



Police and Crime Commissioner
CAMBRIDGESHIRE AND PETERBOROUGH
Darryl Preston

**DRAFT STATEMENT OF
ACCOUNTS 2025/26**

**CAMBRIDGESHIRE POLICE AND CRIME
COMMISSIONER
STATEMENT OF ACCOUNTS
2025/26**

Table of Contents

Preface by the Police and Crime Commissioner for Cambridgeshire	2
Narrative Report by the Chief Finance Officer	3
Statement of Responsibilities for the Statement of Accounts	19
Expenditure and Funding Analysis	20
The Core Statement of Accounts	
Comprehensive Income and Expenditure Statement	22
Movement in Reserves Statement	24
Balance Sheet	26
Cash Flow Statement	27
Notes to the Accounts	28
Accompanying Statements	
Pension Account	99
Glossary of Terms	101

Preface by the Police and Crime Commissioner for Cambridgeshire

Introduction to the 2025/26 Statement of Accounts by Darryl Preston, the re-elected Police and Crime Commissioner for Cambridgeshire and Peterborough.

My Police and Crime Plan was published in December 2024 following consultation with the public and partner organisations.

The Office of the Police and Crime Commissioner (OPCC) managed £4,213,470 in grant funding from the government in 2025/26 ensuring appropriate due diligence and commissioning arrangements were in place. This included £2,145,448 for the provision of support services for victims of crime and £388,220 for domestic abuse and stalking perpetrator interventions – this was the result of a previous successful bid for funding.

Work to prevent serious violence in the county was given a boost through a £599,402 grant from the Home Office while the OPCC managed £1,080,500 for the Constabulary which was awarded to increase local patrols in areas across the county as part of a government Hotspot Action Fund.

The Constabulary has met its police officer baseline target of 1,732 officers ending 2025/26, five officers above this baseline at 1,737 officers and we continue to strive to recruit officers from diverse backgrounds to enhance our organisational representation from Black, Asian, mixed or other ethnic groups.

Looking forward, the government has introduced the neighbourhood policing guarantee, effective from 2025/26. This is similar to the previous uplift programme but targeted at increasing police officers, police community support officers (PCSO) and special constables working directly in neighbourhoods and local communities. The Constabulary plans to recruit an additional 30 officers, 7 PCSOs and 13 special constables – a total of 50 extra neighbourhood resources helping to create a safer Cambridgeshire.

As part of the police grant settlement offered by government, I increased the policing element of Council Tax for 2025/26 by £13.95 per Band D property, or 27 pence per week. I continue to lobby government for fairer funding for Cambridgeshire and Peterborough.

A balanced budget for 2025/26 was achieved following the funding settlement from the government and the local precept receipts provided by our community. There remains a significant efficiency challenge for us and strong financial management will still be required in order to create sustainable police resourcing that continues to keep our communities safe.

I would like to thank everyone who worked with and supported me during the year. I am enormously appreciative of the talent and energy given by so many in keeping the people of Cambridgeshire and Peterborough safe.

Narrative Statement by the Chief Finance Officer

Message from the Chief Finance Officer – Phil Trussell

Cambridgeshire and Peterborough is comprised of the six local authority areas of Peterborough City Council, Cambridge City, East Cambridgeshire, Fenland, Huntingdonshire and South Cambridgeshire, covers 1,309 square miles and has a mixture of both urban and rural areas.

The County had a population of almost 934,000 (Office for National Statistics Population Estimate 2024) and Cambridgeshire and Peterborough is the 28th largest of the forty-three forces in England and Wales by number of police officers (Government Statistics for Police Workforce September 2025).

The Force is divided into two policing districts and has central departments that provide specialist support services such as the Operational Support Unit and Crime Services which deal with threats posed by public disorder, Firearms, Child Abuse and Organised Crime whilst being responsible for the planning around civil emergencies. These services, whilst less visible than front line policing, are integral to meeting the PCC's and Constabulary's strategic policing priorities.

