ICT projects (£1,368k) which have experienced procurement or implementation delays. There were also contingency budgets (£400k) plus £100k delegated to the Chief constable in the programme to manage adverse cost movements which were not required during the year.

Summary of Capital Expenditure against budget as at 31 March 2026

| | Full Year Capital Budget £000 | Capital Outturn £000 | Capital Variance £000 |
|----------------------------------|----------------------------------------|----------------------------|-----------------------------|
| Land and Buildings | 29,262 | 25,851 | (3,411) |
| Fleet | 2,362 | 2,176 | (186) |
| ICT | 2,861 | 1,493 | (1,368) |
| Other Projects and Collaboration | 786 | 703 | (83) |
| Major Projects Contingency | 400 | 0 | (400) |
| Chief's Delegated Budget | 100 | 0 | (100) |
| Total Capital Expenditure | 35,771 | 30,223 | (5,548) |

The programme has been financed prudently, with borrowing reduced to £24,191k to mirror actual expenditure and capital grants of £759k fully applied in accordance with funding conditions. Revenue contributions to fund capital of £4,780k and reserve contributions of £492k were also utilised to support investment.

Summary of Capital Financing Applied for the Year Ended 31 March 2026

| Funding Source | £000 |
|----------------------------------|---------------|
| Capital Grants | 759 |
| Reserves | 493 |
| Borrowing | 24,191 |
| Revenue Contributions to Capital | 4,780 |
| Total Capital Financing | 30,223 |

5. Non-Financial Performance

The Constabulary has a Corporate Framework in place which sets the structure and processes of the Constabulary to manage governance and drive performance, seeking to ensure senior leaders are utilising resources to deliver first class policing across the county of Cambridgeshire.

The Constabulary's latest Police Effectiveness, Efficiency and Legitimacy (PEEL) inspection undertaken by HMICFRS was in 2023/24. The inspection provided an overall assessment of the Force's performance. The PEEL inspection framework reports against five graded judgements which are outstanding, good, adequate, requires improvement and inadequate in several areas. The Constabulary's HMICFRS judgments from the 2022/23 inspection

are provided below. Areas for improvement (AFI) were mandated by HMICFRS for responding to the public and managing offenders. The Constabulary has responded positively through focussed improvements in these areas with HMICFRS lifting the AFI for managing offenders in 2024/25, and for responding to the public this AFI remains in place at the 31 March 2026, however the Constabulary is confident in the sustained improvements made in this area.

| Outstanding | Good | Adequate | Requires improvement | Inadequate |
|------------------------------------|---------------------------------|------------------------------|---------------------------------|--------------------------|
| Police powers and public treatment | Preventing crime | Investigating crime | Leadership and force management | Responding to the public |
| | Developing a positive workplace | Protecting vulnerable people | | Managing offenders |

2025/26 Performance Headlines

The volume of 999 calls has risen in recent months; 2025/26 saw 2.5% (+3,752) more 999 calls than in 2024/25. The daily average over 2025/26 was 424 per day compared to 414 per day over 2024/25. The downward trend in 101 call volumes continued, with 2025/26 seeing 2.2% (-5,116) fewer 101 calls than in 2024/25. The daily average for 101 calls was 615 per day over 2025/26, down from 629 per day over the previous year. The use of webchats also reduced, down 15.8% over 2025/26 relative to 2024/25, with a daily average of 63 per day compared to 75 per day the previous year.

Efforts to reduce discontinuance rates – which have fallen by seven percentage points over the last year – and improving secondary line handling, has helped the Force Communications Centre improve levels of call-handling service. National comparison data over 2025/26 shows continued strong performance in national rankings relative to other forces; Cambridgeshire data shows an average wait time of 3 seconds for 999 calls over 2025/26, with the average wait time for 101 calls at 7 seconds in the same period. The Constabulary consistently achieves high grades of service for each call-type, exceeding 90% each month.

Overall, victim satisfaction rates were broadly stable year-on-year. Victims surveyed over 2025/26 were 77.9% (at least fairly) satisfied with their whole experience with Cambridgeshire Constabulary – comparable to 78.4% over 2024/25. In addition, the latest national Crime Survey for England and Wales confidence figures show Cambridgeshire as one of the highest performing forces in the country.

The long-term indicator for recorded crime continued its recent gradual rise over 2025/26, with an overall 2.4% (+1,600 offences) increase year-on-year. The force position has been principally driven by an increase in recorded

crime in North Area (+3.8%), whereas offence levels in South Area have remained broadly stable (+0.3%).

As with overall crime levels, Violence Against the Person offences have shown an increase (+5.7%) year-on-year. This included higher levels of violence with injury offences (+8.4%); a year-on-year increase (+3.4%) in violence without injury and an 8.3% rise in Stalking & Harassment offences. Sexual Offences have seen a 7.1% year-on-year increase; with recorded Rape offences up by 4.9% and Sexual Assaults rising by 3.0%. Overall Theft offences have shown a general reduction, with 5.2% fewer recorded in 2025/26 than 2024/25. This varied by offence type: Shoplifting offences reduced (-6.2%), as did Cycle Theft (-16.1%) and Theft from the Person (-27.2%). Overall Vehicle Crime fell by 6.5%, but there was an increase in Theft of Motor Vehicle (+13.9%).

The Constabulary's rolling 12-month prosecution possible outcome rate has risen to 15.8%, which is the highest in over two years. North Area (16.0%) showed continued improvement, driven by sustained charge volumes and strong performance in Peterborough, while South Area (15.8%) remained broadly stable with mixed district trends. Shoplifting (36.5%; +6.6ppt) and Dwelling Burglary (12.8%; +1.2ppt) outcomes showed notable performance improvements, as did outcomes for Rape offences (8.2%; +2.8ppt) - demonstrating a clear improving long-term trajectory. Conversely, drug trafficking and several violence related offence types remain below benchmark.

During 2025/26 the Force Performance Board (FPB), which is the governance approach to monitor, scrutinise, challenge and drive improvements in performance, was refreshed. The Board is now chaired by the Deputy Chief Constable providing added rigour in the governance. A new Crime Performance Accountability Meeting (CPAM) was introduced in October 2025, and this feeds into the FPB governance arrangements as per the revised Terms of Reference.

Sustainability

The Constabulary has an approved Sustainability Strategy consisting of five themes: the vehicle fleet, buildings and the estate, people and behaviours, procurement and the supply chain and offsetting. Transition plans have been developed for the first three of these themes.

Regarding the vehicle fleet twelve electric vehicles (EV) are now embedded in the northern local policing team based at Copse Court. A further roll out of admin EVs for non-response vehicles is planned and being taken forward by the Constabulary in the southern local policing team based at the new Milton Police Station with chargers already provided for as part of the construction project. A further twelve electric vehicles will be brought on fleet early in 2026/27. The Constabulary also continues to engage with other forces through 7 Force Commercial Services and the Chiltern Transport Consortium

to share learning and latest developments. Work is planned for 2026/27 to identify the next tranche of EVs that the Constabulary can bring on to its fleet.

The Constabulary has been actively considering solar energy generation options at the headquarters site working with the Greater Southeast Net Zero Hub. During the year a grant funding opportunity arose through the Department for Energy Security and Net Zero (DESNZ). Working with the Cambridgeshire and Peterborough Combined Authority (CPCA) the Constabulary secured £700k grant funding for the development of a solar car park canopy and further roof top solar at the headquarters. This capital scheme was delivered during 2025/26 with renewable electricity generation for use on site providing resilience, added business continuity and financial savings.

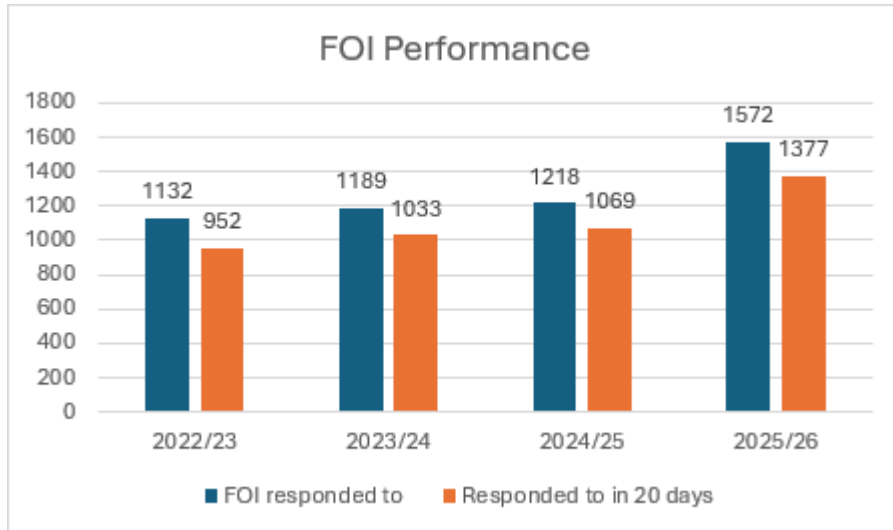
Milton Police Station has progressed through 2025/26 nearing completion. Once opened in 2026/27 this will provide a highly efficient building. The building is fully electric, includes roof mounted solar and is future proofed to enable car park solar canopies, has efficient lighting systems and LEDs and will be opening with seventeen chargers for EVs.

The 2025/26 financial year will also be the year where national reporting by policing of greenhouse gas emissions will be undertaken. This exercise is underway at the time of producing these accounts having been developed by the National Police Estates Group (NPEG) and Blue Light Commercial (BLC). The information submitted will provide a solid baseline for future reporting, tracking and improved benchmarking with other forces.

Investment continues in the Capital Programme and a modest reserve is held in the balance sheet to progress the sustainability agenda.

Freedom of Information (FOI) Compliance

During 2025/26 the Constabulary responded to 1,572 FOI requests, substantially more compared to the prior year (1,218 requests). The chart below demonstrates FOI performance in recent years remaining stable and improving year on year. In 2025/26 1,377 (88%) requests were responded to within 20 days, compared to the Information Commissioner's Office target of 90%. This remains consistent despite more requests being received than the prior year where the equivalent figure was 1,069 (88%) responded to within 20 days.



Complaints

With respect to complaints during 2025/26 for Cambridgeshire, the Professional Standards Department (PSD) recorded 427 public complaint cases which comprised a total of 1,046 allegations. Of the 1,046 allegations, the top five complaint allegation types were:

- Police action following contact: 128
- Use of Force: 114
- Decisions: 103
- General level of service: 82
- Other policies and procedures: 76

Conduct

A total of 68 conduct cases were recorded, involving 52 police officers (and special constables) and 23 police staff.

A total of 91 conduct cases were finalised in 2025/26 and 43 of those cases were assessed as Gross Misconduct amongst police officers. 27 finalised conduct cases were finalised as Referral to RPRP (Reflective practice review process). 11 of the 19 finalised cases involving Police Staff were assessed as Gross Misconduct.

Of the 79 referrals made to the Independent Office for Police Complaints (IOPC) in 2025/26, 4 were declared as warranting independent investigation by the IOPC, 2 were directed investigations and the remaining 73 were sent back to PSD for local investigations.