The OPCC and Force finance departments work together to produce financial information, which is of high quality, accurate, relevant and up to date to our various stakeholders. We continue to face the challenges presented by being one of the lowest funded forces in the country by population served and continue to see the level of discretionary expenditure that we are able to influence reduce.

The Statement of Accounts has been prepared in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA). It therefore aims to provide information so that members of the public, partners, stakeholders and other interested parties can:

- Understand the overarching financial position of the PCC and Group;
- Have confidence that the PCC has used and accounted for public money in an appropriate manner; and
- Take assurance that the financial position of the PCC and Group is sound and secure.

This report provides information about the performance of the Cambridgeshire PCC, both financially and in delivering other objectives, including the key issues affecting the PCC and Group and their accounts. Further information on our performance for 2025/26 can be found in the Annual Report 2025/26. This narrative statement also

provides a summary of the financial position as at 31 March 2026 and is structured as follows:

1. Explanation of the PCC and Group
2. Financial Performance
3. Non-Financial Performance
4. Outlook and Medium Term Financial Strategy
5. Statement of Accounts 2025/26

Readers of our final accounts and the subsequent external audit opinion should be aware of the impact that the national audit backlog has had on all public sector organisations.

As a direct consequence of the backlog, a disclaimed opinion was received on the 2024/25 financial accounts from our auditors KPMG. Despite ongoing work across the public sector to rectify the position, this could continue to impact the audit opinion in 2025/26 depending on the level of audit assurance achieved in relation to brought forward balances. Readers of our published accounts should be confident that the internal controls, governance and assurance over our financial reporting are not diminished in any way due to the external audit situation that has been beyond our control.

1. Explanation of the PCC and Group

This Statement of Accounts sets out the financial position of the Police and Crime Commissioner for Cambridgeshire and the Chief Constable of Cambridgeshire (referred to as “the Group”) for the year ended 31 March 2026.

The Police and Social Responsibility Act 2011 created both Commissioners and Chief Constables as legal entities in their own right (corporations sole), with the Chief Constable of Cambridgeshire Constabulary being responsible for the operational policing of Cambridgeshire.

One of the duties of the Police and Crime Commissioner is to hold the Chief Constable to account in order to secure the maintenance of an efficient and effective police force. Therefore, for accounting purposes, the Cambridgeshire Police and Crime Commissioner is the parent entity of the Chief Constable of Cambridgeshire Constabulary and together they form “the Group”.

As the parent entity, the Police and Crime Commissioner guarantees any outstanding liabilities of the Chief Constable who is classified as a 100% subsidiary.

Local governance and control arrangements have influenced the setting of the accounting policies such that all income, working capital, cash balances, property, plant and equipment are included in the Police and Crime Commissioner’s and Group Accounts only, and that the Police and Crime Commissioner provides the Chief Constable with an annual devolved budget for the delivery of the policing service.

The statement of accounts has been produced in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, supported by International Financial Reporting Standards (IFRS) and the publication of the Statement is required under the Accounts and Audit Regulations 2015.

The Chief Constable has produced a separate set of accounts which explain how the resources provided by the PCC have been used to deliver operational policing services.

2. Financial Performance

Like many public sector bodies, the Constabulary continues to face financial pressures from challenging funding settlements from government and wider economic uncertainty, including changes to input prices arising from geopolitical events.

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 four-year Comprehensive Spending Review (CSR) was published in 2025 but without individual force allocations.

Revenue Out-turn 2025/26

The revenue outturn reflects another year of tight financial management whilst ensuring the continued delivery of an efficient and effective service. A number of the favourable variances in the year are one-off in nature and non-repeating.

Local Policing – Crime and Vulnerability: underspend £1,124k

The underspend is primarily driven by vacancy-related pay savings across Intelligence (£349k), Investigation Standards (£182k) and Protecting Vulnerable People (£582k).

- Intelligence and Specialist Crime: Underspend primarily reflects officer pay savings of £594k driven by recruitment challenges across specialist units.
- Investigation Standards: Underspend driven by staff vacancies within the Victims Hub and additional grant income, partially offset by increased overtime to maintain performance.
- Protecting Vulnerable People: Largest contributor to the underspend, driven by officer vacancies. This has resulted in increased overtime to manage demand.