6. Outlook

The Constabulary has approved a balanced budget for 2026/27 and a balanced financial plan through to 2028/29. However, this position is dependent on assumptions regarding future funding and precept levels that are not confirmed beyond 2026/27. Year four of the MTFFS (2029/30) forecasts a budget gap, indicating that further savings will be required. The 2025 Comprehensive Spending Review confirmed total national spending for policing, but force level allocations beyond 2026/27 remain unknown. In addition, no revision to the police funding formula is expected in the near term, with grant allocations continuing to be based on population data that does not reflect Cambridgeshire's growth and the associated increase in demand. The Constabulary will therefore need to continue to review its financial assumptions and identify recurring savings to maintain financial sustainability.

The Constabulary continues to apply a prudent approach to financial management and does not use reserves to support recurring expenditure. Reserve levels remain adequate and the balance sheet provides a sound basis for financial resilience. This remains an important control within the MTFFS. Having regard to the 2026/27 approved budget, the current Medium Term Financial Strategy, the level of reserves and the continued management of financial risk, the Constabulary remains satisfied that it is appropriate for the Statement of Accounts to be prepared on a going concern basis.

Significant estate developments are planned in 2026/27, including the opening of the new Milton police station, which is expected to facilitate the disposal of Parkside police station and the generation of capital receipts along with the development of a new city centre police station. However, the capital programme has required substantial borrowing in recent years, increasing the ongoing revenue consequences of debt financing through loan interest and minimum revenue provision. Continued management of capital commitments and the identification of alternative funding sources will therefore remain important.

The Constabulary continues to develop its digital capability in support of service delivery and productivity. Workforce planning remains subject to operational requirements and specific funding conditions. The 2026/27 funding settlement removed the requirement to maintain the officer baseline at 1,732 officers, providing greater flexibility in workforce planning. However, ring-fenced funding continues to require the delivery of neighbourhood policing growth in 2026/27. Following delivery of 30 officers and 7 PCSOs in 2025/26, the Constabulary is required to deliver a further 18 officers and/or PCSOs in 2026/27. These requirements will need to be managed within the overall resource envelope.

The wider governance environment remains subject to change. Police reform is progressing, including an independent review of force structures, work to establish the National Policing Service and the development of a new performance framework. Local government reform and devolution may also alter governance and partnership arrangements. In Cambridgeshire, local

government reform is expected to replace the current seven councils with one or more unitary authorities, while devolution proposals will transfer policing governance from PCCs to mayors or alternative arrangements, subject to legislation. The Constabulary will need to continue to assess the implications of these developments for its operating model, governance arrangements and medium-term financial planning.

7. Financial Statements

This section summarises the key headlines from the financial statements for 2025/26.

The Expenditure and Funding Analysis (EFA)

The EFA intends to show how the management accounts of the Constabulary relate to the financial accounts. It presents how the annual expenditure is used and funded from resources (Government grants and Council Tax) in comparison with those resources consumed or earned in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Constabulary's Services.

The key point to note is that the EFA shows that there was no resulting charge to the General Fund Balance in 2025/26. This is because the General Fund is held by the PCC and therefore is nil for the Chief Constable.

The Comprehensive Income and Expenditure Statement (CIES)

The CIES shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. The Constabulary receives its funding from the PCC. The PCC receives grant income from central government and raises precept through local government bodies for policing services. The funding is used to cover expenditure in accordance with regulations. This is different from the accounting cost, which will include costs in respect of asset revaluations, movements in pension valuations and other technical accounting entries.

Key points to note are:

- The Net Cost of Service for 2025/26 for the Constabulary was a deficit of £54.5m compared to a deficit of £46.9m in 2024/25, the majority of the difference related to pension adjustments.
- After taking into consideration Other Operating Expenditure and Financing and Investment Expenditure the deficit on provision of services totalled £22.2m (£24.1m 2024/25).
- After the pension remeasurement of the net defined liability showing a surplus of £64.1m this brings the total CIES to £41.9m surplus.

Movement in Reserves Statement (MiRS)

The MiRS shows the movement from the start of the year to the end of the year on the different reserves held by the Constabulary. The Statement shows how the movements in year of the reserves are broken down between gains

and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to Council Tax for the year. The Net Increase / Decrease line shows the statutory General Fund Balance movements in the year following those adjustments.

The key point to note is that the Constabulary Reserves are negative at year ended 2025/26 £1,080m, a decrease of £41.9m, compared to the prior year figure of £1,122m. This reflects the fact that the reserves held by the Chief Constable are all unusable reserves and relate to liabilities held in the balance sheet.

Balance Sheet

The Balance Sheet shows the value of assets and liabilities held at the 31 March 2026 which are recognised by the Constabulary. The net liabilities (assets less liabilities) are matched by the reserves held. The reserves held by the Constabulary are unusable reserves and hold timing differences shown in the Movement in Reserves at the line entitled 'Adjustments between accounting basis and funding basis under regulations'.

The Balance Sheet is a snapshot of the Constabulary's assets, liabilities, cash balances and reserves at the balance sheet date.

The key point to note is that the Constabulary only has pay related liabilities, totalling £1,080m. All other assets and liabilities are reported in the Commissioners accounts.

The police officer pension scheme is underwritten by the Home Office who provide an annual top-up grant to fund the difference between pension payments and income from employee and employer contributions. The current deficit in the LGPS will be managed through future employee and employer contributions.

Excluding the pension liabilities, the Constabulary's Balance Sheet has net liabilities of £6.8m. This is in relation to an accounting accrual in relation to annual leave liability at 31st March 2026. This reflects the fact that the PCC owns all Property but that the Chief Constable has all the assets and liabilities in relation to operational policing.

The Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents (such as movements in debtors and creditors) during the reporting period. The statement shows how the Constabulary generates and uses cash by classifying cash flows as operating, investing and financing activities. However, the statement does not show any cash balances as all cash and cash equivalents are held by the PCC.

8. Summary and Conclusion

Cambridgeshire Constabulary continues to demonstrate effective financial and business management in support of delivery of the PCC's Police and Crime Plan. The Chief Constable's Management Team remains fully engaged in financial planning and resource management to ensure funding is directed to priority areas and managed within the resources available.

Strong financial management remains essential in a period of ongoing uncertainty. The Constabulary will continue to plan and use its resources prudently to support service delivery, improve performance and secure value for money, while maintaining financial and operational sustainability and resilience.

The Constabulary remains well placed to respond to these challenges while continuing to protect the people of Cambridgeshire.

Receipt of further information

You can also find information about Cambridgeshire Constabulary Police finances by looking at the Cambridgeshire Constabulary website at www.cambs-police.co.uk.

Acknowledgements

The Statement of Accounts is a key statutory document providing transparency to the public on the financial performance of the Constabulary during the 2025/26 financial year. It takes an incredible amount of effort to produce these accounts. This would not have been possible without the commitment, dedication and hard work of staff in the finance team and others across the organisation and the tri-force collaboration. I would like to thank all colleagues involved in the preparation of these accounts.



Jon Lee CPFA

Chief Finance Officer to the Chief Constable, Cambridgeshire Constabulary

Statement of Responsibilities for the Statement of Accounts

The Chief Constable's Responsibilities

The Chief Constable is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs;
- manage its affairs to secure the economic, efficient, effective use of resources and safeguard its assets; and
- approve the Statement of Accounts.

The Chief Finance Officer's Responsibilities

The Chief Finance Officer is responsible for the preparation of the Chief Constable's Statement of Accounts in accordance with proper practices set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing this Statement of Accounts, the Chief Finance Officer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent; and
- complied with the Local Authority Code.

The Chief Finance Officer has also:

- kept proper accounting records which were up to date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the Statement of Accounts presents a true and fair view of the financial position of the Constabulary at the 31 March 2026 and its income and expenditure for the year then ended.



Jon Lee CPFA

Chief Finance Officer to the Chief Constable, Cambridgeshire Constabulary
23 June 2026

Expenditure and Funding Analysis

The Expenditure and Funding Analysis (EFA) is not a primary statement but is of key importance in showing how the annual expenditure is used and funded from resources (Government grants, Council Tax and Precept) in comparison with those resources consumed or earned in accordance with generally accepted accounting practices providing a link between the management accounts and the financial accounts.

| | 2024/25 | | | 2025/26 | | |
|---------------------------------------------------------|--------------------------------------------------------|------------------------------------------------------|-----------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------------------------|
| | Net Expenditure Chargeable to the General Fund Balance | Adjustments between the Funding and Accounting Basis | Net Expenditure in the Comprehensive Income and Expenditure Statement | Net Expenditure Chargeable to the General Fund Balance | Adjustments between the Funding and Accounting Basis Note 7 | Net Expenditure in the Comprehensive Income and Expenditure Statement |
| | £000 | £000 | £000 | £000 | £000 | £000 |
| Police Services | 203,134 | (32,417) | 170,717 | 210,100 | (39,657) | 170,443 |
| Intra-Group Adjustment for financial resources consumed | (217,666) | | (217,666) | (224,974) | | (224,974) |
| Net Cost of Services | (14,532) | (32,417) | (46,949) | (14,874) | (39,657) | (54,531) |
| Other Income and Expenditure | 14,532 | 56,522 | 71,054 | 14,874 | 61,903 | 76,777 |
| Deficit on Provision of Services | - | 24,105 | 24,105 | - | 22,246 | 22,246 |
| Opening General Fund Balance | - | | | - | | |
| Closing General Fund Balance | - | | | - | | |

Comprehensive Income and Expenditure Statement

| 2024/25 Gross Expenditure £000 | 2024/25 Gross Income £000 | 2024/25 Net Expenditure £000 | | 2025/26 Gross Expenditure £000 | 2025/26 Gross Income £000 | 2025/26 Net Expenditure £000 |
|-----------------------------------------|------------------------------------|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|------------------------------------|---------------------------------------|
| 170,717 (217,666) | | 170,717 (217,666) | Police Services Intra-Group Adjustment for financial resources consumed (note 6) | 170,443 (224,974) | | 170,443 (224,974) |
| (46,949) | - | (46,949) | Net Cost of Services | (54,531) | - | (54,531) |
| 14,532 56,522 24,105 | - - - | 14,532 56,522 24,105 | Other Operating Expenditure (note 10) Financing and Investment Expenditure (note 11) Deficit on Provision of Services | 14,874 61,903 22,246 | - - - | 14,874 61,903 22,246 |
| | | (115,579) (115,579) | Remeasurement of the net defined benefit (asset)/liability (note 19) Other Comprehensive Income and Expenditure | | | (64,124) (64,124) |
| | | (91,474) | Total Comprehensive (Income) and Expenditure | | | (41,878) |

The Chief does not recognise any income which creates a deficit on provision of services. The income is all included in the Police and Crime Commissioner Annual Accounts.

Movement in Reserves Statement

| | Usable Reserves £000 | Unusable Reserves £000 | Total Reserves £000 |
|---------------------------------------------------------------------------------|----------------------------|------------------------------|------------------------|
| Balance at 31 March 2024 | - | (1,213,822) | (1,213,822) |
| Movement in reserves during 2024/25 | | | |
| Total Comprehensive (Income) and Expenditure | (24,105) | 115,579 | 91,474 |
| Adjustments between accounting basis & funding basis under regulations (note 7) | 24,105 | (24,105) | - |
| Increase in 2024/25 | - | 91,474 | 91,474 |
| Balance at 31 March 2025 carried forward | - | (1,122,348) | (1,122,348) |
| Movement in reserves during 2025/26 | | | |
| Total Comprehensive (Income) and Expenditure | (22,246) | 64,124 | 41,878 |
| Adjustments between accounting basis & funding basis under regulations (note 9) | 22,246 | (22,246) | - |
| Increase in 2025/26 | - | 41,878 | 41,878 |
| Balance at 31 March 2026 carried forward | - | (1,080,470) | (1,080,470) |

The accompanying notes form part of these financial statements.

This statement shows balances only for reserves in relation to staff under the direction and control of the Chief Constable for the financial years 2025/26 and 2024/25 as all other reserves are held by the Cambridgeshire Police and Crime Commissioner.

Balance Sheet

| | Notes | 2025/26 £000 | 2024/25 £000 |
|------------------------------|-------|---------------------------|---------------------------|
| Long Term Assets | | <u>-</u> | <u>-</u> |
| Current Assets | | <u>-</u> | <u>-</u> |
| Short Term Creditors | 12 | <u>(6,817)</u> | <u>(7,456)</u> |
| Current Liabilities | | <u>(6,817)</u> | <u>(7,456)</u> |
| Long Term Liabilities | 19 | (1,073,653) | (1,114,892) |
| Net Liabilities | | <u><u>(1,080,470)</u></u> | <u><u>(1,122,348)</u></u> |
| Usable Reserves | | - | - |
| Unusable Reserves | 13 | <u>1,080,470</u> | <u>1,122,348</u> |
| Net Reserves | | <u>1,080,470</u> | <u>1,122,348</u> |

The accompanying notes form part of these financial statements.

Cash Flow Statement

| | 2025/26 £000 | 2024/25 £000 |
|-----------------------------------------------------------------------------------------------|-----------------|-----------------|
| Net deficit on the provision of services | (22,246) | (24,105) |
| Adjusted net deficit or surplus on the provision of services for non cash movements (note 14) | 22,246 | 24,105 |
| Net cash flows from Operating Activities | <u>-</u> | <u>-</u> |
| Investing Activities | - | - |
| Financing Activities | - | - |
| Net increase/(decrease) in cash and cash equivalents | <u>-</u> | <u>-</u> |
| Cash and cash equivalents at the beginning of the reporting period | - | - |
| Cash and cash equivalents at the end of the reporting period | <u>-</u> | <u>-</u> |

The accompanying notes form part of these financial statements.

This statement does not show any cash balances for the financial years 2025/26 and 2024/25 as all cash and cash equivalents are held by the Cambridgeshire Police and Crime Commissioner.

Notes to the Accounts

1. Accounting Policies

(i) General Principles

The Statement of Accounts summarises the transactions for the 2025/26 financial year and the position at 31 March 2026. The Accounts and Audit Regulations 2015 requires the preparation of an annual Statement of Accounts, prepared in accordance with proper accounting practices. These practices comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, supported by International Financial Reporting Standards (IFRS).

The Statement of Accounts has been prepared with reference to:

- The objective of providing information about the financial position, performance and cash flows in a way that meets the 'common needs of most users'.
- The underlying assumption that the Chief Constable is a going concern. In accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, police bodies must prepare their accounts on the assumption that their functions will continue in operational existence for the foreseeable future. Chief Constables carry out essential statutory and community critical functions and cannot be created or dissolved without specific legislative action. They are also revenue raising bodies, with the Council Tax precept providing a stable and ongoing income source subject to central government limitations.

Given this statutory and financial framework, even in the event of financial difficulty, it is anticipated that central government would implement alternative arrangements to ensure continuity of policing services or provide support to enable recovery over more than one financial year. Accordingly, it would not be appropriate to prepare the financial statements on any basis other than going concern. This position is consistent with the CIPFA guidance notes (A25–A28), which confirm the presumption of going concern for police bodies despite potential resourcing pressures. The Constabulary's robust governance environment, stable reserves position, balanced budget for 2026/27, and established medium-term planning processes further support this assessment.

- The following fundamental qualitative characteristics:
 - Relevance; and
 - Faithful representation.
- The following qualitative characteristics:
 - Comparable;

- Verifiable;
- Timely; and
- Understandable.

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments. Accounting policies are reviewed annually and have been applied consistently, as appropriate.

Following the passing of the Police Reform and Social Responsibility Act 2011, Cambridgeshire Police Authority was replaced on 22 November 2012 with two 'corporation sole' bodies, the Cambridgeshire Police and Crime Commissioner ('the Commissioner') and the Chief Constable of Cambridgeshire Constabulary ('the Chief Constable'). Both bodies are required to prepare separate Statements of Accounts.

The Financial Statements included here represent the accounts for the Chief Constable. The identification of the Commissioner as the holding organisation and the requirement to produce group accounts stems from the powers and responsibilities of the Commissioner under the Police Reform and Social Responsibility Act 2011. The Police and Crime Commissioner Group and the Chief Constable have adopted consistent accounting policies.

(ii) Accruals of Income and Expenditure

Items of income and expenditure are accounted for in the year to which they relate. Payments may be made, or receipts received, in the year prior or subsequent to the current year. This means that all material sums received or receivable during the year are included in the accounts, whether or not the cash has actually been paid or received in the year. Adjustments between years are made by way of accruals and prepayments of both income and expenditure. With the exception of payroll-related accruals/prepayments and any accruals/prepayments automatically generated by the accounting system, a de-minimis limit of £5,000 is applied for revenue.

All sales and purchase orders are raised in the name of the PCC and monies are paid into their bank account. Therefore, all debtors and creditors sit in the PCC accounts. The PCC also signs off the fees and charges methodology and therefore income in the Chief's accounts are moved into the PCC at year end.

(iii) Employee Benefits

Benefits Payable During Employment

Short-term employee benefits, being those that fall due wholly within 12 months of the year-end, such as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees, are recognised as an expense in the year in which employees render service to the Group.

An accrual is made against services in the Surplus or Deficit on the Provision of Services for the cost of holiday entitlements and other forms of leave earned by employees but not taken before the year-end and which employees can carry forward into the next financial year. The accrual is made at the remuneration rates applicable in the following financial year. Any accrual made is required under statute to be reversed out of the General Fund Balance by a credit to the Accumulated Absences Account in the Movement in Reserves Statement.

Termination Benefits

Termination benefits are amounts payable because of a decision by the Group to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy. Termination Benefits are charged on an accruals basis to the relevant service line in the Comprehensive Income and Expenditure Statement when the Group can no longer withdraw the offer of those benefits or when the Group recognises costs for a restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund Balance to be charged with the amount payable by the Group to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for termination benefits, relating to pensions enhancements and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post Employment Benefits

The Group participates in four defined benefit pension schemes: the Police Pension Scheme (PPS) for police officers in service before 31 March 2006 who are subject to transitional protection; the New Police Pensions Scheme (NPPS) for officers starting service on or after 1 April 2006 who are subject to transitional protection; the Police Pensions Scheme 2015 (PPS 2015) for officers starting service on or after 1 April 2016 and officers formerly members of PPS/NPPS who are not subject to transitional protection; and the Local Government Pension Scheme for Police Staff (LGPS). Pension contributions and further costs that arise in respect of certain pensions paid to retired employees on an unfunded basis are charged to the Comprehensive Income and Expenditure Statement and the Movement in Reserves Statement (as appropriate). The Chief Constable's Accounts include the cost of providing pensions to the staff under the direction and control of the Chief Constable only.

The authority has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise because of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the LGPS.

Injury Awards paid under the Police Pension Schemes are disclosed separately. These payments are unfunded and are paid directly by the Group. Injury awards are subject to the same treatment as the Police Pension Schemes, with the movement on the liability being attributable to any change in interest costs and actuarial gains/losses. New injury awards are shown as past service costs in the year which they are made.

The PPS, the NPPS and the PPS 2015 are unfunded schemes and have no attributable assets.

The Local Government Pension Scheme is accounted for as a defined benefits scheme:

- The liabilities of the LGPS pension fund attributable to the authority are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc, and projected earnings for current employees.
- Liabilities are discounted to their value at current prices, using weighted average discount rates of between 6.1% ultra short term (less than 11 years) to 6.35% ultra long periods (more than 29 years).
- The assets of LGPS pension fund attributable to the authority are included in the Balance Sheet at their fair value:
 - quoted securities – current bid price
 - unquoted securities – professional estimate
 - unitised securities – current bid price
 - property – market value.

The change in the net pensions liability is analysed into the following components:

- Service cost comprising:
 - current service cost – the increase in liabilities because of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked
 - past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years – debited to the surplus or deficit on the provision of services in the Comprehensive Income and Expenditure Statement [note that the treatment of past service costs will depend on the decisions of the authority about how they are allocated to service segments]

- net interest on the net defined benefit liability (asset), i.e. net interest expense for the authority – the change during the period in the net defined benefit liability (asset) that arises from the passage of time charged to the financing and investment income and expenditure line of the Comprehensive Income and Expenditure Statement – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period – taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.
- Remeasurements comprising:
 - the return on plan assets – excluding amounts included in net interest on the net defined benefit liability (asset) – charged to the pensions reserve as other comprehensive income and expenditure.
 - actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the pensions reserve as other comprehensive income and expenditure.
 - contributions paid to the LGPS pension fund – cash paid as employer’s contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the authority to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards.

In the Movement in Reserves Statement, this means that there are transfers to and from the pensions reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the pensions reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits based on cash flows rather than as benefits are earned by employees.

(v) Events After the Balance Sheet Date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period - the Statement of Accounts is adjusted to reflect such events; and
- Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

(vi) Value Added Tax (VAT)

VAT is included in the Comprehensive Income and Expenditure Statement only to the extent that it is irrecoverable from 'His Majesty's' Revenue and Customs. VAT receivable is excluded from income.

2. Accounting Standards that have been issued but have not yet been adopted

The standards introduced by the 2026/27 Code where disclosures are required in the 2025/26 financial statements, in accordance with the requirements of paragraph 3.3.4.3 of the code are:

- a) Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Amendments to Heritage assets) issued in March 2024.
- b) Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) issued in May 2024.
- c) Annual improvements to IFRS accounting standards – Volume 11 issued in July 2024 policy as confirmed in paragraph 3.3.1.4.
- d) Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) issued in December 2024.

These will have limited or no impact on our accounts.

3. Critical judgements in applying Accounting Policies

In applying the accounting policies set out in Note 1, the Constabulary has had to make certain judgements about complex transactions or those involving uncertainty about future events.

There is a degree of uncertainty about future levels of funding for Police and Crime Commissioners, and consequently Chief Constables. However, it has been determined that this uncertainty is not yet sufficient to provide an

indication that the assets of the Group might be impaired because of a need to close facilities and reduce levels of service provision.

All income, including that from grants, is received and controlled by the Police and Crime Commissioner. As a result, no income is included within the Accounts of the Chief Constable.

It has been judged that all property, plant and equipment is owned and controlled by the PCC and as such is not included in the Chief Constable's Accounts.

4. Assumptions made about the future and other major sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions of amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for the revenues during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The key judgements and estimation uncertainty that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year are as follows:

| Item | Uncertainties | Effect if Actual Results Differ from Assumptions |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Pensions Liability | Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. We have engaged the Government Actuary's Department to provide the Group with expert advice about the assumptions to be applied for the Police Pension Schemes and Hymans Robertson LLP provides the same advice for the Police Staff Pension Scheme (LGPS) administered by Cambridgeshire County Council. | <p>The effects on the net pension liability of changes in individual assumptions can be measured.</p> <p>However, the assumptions interact in complex ways. During 2025/26, the Group's actuaries advised that the net pension liability had decreased by £20.6m for Police Pension Schemes (including a decrease of £108m as a result of changes in financial assumptions) and a decrease of £44m for Police Staff Pensions as a result of changes in financial assumptions. See note 19.</p> <p>A sensitivity analysis shown in Note 19 shows the impact that a 0.1% increase in Real Discount Rate will have or a 0.1% increase in Salary or Pension Increase would have on the 4 pension schemes. The highest impact likely is on the Police Pension Scheme if the Real</p> |

Discount Rate was increased with a potential impact of £15.6m (1.4% reduction in liability).

5. Events after the Reporting Period

The Statement of Accounts was authorised for issue by the Chief Finance Officer on 23 June 2026. There are no events to report at this date.

6. Intra Group Funding Arrangements Between the Police and Crime Commissioner and the Chief Constable

The PCC receives all funding on behalf of the Group. There is no transfer of real cash between the PCC and the Chief Constable as the latter does not have a bank account into which monies can be received or paid from.

The table below shows the movement through the intra-group account within the respective Balance Sheets. PCC resources consumed at the request of the CC are reflected in the PCC and CC Balance sheets through an intra-group adjustment. Similarly, an intra-group adjustment is made through the PCC and CC Balance Sheets to reflect the PCC funding of these resources.

| | 2025/26 £000 | 2024/25 £000 |
|--------------------------------------------------------------|-----------------|-----------------|
| <u>Comprehensive Income and Expenditure Statement</u> | | |
| PCC resources consumed at the request of the CC | 224,974 | 217,666 |
| PCC funding for resources consumed at the request of the CC | (224,974) | (217,666) |

7. Note to the Expenditure and Funding Analysis

| Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts | 2025/26 | | |
|-------------------------------------------------------------------------------------------------------|--------------------------------------------|------------------------------|-------------------|
| | Adjustment relating to Pensions (Note 7.1) | Other Adjustments (Note 7.2) | Total Adjustments |
| | £000 | £000 | £000 |
| Police Services | (39,018) | (639) | (39,657) |
| Intra-Group Adjustment for financial resources consumed | - | - | - |
| Net Cost of Services | (39,018) | (639) | (39,657) |
| Other Income and Expenditure | 61,903 | - | 61,903 |
| Difference between the General Fund Deficit and Comprehensive Income and Expenditure Deficit | 22,885 | (639) | 22,246 |

| Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts | 2024/25 | | |
|-------------------------------------------------------------------------------------------------------|--------------------------------------------|------------------------------|-------------------|
| | Adjustment relating to Pensions (Note 7.1) | Other Adjustments (Note 7.2) | Total Adjustments |
| | £000 | £000 | £000 |
| Police Services | (32,639) | 222 | (32,417) |
| Intra-Group Adjustment for financial resources consumed | - | - | - |
| Net Cost of Services | (32,639) | 222 | (32,417) |
| Other Income and Expenditure | 56,522 | - | 56,522 |
| Difference between the General Fund Deficit and Comprehensive Income and Expenditure Deficit | 23,883 | 222 | 24,105 |

7.1 Adjustment relating to Pensions

Net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:

- For services this represents the removal of the employer pension contributions made by the Authority as allowed by statute and the replacement with current service costs and past service costs; and
- Other Income and Expenditure being the net interest on the defined benefit liability is charged to the CIES.

7.2 Other Adjustments

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

- For services this represents the removal of the accumulated absences accrual as allowed by statute.

8 Expenditure and Income Analysed by Nature

| | 2025/26 £'000 | 2024/25 £'000 |
|---------------------------------------------------------|----------------------|----------------------|
| POLICE SERVICES | | |
| Expenditure | | |
| Police Pay and Allowances | 97,922 | 92,359 |
| Police Staff Pay and Allowances | 47,317 | 48,311 |
| Other Services Expense | 2,684 | 2,650 |
| Police Pensions | (8,050) | (3,526) |
| Premises | 5,498 | 5,664 |
| Transport | 4,139 | 4,549 |
| Supplies and Services | 19,805 | 19,676 |
| Interest on Leases | 34 | 41 |
| Agency and Contracted Services | 1,094 | 993 |
| Intra-Group Adjustment for financial resources consumed | (224,974) | (217,666) |
| Pension Top Up Grant Transferred to Pension Fund | 14,874 | 14,532 |
| Net interest on the net defined benefit liability | 61,903 | 56,522 |
| Deficit on Provision of Services | <u>22,246</u> | <u>24,105</u> |

9 Movement in Reserves Statement – Adjustments between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Chief Constable in the year, in accordance with proper accounting practice, to the resources that are specified by statutory provisions as being available to the Chief Constable to meet future capital and revenue expenditure. The adjustments are made against the General Fund Balance.

| | 2025/26 <u>Usable Reserves</u> General Fund Balance £000 | 2024/25 <u>Usable Reserves</u> General Fund Balance £000 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|----------------------------------------------------------------------|
| Adjustments to the Revenue Resources | | |
| Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements: | | |
| Pensions costs (transferred to (or from) the Pensions Reserve) | 22,885 | 23,883 |
| Holiday pay (transferred to (or from) the Accumulated Absences Reserve) | (639) | 222 |
| Total Adjustments to Revenue Resources | <u>22,246</u> | <u>24,105</u> |
| Total Adjustments | <u>22,246</u> | <u>24,105</u> |

10 Comprehensive Income and Expenditure Statement – Other Operating Expenditure

| | 2025/26 £000 | 2024/25 £000 |
|-------------------------------------------|-----------------|-----------------|
| Pension Grant Transferred to Pension Fund | 14,874 | 14,532 |
| | <u>14,874</u> | <u>14,532</u> |

Note – Pension Grant is received from the Home Office to meet the Constabulary's cost of police officer pensions.

11 Comprehensive Income and Expenditure Statement – Financing and Investment Income and Expenditure

| | 2025/26 £000 | 2024/25 £000 |
|---------------------------------------------------|-----------------|-----------------|
| Net interest on the net defined benefit liability | 61,903 | 56,522 |
| | <u>61,903</u> | <u>56,522</u> |

Note – this represents the interest costs associated with the LGPS pensions deficit.

12 Creditors

| | 2025/26 £000 | 2024/25 £000 |
|-----------------------------|-----------------|-----------------|
| Accumulated Absence Accrual | <u>(6,817)</u> | <u>(7,456)</u> |
| | <u>(6,817)</u> | <u>(7,456)</u> |

The balance of creditors is a financial instrument, within the category of current other liabilities and is included in disclosure note 18 of the Group accounts.

13 Unusable Reserves

The unusable reserves comprise of the Pension and Accumulated Absence Reserve. Details below.

| | 2025/26 £000 | 2024/25 £000 |
|-----------------------------------------------------|------------------|------------------|
| Pensions Reserve | 1,073,653 | 1,114,892 |
| Accumulating Compensated Absence Adjustment Account | 6,817 | 7,456 |
| | <u>1,080,470</u> | <u>1,122,348</u> |

Pension Reserve

The Pension Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Chief Constable accounts for post-employment benefits:

- in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service;
- by updating the liabilities recognised to reflect inflation; and
- by changing assumptions and investment returns on any resources set aside to meet the costs.

However, statutory arrangements require benefits earned to be financed as the Chief Constable makes employer's contributions to pension funds or eventually pays any pension for which it is directly responsible. The debit balance on the Pension Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Chief Constable has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid. The movements on the pensions liability have been disclosed in Note 19.

| | 2025/26 £000 | 2024/25 £000 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| Balance at 1 April | | |
| Pension reserve opening balance transfer to PCC | 1,114,892 | 1,206,588 |
| Remeasurements of the net defined benefit liability | (64,124) | (115,579) |
| Reversal of items relating to retirement benefits debited or credited to the Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement | 73,451 | 73,988 |
| Employer's pensions contributions and direct payments to pensioners payable in the year | (50,566) | (50,105) |
| Balance at 31 March | <u>1,073,653</u> | <u>1,114,892</u> |

Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

| | 2025/26 £000 | 2024/25 £000 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|
| Balance at 1 April | 7,456 | 7,234 |
| Amount by which employer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements | (639) | 222 |
| Balance at 31 March | <u>6,817</u> | <u>7,456</u> |

14 Cash Flow Statement – Operating Activities

The cash flows for operating activities include the following items:

| | 2025/26 £000 | 2024/25 £000 |
|----------------------------------|-----------------|-----------------|
| Movement in Pension Liability | 22,885 | 23,883 |
| (Increase)/Decrease in Creditors | (639) | 222 |
| | <u>22,246</u> | <u>24,105</u> |

15 Joint Operations

Eastern Region Special Operations Unit

The Eastern Region Special Operations Unit (ERSOU) was established on 1st April 2010 as a joint arrangement between seven forces – Hertfordshire, Cambridgeshire, Essex, Suffolk, Norfolk, Kent and Bedfordshire, to provide one serious and organised crime unit for the eastern region. ERSOU is run by a management board where all forces are equally represented, and decisions are made with the unanimous consent of all forces. Therefore, each forces' share of assets, liabilities, income, and expenditure are consolidated into their own financial statements.

Expenditure of £3,518k has been consolidated into the Chief Constable's Comprehensive Income and Expenditure Statement. As all assets, liabilities and reserves, except those relating to staff and officers under the direction and control of the Chief Constable, are held by the PCC only the operational

policing costs of the ERSOU joint operation have been included in the Chief Constable's Comprehensive Income and Expenditure Statement. The full consolidation is included in the PCC and Group Statement of Accounts.

The income and expenditure for the ERSOU joint operation is shown below:

| 2025/26 | Beds | Cambs | Essex | Herts | Kent | Norfolk | Suffolk | Total |
|--------------------------|--------------|--------------|--------------|--------------|--------------|----------------|----------------|---------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Revenue Grants | (1,276) | (1,611) | (3,131) | (2,289) | (1,909) | (1,824) | (1,409) | (13,449) |
| Capital Grants | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Running Costs | 3,960 | 5,006 | 6,559 | 7,114 | 6,524 | 5,664 | 4,378 | 39,205 |
| Depreciation | 110 | 123 | 78 | 187 | 55 | 146 | 116 | 815 |
| Surplus / Deficit | 2,794 | 3,518 | 3,506 | 5,012 | 4,670 | 3,986 | 3,085 | 26,571 |
| Reserve C'f | (314) | (393) | (685) | (559) | (82) | (446) | (343) | (2,822) |

| 2024/25 | Beds | Cambs | Essex | Herts | Kent | Norfolk | Suffolk | Total |
|--------------------------|--------------|--------------|--------------|--------------|--------------|----------------|----------------|---------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Revenue Grants | (901) | (1,137) | (2,215) | (1,616) | (1,611) | (1,278) | (985) | (9,743) |
| Capital Grants | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Running Costs | 3,867 | 4,879 | 6,460 | 6,933 | 6,300 | 5,480 | 4,225 | 38,144 |
| Depreciation | 148 | 160 | 102 | 249 | 65 | 193 | 153 | 1,070 |
| Surplus / Deficit | 3,114 | 3,902 | 4,347 | 5,566 | 4,754 | 4,395 | 3,393 | 29,471 |
| Reserve C'f | (14) | (18) | (37) | (26) | (40) | (21) | (16) | (172) |

Bedfordshire, Cambridgeshire and Hertfordshire (BCH) Collaboration

Cambridgeshire Police and Crime Commissioner and Cambridgeshire Constabulary participates in collaborative arrangements with Bedfordshire Police and Crime Commissioner/ Bedfordshire Police and Hertfordshire Police and Crime Commissioner/Hertfordshire Constabulary. The collaborated units are jointly staffed and funded by the three forces and are overseen by governance boards where all forces are equally represented, and decisions are made with the unanimous consent of all Forces. Therefore, each forces' share of assets, liabilities, income and expenditure are consolidated into their own financial statements.

Expenditure of £42.2m has been consolidated into the Chief Constable's Comprehensive Income and Expenditure Statement. The table overleaf provides the breakdown across the functions that are collaborated for both 2025/26 and the prior year.

7 Force Commercial Services (formerly 7 Force Procurement)

Procurement across Seven Forces; Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Kent, Norfolk and Suffolk has been collaborated to form a single 7F Procurement function since 1 January 2020. Its aim is delivery of an effective Police service and to provide support for victims of crime by procuring and managing a high quality, value for money supply chain. The team will be working towards aligning contracts across the seven forces, increasing the opportunity for greater interoperability across the region and enhancing efficiency and effectiveness.

The costs to Cambridgeshire Constabulary during 2025/26 were £275k (£280k 2024-25).

| | Beds | Cambs | Herts | Total | | Beds | Cambs | Herts | Total |
|-------------------------------------------------|---------------|---------------|---------------|----------------|-------------------------------------------------|---------------|---------------|---------------|----------------|
| | 2024/25 | 2024/25 | 2024/25 | 2024/25 | | 2025/26 | 2025/26 | 2025/26 | 2025/26 |
| | £'000 | £'000 | £'000 | £'000 | | £'000 | £'000 | £'000 | £'000 |
| Joint Protective Services | | | | | Joint Protective Services | | | | |
| Armed Policing Units | 3,853 | 3,336 | 3,849 | 11,038 | Armed Policing Units | 3,918 | 3,395 | 3,919 | 11,232 |
| Taser Training | 318 | 401 | 569 | 1,288 | Taser Training | 266 | 336 | 478 | 1,080 |
| Dog Units | 1,122 | 1,377 | 1,863 | 4,362 | Dog Units | 1,062 | 1,304 | 1,764 | 4,130 |
| Major Crime Unit | 2,879 | 3,433 | 4,240 | 10,552 | Major Crime Unit | 2,960 | 3,533 | 4,366 | 10,859 |
| Operational Planning | 346 | 437 | 621 | 1,404 | Operational Planning | 298 | 376 | 535 | 1,209 |
| Jps Command | 426 | 537 | 764 | 1,727 | Jps Command | 399 | 504 | 716 | 1,619 |
| Resilience | 100 | 126 | 180 | 406 | Resilience | 114 | 140 | 189 | 443 |
| Roads Policing Unit | 3,128 | 4,464 | 5,993 | 13,585 | Roads Policing Unit | 3,209 | 4,587 | 6,159 | 13,955 |
| Scientific Services | 3,736 | 4,197 | 5,664 | 13,597 | Scientific Services | 3,785 | 4,546 | 5,930 | 14,261 |
| Total Joint Protective Services | 15,908 | 18,308 | 23,743 | 57,959 | Total Joint Protective Services | 16,011 | 18,721 | 24,056 | 58,788 |
| Operational Support | | | | | Operational Support | | | | |
| Cameras Tickets & Collisions | 18 | 22 | 29 | 69 | Cameras Tickets & Collisions | (165) | (207) | (274) | (646) |
| Custody & Criminal Justice Smt | 348 | 228 | 622 | 1,198 | Custody & Criminal Justice Smt | 217 | 143 | 395 | 755 |
| Criminal Justice Unit | 490 | 619 | 980 | 2,089 | Criminal Justice Unit | 482 | 609 | 866 | 1,957 |
| Firearms & Explosive Licenses | 216 | 417 | 340 | 973 | Firearms & Explosive Licenses | 578 | 1,084 | 1,253 | 2,915 |
| ICT | 8,479 | 10,333 | 14,548 | 33,360 | ICT | 8,591 | 10,673 | 15,014 | 34,278 |
| Joint Strategy & Transformation | 424 | 536 | 761 | 1,721 | Joint Strategy & Transformation | 192 | 240 | 342 | 774 |
| Total Operational Support Expenditure | 9,975 | 12,155 | 17,280 | 39,410 | Total Operational Support Expenditure | 9,895 | 12,542 | 17,596 | 40,033 |
| Organisational Support | | | | | Organisational Support | | | | |
| Corporate Comms | 64 | 81 | 116 | 261 | Corporate Comms | 110 | 138 | 196 | 444 |
| Hr L&D | 5,039 | 6,445 | 8,859 | 20,343 | Hr L&D | 5,255 | 6,564 | 9,044 | 20,863 |
| Information Management Depts | 1,066 | 1,344 | 1,910 | 4,320 | Information Management Depts | 1,117 | 1,412 | 2,005 | 4,534 |
| Professional Standards | 2,193 | 2,248 | 3,258 | 7,699 | Professional Standards | 2,342 | 2,313 | 3,463 | 8,118 |
| Joint Uniform Stores | 91 | 115 | 164 | 370 | Joint Uniform Stores | 99 | 125 | 178 | 402 |
| Finance | 36 | 46 | 64 | 146 | Finance | 29 | 37 | 53 | 119 |
| BCH Payroll | 153 | 192 | 273 | 618 | BCH Payroll | 173 | 218 | 311 | 702 |
| CARM | 57 | 73 | 103 | 233 | CARM | 61 | 77 | 109 | 247 |
| Police Transformation Fund | 4 | 6 | 7 | 17 | Police Transformation Fund | 4 | 5 | 7 | 16 |
| Assistant Chief Constable | - | - | - | - | Assistant Chief Constable | 16 | 21 | 30 | 67 |
| Total Organisational Support Expenditure | 8,703 | 10,550 | 14,754 | 34,007 | Total Organisational Support Expenditure | 9,206 | 10,910 | 15,396 | 35,512 |
| Total BCH Net Operating Costs | 34,586 | 41,013 | 55,777 | 131,376 | Total BCH Net Operating Costs | 35,112 | 42,173 | 57,048 | 134,333 |
| Joint Procurement Unit | 208 | 280 | 418 | 906 | Joint Procurement Unit | | | | |
| Total Net Operating Costs | 34,794 | 41,293 | 56,195 | 132,282 | | 35,112 | 42,173 | 57,048 | 134,333 |

Previously this was set up by mistake under BCH, but is actually part of 7 forces. Not to be shown here

16 Officers' Remuneration

| | | Salaries, fees & allowances | Bonuses | Benefits in Kind | Total Remuneration excluding pension contributions | Employer's pension contributions | Total Remuneration including pension contributions |
|------------------------------------------------------|----------------|--------------------------------|----------|---------------------|----------------------------------------------------------------|----------------------------------------|-------------------------------------------------------------|
| | | £ | £ | £ | £ | £ | £ |
| <u>Chief Constable's Accounts</u> | | | | | | | |
| Chief Constable | | | | | | | |
| Simon Megicks (New starter 29.09.25) | 2025/26 | 104,914 | - | 1,499 | 106,413 | 33,668 | 140,081 |
| Nick Dean (Leaver 28.09.25) | 2025/26 | 98,313 | - | 2,464 | 100,777 | - | 100,777 |
| Nick Dean * | 2024/25 | 192,028 | - | 5,045 | 197,073 | - | 197,073 |
| Deputy Chief Constable (DCC) | | | | | | | |
| Chris Balmer (New starter 08.12.2025) | 2025/26 | 53,829 | - | 350 | 54,179 | 17,280 | 71,459 |
| Jane Gyford (Leaver 01.12.2025)** | 2025/26 | 116,672 | - | - | 116,672 | 36,121 | 152,793 |
| Jane Gyford | 2024/25 | 161,884 | - | - | 161,884 | 50,053 | 211,937 |
| Assistant Chief Constables (ACC) | | | | | | | |
| Vaughan Lukey*** | 2025/26 | 122,191 | - | 3,627 | 125,818 | 37,607 | 163,425 |
| Martin Brunning | 2025/26 | 143,217 | - | 5,480 | 148,697 | 45,943 | 194,640 |
| John Massey (temporary) (New starter 02.06.2025)**** | 2025/26 | 100,464 | - | - | 100,464 | 35,464 | 135,928 |
| Martin Brunning (New starter 13.05.24) | 2024/25 | 128,532 | - | 1,129 | 129,661 | 41,248 | 170,909 |
| Vaughan Lukey (New starter 06.05.24) | 2024/25 | 118,336 | - | 399 | 118,735 | 37,800 | 156,535 |
| Victoria Evans (Leaver 06.05.24) | 2024/25 | 17,090 | - | 386 | 17,476 | 4,550 | 22,026 |
| Chief Finance Officer (Constabulary) | | | | | | | |
| Jon Lee | 2025/26 | 132,157 | - | 6,543 | 138,700 | 28,282 | 166,982 |
| Jon Lee | 2024/25 | 119,690 | - | 6,184 | 125,874 | 26,212 | 152,086 |
| Totals | 2025/26 | 871,757 | - | 19,963 | 891,720 | 234,365 | 1,126,085 |
| | 2024/25 | 737,560 | - | 13,143 | 750,703 | 159,863 | 910,566 |

* Nick Dean reached his 30 years in April 2022 and opted out of his pension from 3 April 2022

** Jane Gyford acted up as Chief Constable from 28 August 2025 to 28 September 2025 with the associated salary included in her DCC line. She left the DCC role on 1 December 2025 and returned as a staff member on 9 February 2026 as Senior Responsible Officer for the Athena replacement project, reporting to the Essex Chief Constable. The salary for this role is not included in the above.

*** Vaughan Lukey acted up as Deputy Chief Constable from 28 August 2025 to 14 December 2025 with the associated salary included in his ACC line. He took on the role of ACC for Conduct through the BCH collaboration from 15 December 2025

****John Massey was already employed by the force prior to his promotion. The figure above relates to his ACC salary only.

The number of staff employees and senior police officers holding a rank above that of superintendent and above whose remuneration, excluding employer's pension contributions, was £50,000 or more, in bands of £5,000, was as follows:

| | Chief | |
|----------------------|-----------|-----------|
| | 2025/26 | 2024/25 |
| £50,000 to £54,999 | 10 | 13 |
| £55,000 to £59,999 | 22 | 15 |
| £60,000 to £64,999 | 5 | 14 |
| £65,000 to £69,999 | 12 | 6 |
| £70,000 to £74,999 | 3 | 7 |
| £75,000 to £79,999 | 5 | 6 |
| £80,000 to £84,999 | 5 | 3 |
| £85,000 to £89,999 | 4 | 2 |
| £90,000 to £94,999 | 4 | 3 |
| £95,000 to £99,999 | 7 | 4 |
| £100,000 to £104,999 | 5 | 4 |
| £105,000 to £109,999 | 4 | 3 |
| £110,000 to £114,999 | 1 | 2 |
| £115,000 to £119,999 | 4 | 1 |
| £125,000 to £129,999 | - | 2 |
| £130,000 to £134,999 | 2 | 1 |
| £140,000 to £144,999 | 1 | - |
| £150,000 to £154,999 | 1 | - |
| £155,000 to £159,999 | - | 1 |
| £160,000 to £164,999 | 1 | 1 |
| £195,000 to £199,999 | - | 1 |
| | 96 | 89 |

The numbers above include the senior employees and relevant police officers disclosed earlier in Note 16 where they earned over £50k including seconded officers.

The numbers of exit packages with total cost per band and the total cost of redundancies agreed are set out below. There were five redundancies in 2025/26.

| Exit package cost band | Number of redundancies | | | | Total cost of exit packages | |
|------------------------|------------------------|-------------------|------------------|-------------------|-----------------------------|----------|
| | 2025/26 | 2025/26 | 2024/25 | 2024/25 | 2025/26 | 2024/25 |
| | Voluntary No. | Compulsory No. | Voluntary No. | Compulsory No. | £'000 | £'000 |
| £0 - £20,000 | 2 | - | 2 | - | 8 | 8 |
| £20,001 - £40,000 | - | 1 | - | - | 37 | - |
| £100,001 - £150,000 | 2 | - | - | - | 285 | - |
| | 4 | 1 | 2 | - | 330 | 8 |

Redundancy costs for Cambridgeshire employees in collaborated units are apportioned in line with existing cost sharing principles. In 2025/26 the redundancies were all related to collaborated unit.

17 Audit Costs

The Chief Constable has incurred the following costs in relation to the audit of the Statement of Accounts.

| | 2025/26 | 2024/25 |
|-------------------------------------------------------------------------------------------|-----------|-----------|
| | £'000 | £'000 |
| Fees payable with regard to external audit services carried out by the appointed auditor: | <u>55</u> | <u>60</u> |

18 Related Parties

The Chief Constable is required to disclose material transactions with related parties, being bodies or individuals that have the potential to control or influence the Chief Constable or to be controlled or influenced by it. Disclosure of these transactions allows readers to assess the extent to which the Chief Constable might be constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Chief Constable.

Police and Crime Commissioner

The Police and Crime Commissioner has direct control over the group's finances, including responsibility for funding of all pensions' liabilities, and is responsible for setting the Police and Crime Plan. The Chief Constable operates within the budget set by the Police and Crime Commissioner, to deliver the aims and objectives set out in the Police and Crime Plan. Section 28 of the Police Reform and Social Responsibility Act 2011 requires that the local authorities covered by the police area must establish a Police and Crime Panel (PCP) for that area. The PCP scrutinises the decisions of the PCC, reviews the Police and Crime Plan and has a right of veto over the precept (see note 6).

Central Government

Central government has significant influence over the general operations of the Chief Constable. It is responsible for providing the statutory framework within which the Chief Constable operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Group has with other parties. Grants received from government departments are set out in the PCC Group and the PCC Statement of Accounts 2025/26.

Officers

During the year, the Chief Constable was a trustee of the Shrievalty Trust.

Cambridgeshire Police Shrievalty Trust

The Cambridgeshire Police Shrievalty Trust is a charitable organisation supported by the Group whose objective is to support efforts to "Create a

Safer Cambridgeshire”. Details of Officers who were trustees throughout the period are set out below:

Officers: Nick Dean, Chief Constable (to retirement 28.9.25)
Simon Megicks, Chief Constable – from 29.9.25

In the year to 31 March 2026, the Group had dealings with the Trust providing grants totalling £83,599 across Victims support, prevention and hotspot grants along with £3,599 contribution towards laptops (2024/25 £90,000).

Other Public Bodies (subject to common control by central government)

The Chief Constable has a pooled budget arrangement (joint operation) with the 6 other eastern police forces for the provision of tackling organised crime and further pooled budget arrangements (joint operation) with Bedfordshire Police and Hertfordshire Constabulary for the provision of a range of policing services. Transactions and balances outstanding are detailed in the PCC Group and the PCC Statement of Accounts 2025/26.

The Chief Constable participates in four pension schemes the Local Government Pension Scheme (LGPS) for Police Staff, the Police Pension Scheme (PPS) for Police Officers in service before 31 March 2006 who are subject to transitional protection, the New Police Pensions Scheme (NPPS) for officers starting service on or after 1 April 2006 who are subject to transitional protection and the Police Pensions Scheme 2015 (PPS 2015) for officers starting service on or after 1 April 2015 and officers formerly members of PPS/NPPS who are not subject to transitional protection. The LGPS scheme is administered by Cambridgeshire County Council and the PPS, NPPS and PPS 2015 are administered by XPS Pension Group. See Note 19 for details of transactions and balances outstanding.

During the year the Chief Constable made payments totalling £1,681k to the six local authorities for National Non-Domestic Rates Bills (2024/25 £1,656k).

19 Group’s Retirement Benefits

Participation in Pension Schemes

As part of the terms and conditions of employment of its Police Officers and Police Staff, the Chief Constable offers retirement benefits which are normally payable on retirement. The Chief Constable, however, is required to disclose the commitment to pay future retirement benefits as those benefits are earned by officers or employees.

The Chief Constable participates in four pension schemes:

- i) the Local Government Pension Scheme (LGPS) for Police Staff, administered by Cambridgeshire County Council. This is a defined benefit, funded scheme, meaning that the Group and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets. As corporations sole the Police and Crime Commissioner and Chief Constable are separate

employers in the scheme, which is reflected in the figures included in the financial statements; and

- ii) the Police Pension Scheme (PPS) for Police Officers in service before 31 March 2006 who are subject to transitional protection, the New Police Pensions Scheme (NPPS) for officers starting service on or after 1 April 2006 who are subject to transitional protection and the Police Pensions Scheme 2015 (PPS 2015) for officers starting service on or after 1 April 2015 and officers formerly members of PPS/NPPS who are not subject to transitional protection. All three schemes are defined benefit, unfunded schemes, administered by XPS Pension Group, meaning that there are no investment assets built up to meet the pension liabilities and that cash has to be generated to meet actual pensions payments as they eventually fall due. Injury Awards paid under the Police Pension Schemes are disclosed separately. These payments are unfunded and are paid directly by the Chief Constable. Injury awards are subject to the same treatment as the Police Pension Schemes, with the movement on the liability being attributable to any change in interest costs and actuarial gains/losses. New injury awards are shown as past service costs in the year which they are made.

Transactions Relating to Post Employment Benefits

The costs of retirement benefits are recognised in the Net Cost of Services when they are earned by staff rather than when the benefits are actually paid as pensions. However, the charge required to be made against council tax is based on the cash payable in the year, so the real cost of retirement benefits is reversed out of the Comprehensive Income and Expenditure Statement via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

| | 2025/26 | | | 2024/25 | | |
|----------------------------------------------------------------------------------------------------|-------------------------|-------------------------------|-----------------|-------------------------|-------------------------------|------------------|
| | Police Pensions £000 | LGPS- Chief Constable £000 | Total £000 | Police Pensions £000 | LGPS- Chief Constable £000 | Total £000 |
| Comprehensive Income and Expenditure Account | | | | | | |
| <i>Cost of Services:</i> | | | | | | |
| Current service cost | 6,824 | 4,701 | 11,525 | 11,006 | 6,438 | 17,444 |
| Other past service costs | | 23 | 23 | - | 22 | 22 |
| | 6,824 | 4,724 | 11,548 | 11,006 | 6,460 | 17,466 |
| <i>Financing and Investment Income and Expenditure:</i> | | | | | | |
| Interest income on plan assets | 60,770 | (15,342) | 45,428 | 56,820 | (12,409) | 44,411 |
| Interest cost on defined benefits obligation | - | 10,475 | 10,475 | | 10,264 | 10,264 |
| Interest on the effect of asset ceiling | - | 6,000 | 6,000 | | 1,847 | 1,847 |
| | 60,770 | 1,133 | 61,903 | 56,820 | (298) | 56,522 |
| <i>Total Post Employment Benefit Charged to the Deficit on the Provision of Services</i> | 67,594 | 5,857 | 73,451 | 67,826 | 6,162 | 73,988 |
| <i>Other Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</i> | | | | | | |
| Return on plan assets | | 209 | 209 | - | 7,856 | 7,856 |
| Actuarial (gains) and losses arising on changes in demographic assumptions | - | (2,615) | (2,615) | (2,070) | (361) | (2,431) |
| Actuarial (gains) and losses arising on changes in financial assumptions | (36,440) | (9,263) | (45,703) | (142,080) | (41,048) | (183,128) |
| Effect of Asset Ceiling | - | (12,247) | (12,247) | - | 63,592 | 63,592 |
| Other | (8,830) | 5,062 | (3,768) | 460 | (1,928) | (1,468) |
| | (45,270) | (18,854) | (64,124) | (143,690) | 28,111 | (115,579) |
| <i>Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Account</i> | 22,324 | (12,997) | 9,327 | (75,864) | 34,273 | (41,591) |

Movement in Reserves Statement

Reversal of net charges made to the Deficit for the Provision of Services for post employment benefits in accordance with the Code

(67,594) (5,857) (73,451)

(67,826) (6,162) (73,988)

Actual amount charged against the General Fund Balance for Pensions in the year:

Employer's contributions payable to the schemes

42,901 7,665 50,566

42,514 7,591 50,105

Assets and Liabilities in Relation to Post Employment Benefits

Reconciliation of Present Value of Scheme liabilities

| | 2025/26 | | | 2024/25 | | |
|------------------------------------------------------------------------|-------------------------------------------------------|----------------------------------|---------------------------|----------------------------------------------------|----------------------------------|------------------------------|
| | Unfunded Liabilities Police Pensions £000 | LGPS- Chief Constable £000 | Total Liabilities £000 | Unfunded Liabilities Police Pensions £000 | LGPS- Chief Constable £000 | Total Liabilities £000 |
| Balance at 1 April | 1,093,836 | 179,075 | 1,272,911 | 1,212,214 | 210,392 | 1,422,606 |
| Current service cost | 6,824 | 4,701 | 11,525 | 11,006 | 6,438 | 17,444 |
| Past service costs - other | - | 23 | 23 | - | 22 | 22 |
| Interest cost | 60,770 | 10,475 | 71,245 | 56,820 | 10,264 | 67,084 |
| Contributions by scheme participants | 9,610 | 2,381 | 11,991 | 9,220 | 2,288 | 11,508 |
| Benefits paid | (52,511) | (6,140) | (58,651) | (51,734) | (6,992) | (58,726) |
| Remeasurement gain/loss: | | | | | | - |
| Actuarial gains arising from changes in demographic assumptions | - | (2,615) | (2,615) | (2,070) | (361) | (2,431) |
| Actuarial (gains)/losses arising from changes in financial assumptions | (36,440) | (9,263) | (45,703) | (142,080) | (41,048) | (183,128) |
| Other | (8,830) | 19,030 | 10,200 | 460 | (1,928) | (1,468) |
| Balance at 31 March | 1,073,259 | 197,667 | 1,270,926 | 1,093,836 | 179,075 | 1,272,911 |

Reconciliation of the Movements in the Fair Value of Scheme Assets

| | 2025/26 | | 2024/25 | |
|-----------------------------------------------------------------------------------------|----------------------------------|----------------------|----------------------------------|----------------------|
| | LGPS- Chief Constable £000 | Total Assets £000 | LGPS- Chief Constable £000 | Total Assets £000 |
| Balance at 1 April | 261,542 | 261,542 | 254,102 | 254,102 |
| Interest Income | 15,342 | 15,342 | 12,409 | 12,409 |
| Remeasurement gain/loss: | | | | |
| The return on plan assets, excluding the amount included in the net interest expense | (209) | (209) | (7,856) | (7,856) |
| Other experience | 13,968 | 13,968 | | |
| Contributions from employer | 7,665 | 7,665 | 7,591 | 7,591 |
| Contributions from employees into the scheme | 2,381 | 2,381 | 2,288 | 2,288 |
| Benefits paid | (6,140) | (6,140) | (6,992) | (6,992) |
| Closing fair value of scheme assets | 294,549 | 294,549 | 261,542 | 261,542 |

Reconciliation of Asset Ceiling

| | 2025/26 | | | 2024/25 | | |
|--------------------------------------|----------|---------------|---------------|----------|----------------|----------------|
| | Police | LGPS- Chief | Total Assets | Police | LGPS- Chief | Total Assets |
| | Pensions | Constable | | Pensions | Constable | |
| £000 | £000 | £000 | £000 | £000 | £000 | |
| Opening Asset Ceiling | - | 103,523 | 103,523 | - | 38,084 | 38,084 |
| actuarial gain/loss on asset ceiling | - | (12,247) | (12,247) | - | 63,592 | 63,592 |
| interest on asset ceiling | - | 6,000 | 6,000 | - | 1,847 | 1,847 |
| Closing Asset Ceiling | - | 97,276 | 97,276 | - | 103,523 | 103,523 |

Under the requirements of IFRIC 14, an asset ceiling limits the amount of the net pension asset that can be recognised to the lower of (1) the amount of the net pension asset or (2) the present value of any economic benefits available in the form of refunds or reductions in future contributions to the plan. Under IFRS, the constabulary should also consider the requirements of IFRIC 14 in relation to minimum funding requirements.

As at 31 March 2026, the results show a net defined benefit asset position before considering IFRIC 14. There is no potential economic benefit available in the form of a refund as the rules of LGPS do not give the entity any right to a refund from the Scheme. Since the potential economic benefit from the reduction in future contributions for future service has been calculated to be nil, the unadjusted net pension surplus in respect of funded obligations of £97,276k Chief Constable & £2,200k PCC, is capped to nil.

At 31 March 2026, the Constabulary is also committed to annual secondary contributions of -2.5% under the latest Rates and Adjustments Certificate from the 31 March 2022 triennial valuation. Secondary contributions reflect the entity's obligations arising from deficit funding. These secondary contribution rates have been confirmed in the Rates and Adjustments certificate up until 31 March 2026, based on the calculation at 31 March 2025 that they will continue to be paid over a remaining funding horizon of 20 years.

Asset and Liabilities Recognised in the Balance Sheet

| | Police Pensions £000 | | LGPS £000 | | Total £000 | |
|--------------------------------------------------------------|-------------------------|------------------|--------------|---------------|------------------|------------------|
| | 2025/26 | 2024/25 | 2025/26 | 2024/25 | 2025/26 | 2024/25 |
| Present value of the defined benefit obligation | 1,073,259 | 1,093,836 | 197,667 | 179,075 | 1,270,926 | 1,272,911 |
| Fair Value of Plan Assets | - | - | (294,549) | (261,542) | (294,549) | (261,542) |
| Effect of Asset Ceiling | - | - | 97,276 | 103,523 | 97,276 | 103,523 |
| Net Liability arising from defined benefit obligation | 1,073,259 | 1,093,836 | 394 | 21,056 | 1,073,653 | 1,114,892 |

The PPS has no assets to cover its liabilities. The LGPS's assets consist of the following categories, by proportion of the total assets held:

Taken directly from the Pension Reports from Actuary

| | 31/03/2026 £000 | 31/03/2025 £000 |
|----------------------------------|--------------------|--------------------|
| Cash and Cash Equivalents | 9,013 | 6,120 |
| Private Equity | 38,935 | 33,261 |
| Debt Securities | | |
| UK Government | 34,457 | 23,290 |
| Equity Instruments (by industry) | | |
| Consumer | 2,810 | 2,922 |
| Manufacturing | 2,624 | 2,951 |
| Energy and Utilities | 311 | 223 |
| Financial Institutions | 3,406 | 2,911 |
| Health and Care | 2,323 | 2,374 |
| Information Technology | 7,673 | 6,945 |
| Other | 328 | 242 |
| Investment Funds and Unit Trusts | | |
| Equities | 108,612 | 102,953 |
| Bonds | 40,025 | 34,574 |
| Other | 19,932 | 19,036 |
| Real Estate | 25,146 | 24,790 |
| Derivatives | - | -3 |
| | 295,595 | 262,589 |

The liabilities are the underlying commitments that the Chief Constable has to pay retirement benefits in the long-term. The total liability of £1,074m (£1,073m police officer pension scheme and (£0.394m) unfunded liabilities (net of scheme assets) in LGPS for police staff) has a significant impact on the net worth of the Chief Constable as presented in the Balance Sheet, giving rise to negative equity of £1,080m. However, statutory arrangements for funding the deficit mean that the financial position of the Chief Constable remains stable:

- i) the deficit on the LGPS will be made good by increased contributions over the remaining working lives of employees, as assessed by the scheme actuary; and
- ii) finance is only required to be raised to cover police pensions as and when they are actually paid.

Basis of Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependant on assumptions made about mortality rates and salary levels. The Police Pension Scheme has been assessed by the Government Actuary Department (GAD).

The 2024 funding valuation is not yet concluded so GAD have retained assumptions adopted for the 2020 funding valuation of the Police Pension Schemes (England & Wales).

The LGPS liabilities have been assessed by Hymans Robertson, an independent firm of actuaries, based on the latest full valuation of the scheme as at 31 March 2020.

The principal assumptions used by the actuaries have been:

| | Local Government Pension Scheme | | Police Pension Schemes | |
|-----------------------------------------|--------------------------------------------|----------------|-------------------------------|----------------|
| | 2025/26 | 2024/25 | 2025/26 | 2024/25 |
| Mortality assumptions: | | | | |
| Longevity at 65 for current pensioners: | | | | |
| Men | 22.5 | 21.0 | 22.0 | 21.9 |
| Women | 25.1 | 24.1 | 24.0 | 23.9 |
| Longevity at 65 for future pensioners: | | | | |
| Men | 23.7 | 22.1 | 23.4 | 23.3 |
| Women | 26.4 | 25.7 | 25.3 | 25.2 |
| Rate of increase in salaries | 3.5 | 3.3 | 3.7 | 3.5 |
| Rate of increase in pensions | 3.0 | 2.8 | 3.0 | 2.7 |
| Rate for discounting scheme liabilities | 6.3 | 5.8 | 6.1 | 5.7 |
| CARE revaluation rate | - | - | 4.2 | 4.0 |

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analysis below has been determined based on reasonably possible changes in assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all other assumptions remain constant, in reality changes in some assumptions may be interrelated.

The majority of the actuarial gains for 2025/26 result from the expected return on assets, however the accounting standards state that if an employer has an accounting surplus, it should only be recognised to the extent that it is able to recover the surplus either through reduced contributions in the future, or through refunds.

Therefore, an asset ceiling is applied, and this moves the fund from a surplus to a deficit once more. As can be seen from the sensitivity analysis a small

change to the assumptions can have a big impact on the liability. The sensitivity analysis provided by the actuary in their report to for the Police & Crime Commissioner is given below:

Sensitivity to changes in assumptions

| Change in assumptions at 31 March 2026 | Chief Constable Scheme | | Police Pension Scheme | |
|-------------------------------------------------------------|---------------------------|-----------------------------------|---------------------------|----------------------------------|
| | Increase in Liability (%) | Approximate monetary amount £'000 | Increase in Liability (%) | Approximate monetary amount £000 |
| 0.1% decrease in Real Discount Rate | 2.0% | 3,510 | -1.4% | (15,600) |
| 0.1% increase in the Salary Increase Rate | 0.0% | 130 | 0.2% | 1,800 |
| 0.1% Increase in the Pension Increase Rate | 2.0% | 3,382 | 1.4% | 15,400 |
| Life Expectancy (Pensioners assumed to be one year younger) | 4.0% | 7,949 | 0.5% | 5,200 |

Impact on Cash Flows

The total contributions to be made to the Local Government Pension Scheme by the Chief Constable in the year 31 March 2026 are £6.8m (2024/25, £7.5m) contributions for the Police Pension Scheme in the year 31 March 2026 are £25.1m (2024/25 £24.1m).

Legal Claims and Assumptions

McCloud Remedy

The McCloud remedy window ran from 1 April 2015 to 31 March 2022. Eligible members will be able to elect which scheme they wish to receive benefits from for this period. Due to the differing benefit structures we expect the majority of eligible police members to elect to take legacy scheme (1987 Scheme or 2006 Scheme) benefits for the remedy period.

An allowance for McCloud remedy was first included in the 2018/19 disclosures as a past service cost for four years remedy service from 2015-2019.

In respect of the McCloud Pension case, claimants have lodged claims for compensation under two active sets of litigation, Aarons, and Penningtons. Government Legal Department settled the injury to feelings claims for Aarons on behalf of Chief Officers without seeking any financial contributions. The settlement of the injury to feelings claims for Aarons sets a helpful precedent, therefore no liability in respect of compensation claims is recognised in these accounts. Pecuniary loss claims remain stayed under advice from Counsel, but it is expected that most of these claims will be settled under the current compensation mechanism that is provided for under the Public Service Pensions & Judicial Offices Act (PSPJOA) 2022. As at 31 March 2026, it is not possible to reliably estimate the extent or likelihood of Penningtons claims being successful, and therefore no contingent liability in respect of compensation claims is recognised in these accounts.

Guaranteed Minimum Pension equalisation and indexation

The Government has published a consultation on indexation and equalisation of Guaranteed Minimum Pensions (GMP), with the proposal being to extend the “interim solution” to those members who reach State Pension Age after 5 April 2021 (7 October 2020). A past service costs was included in the 2019/20 disclosure for extending the equalisation to all future retirees.

There was also a further court ruling on 20 November 2020 regarding GMP equalisation. The court ruled that scheme trustees are required to revisit past Cash Equivalent Transfer Values (CETVs) to ensure GMP equalisation. This may result in additional top-ups where GMP equalisation means that members did not receive their full entitlement. For public service pension schemes, we expect that this ruling will be taken forward on a cross scheme basis and will need legal input. This may require revisiting past CETV cases for members with State Pension age 5 April 2016 and who took a CETV from the scheme before the CETV were equalised. The scope of any costs are yet to be determined and we do not have data on historic CETVs on to estimate the potential impact, but we expect it will be a relatively small uplift for a relatively small subset of members (i.e. those who took a CETV and are in scope for a top up).

At present no additional costs were recognised for GMP equalisation and indexation in 2021/22 to 2025/26.

GMP Overpayments

We are aware that schemes have undertaken GMP reconciliation work with HMRC, and in some cases this work will result in identifying members who have been overpaid or underpaid. We have assumed that any overpayments or underpayments, to the extent they are not already reflected in underlying data, are not significant to the disclosures GAD prepares for the balance sheet and the profit and loss accounts. This approach is the same as last year.

Part -year inflation

Allowance has been made for known inflation between September 2025 and February 2026.

Survivor benefits legal challenges (Goodwin)

In 2020, a legal challenge was brought against the Teachers’ Pension Scheme regarding the provision of survivor benefits to a male spouse of a female member. In that scheme, dependant benefits for a male spouse of a female member are based on service from 1988 and do not include service before 1988.

Home Office have advised us that due to the historic equal benefit structure in the 1987 Scheme, they do not believe there is a similar situation in the Police Pension Scheme in England & Wales and therefore there is no requirement to

allow for this legal challenge in your 2025/26 accounting disclosures. This approach is the same as last year.

Section 37 legal case Virgin Media Ltd vs NTL Pension Trustees Limited

We are aware of the case of Virgin Media Ltd vs NTL Pension Trustees II Limited (and others) relating to actuarial certifications under section 37 of the Pension Schemes Act 1993. This case potentially has implications for the validity of amendments made by schemes which were contracted-out on a salary related basis between 6 April 1997 and the abolition of contracting-out in 2016. To address this, there is draft legislation which allows for remedial action, though this is yet to receive Royal Assent. There is uncertainty on whether there is potential read across to public service pension schemes. We understand that schemes continue to administer benefits and recognise liabilities in accordance with scheme regulations currently in force. No additional costs are assumed to be recognised in the 2025/26 accounting disclosures. This approach is the same as last year.

20 Transport Consortium

The PCC for Cambridgeshire belongs to the Chiltern Transport Consortium operated by Thames Valley Police. Cambridgeshire's contribution for 2025/26 was £2.6m (£2.7m 2024/25). Insurance costs were removed from the overall charge in 2022/23 and accounted for separately. The insurance costs for Cambridgeshire for 2025/26 were £1,073k (£708k 2024-25).

Costs are allocated to the forces in proportion to the size of their fleet. The total costs of the consortium are shown below:

| | 2025/26 | 2024/25 |
|-----------------------|----------------------|----------------------|
| | £000 | £000 |
| Employee Costs | 4,131 | 3,853 |
| Premises | 520 | 507 |
| Vehicle Costs | 7,060 | 6,428 |
| Vehicle Capital costs | 12,102 | 11,676 |
| Income | (2,644) | (2,709) |
| | <u>21,169</u> | <u>19,755</u> |
| | | |
| Insurance Costs | 1,073 | 708 |

21 Contingent Liability

Motorway Speed Enforcement (Op Cabin)

The Department for Transport (DfT) has confirmed that National Highways is responsible for funding financial redress arising from erroneous speed enforcement linked to certain managed motorway cameras enforced on their behalf by Cambridgeshire Constabulary. While police forces are involved in supporting the administration of the redress scheme, no liability resulting from this redress is expected to fall to the Police Force or the Police and Crime Commissioner. At the date of these financial statements, the redress scheme has not yet been fully implemented, and the scheme remains subject to further approvals. Accordingly, no provision has been recognised in these accounts, but this matter is disclosed as a contingent liability.

Pension Account

The Chief Constable is required to maintain a Pensions Account in order to discharge its responsibility for paying the pensions of retired officers and their survivors and to account to the Home Office as sponsoring department for police pensions funding. The Pensions Account has the legal status of a fund for the purposes of the Local Government Finance Act and all accounting entries are recorded, administrated and governed by The Police Pension Fund Regulations 2007.

Credits to the Pension Account include contributions from both the Chief Constable and serving police officers who are members of either the Police Pension Scheme (PPS), the New Police Pension Scheme (NPPS) or the Police Pension Scheme 2015 (PPS 2015). The Chief Constable's contributions in 2023/24 were at a rate of 31.0%. These rates are set by the Home Office and are subject to triennial revaluation by the Government's Actuary Department and have risen to 35.3% from 1st April 2024.

Charges to the Pension Account include pensions to retired police officers and their survivors and commutations and lump sum retirement benefits.

The Pension Account is balanced to nil each year by the receipt of pension top-up grant from, or by paying over any surplus to, the sponsoring department. The effect of this funding mechanism is that the employer's contribution of 35.3% of serving police officers' pensionable salary and together with injury pensions and a capital charge for ill-health retirements, falls to be charged to the Group's Comprehensive Income and Expenditure Statement.

The Pension Account is designed to discharge liabilities to pay pensions as they fall due and no account is taken of pensions and other liabilities after the period end.

A statement of account for the Pension Account, together with its net current assets and liabilities at 31 March 2026, is set out below. All Fund transactions are treated in accordance with the Group's accounting policies as set out in Note 1, where applicable.

Full details of the Chief Constable as Scheme Administrator retirement benefits have been disclosed in Note 19.

Fund Account

| | 2025/26 | 2024/25 |
|---------------------------------------------------------------------------------|-----------------|-----------------|
| | £000 | £000 |
| Contributions receivable: | | |
| From employer: | | |
| Normal | (25,156) | (24,149) |
| Early retirements | (312) | (800) |
| From members | (9,595) | (9,344) |
| Transfers in | (45) | (37) |
| | <u>(35,108)</u> | <u>(34,330)</u> |
| Benefits payable: | | |
| Pensions | 42,876 | 41,732 |
| Commutations and lump sum retirement benefits | 7,024 | 7,017 |
| | <u>49,900</u> | <u>48,749</u> |
| Payments to and on account of leavers: | | |
| Refunds of contributions | 71 | 92 |
| Individual transfers out to other schemes | 10 | 21 |
| | <u>81</u> | <u>113</u> |
| Net amount for the year before top-up grant payable by sponsoring department | 14,873 | 14,532 |
| Amount from sponsoring department | (14,873) | (14,532) |
| Balance on Fund at 31 March | <u>-</u> | <u>-</u> |

| Net Assets Statement | 2025/26 | 2024/25 |
|-------------------------------------------------|----------------|----------------|
| | £'000 | £'000 |
| Net current assets and liabilities | | |
| Amounts owed from General Fund | (235) | (7,748) |
| Remaining top-up grant due from the Home Office | 235 | 7,748 |
| Net current assets / (liabilities) at 31 March | <u>-</u> | <u>-</u> |

The Police Pension Account does not hold any investment assets.

Glossary of Terms

| | |
|-------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Accrual | The recognition in the correct accounting period of income and expenditure as it is earned or incurred rather than as cash is received or paid. |
| Accrued Retirement Benefits (Pensions) | The retirement benefits for service up to a given point in time, whether vested rights or not. |
| Actuarial Gains and Losses (Pensions) | For a defined benefit scheme, the changes in deficits or surpluses that arise because events have not coincided with actuarial assumptions used in the last valuation (experience gains or losses) or because actuarial assumptions have changed. |
| Budget | A financial statement of the Group's plans for any given year. |
| CIPFA | The Chartered Institute of Public Finance and Accountancy. This is the leading professional accountancy body for public services. |
| Creditors | Amounts owed by the Group for work done, goods received or services rendered, but for which payment has not been made at the date of the balance sheet. |
| Curtailment (Pensions) | For a defined benefit scheme, an event that reduces the expected years of future service of current staff or reduces for a number of staff the accrual of defined benefits for some or all of their future service. |
| Current Service Costs (Pensions) | The increase in the present value of a defined benefit scheme's liabilities expected to arise from pensionable service earned in the current period. |
| Debtors | Sums of money due to the Group, but unpaid at the balance sheet date. |
| Defined Benefit Scheme (Pensions) | A scheme to provide retirement benefits, the value of which are independent of the contributions payable, and that are not directly related to the underlying investments. |
| Expected Rate of Return on Pension Assets | For a funded, defined benefit scheme, the average rate of return, net of any charges, expected to be earned on assets held by the scheme over the remaining life of the related obligation to pay future retirement benefits. |

| | |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Fair Value | The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. |
| Financial Reporting Standards (FRSs) | Standards developed by the Accounting Standards Board to regulate the preparation and presentation of statement of accounts. |
| Government Grants | Payments by Central Government towards Local Authority spending. They may be specific to a particular service e.g. Police Grant or for a general purpose (see Revenue Support Grant). |
| Income | Amounts that the Group receives, or expects to receive, from any source. Income includes fees, charges, sales, specific grants and special grants. The term income implies that the figures concerned relate to amounts due in a financial year irrespective of whether or not they have been received in that period. |
| Injury Award | An injury award compensates an individual for the potential loss of earnings for injury sustained whilst on duty that results in some level of disablement which hinders or prevents them from working in the future. An injury award is a lifetime award. |
| International Financial Reporting Standards (IFRSs) | Standards developed by the International Accounting Standards Board to regulate the preparation and presentation of statement of accounts. |
| Investments (Pensions) | The Group's share of pension scheme assets associated with its liability to pay future retirement benefits. |
| Operation Safeguard | Operation Safeguard is the national contingency plan for police custody support to His Majesty's Prison and Probation Service (HMPPS), where the prison population is predicted to, or exceeded capacity. |
| Past Service Cost (Pensions) | For a defined benefit scheme, the increase in the present value of the scheme liabilities related to staff service in prior periods arising in the current period as a result of the introduction of, or improvement to, retirement benefits payable. |

| | |
|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Projected Unit Credit Method (Pensions) | An actuarial method of valuing a pension scheme's liability to pay future retirement benefits taking into account estimated increases in future earnings. |
| Reserves | Amounts set aside by the Group that do not fall within the definition of a provision. |
| Retirement Benefits (Pensions) | All forms of consideration given by an employer in exchange for services rendered by staff that are payable after completion of the engagement. |
| Revenue Expenditure | The day-to-day spending and income of the Group on such items as staff, goods, services and equipment. |
| Revenue Fund Balances | The accumulated surplus of income over expenditure held in reserve. |
| Scheme Liabilities (Pensions) | The liabilities to pay future retirement benefits, measured using the projected unit credit method, of a defined benefit scheme for outgoings falling due after the valuation date. |
| Service Reporting Code of Practice (SeRCOP) | A CIPFA Code that is designed to ensure a consistent and comparable approach to the calculation of the cost of services. |
| Settlement (Pensions) | An irrevocable action that relieves the employer of the primary responsibility for a pension obligation. |