Overall, the underspend reflects capacity gaps rather than efficiency, with continued reliance on overtime creating a sustainability risk into 2026/27.

Local Policing Operations: underspend £2,531k

The underspend is largely driven by workforce vacancies across officers, PCSOs and police staff.

- Officer pay underspend of £1,646k reflects under establishment across frontline policing.
- Police Community Support Officer (PCSO) pay underspend of £336k
- Staff vacancies generated £1,395k underspend (linked to the savings targets across the budget), with some offset in overtime incurred to manage resourcing.

Overall, the position remains dependent on vacancies, with increased overtime required to sustain service delivery.

People and Professionalism: underspend £286k

The underspend is driven primarily by officer vacancies.

Non-Operational Services: underspend £1,223k

The overall underspend reflects a combination of corporate pressures and offsetting underspends across estates, fleet and insurance.

- Corporate budgets overspent by £796k, driven by workforce savings targets under-delivered (£1,648k), pension-related costs and specialist expenditure (including forensics and national policing costs), partially offset by £515k unused inflation provision.
- Estates delivered a significant underspend (£1,486k), including £863k on utilities, alongside vacancy-related savings.
- Fleet underspent by £441k, driven by lower fuel costs and staff vacancies, partially offset by higher maintenance and insurance-related costs.
- Insurance underspend of £629k reflects a reduced provision requirement and in-year claims settlements.

Overall, the position is influenced by one-off factors, rather than sustainable savings.

Collaboration and Partnership – underspend £774k.

The overall position reflects a combination of timing differences, workforce-related pressures, and reclassification of costs, rather than structural changes in underlying collaboration activity.

Key movements are summarised as follows:

General Collaboration costs – £207k underspend, primarily due to pay award provision not fully allocated to departments.

Operational Support – £455k underspend with a significant underspend within ICT (£888k), reflecting lower spend on maintenance, infrastructure and Home Office IT costs

This is largely offset by a £687k overspend in Firearms Licensing, driven by pay, overtime and income pressures as we tackle the licencing backlog

Revenue Contribution to Capital Outlay (RCCO): overspend £3,780k

The overspend reflects a planned increase in the use of revenue funding to support the capital programme, reducing the requirement for future borrowing and the associated revenue costs of interest and Minimum Revenue Provision (MRP).

This includes:

- £1,950k additional RCCO approved in-year by the PCC as part of the capital financing strategy
- £600k relating to compulsory purchase
- £567k capital element of fleet recharges
- £518k insurance provision adjustment

Overall, the increased use of RCCO represents a deliberate strategic decision to strengthen long-term financial sustainability.

OPCC: overspend £1,185k

The PCC's Office delivered a small underspend of reflecting lower staff costs, partly offset by expenditure on CCTV and External Audit fees which reflect an additional in-year accrual to align with the Constabulary.

However, the overall OPCC position is driven by corporate and treasury-related activity, totalling a £1,234k overspend, reflecting a combination of:

- Lower borrowing and favourable interest rates, generating:
 - £1,004k underspend on interest payable
 - £297k over-recovery of interest receivable

Lower Minimum Revenue Provision (£278k), reflecting prior year capital financing outcomes

Transfers to and from reserves total (£3,472k) identified during the year to mitigate or plan for future risks as previously reported.

The key movements to reserves;

- £2,900k move to the Emergency Services Network (communications system) reserve
- £600k to the Public Contact Management Solution.
- £694k to the Insurance reserve.
- £187k move to the Ill-Health reserve
- £163k Proceeds of crime Act income transferred to the reserve.

From reserves;

- £151k PCC spend on Casualty reduction

- £119k from the Drugs forfeiture reserve.
- £582k from Taser Reserve (£493k Capital, £89k Revenue)
- £367k Forensics Provision transferred to new portfolio holder

PCC Revenue Budget and out-turn 2025/26 summary

	2025/26 Budget £'000	2025/26 Outturn £'000	Variance £'000
Local Policing - Crime & Vulnerability	30,597	29,473	(1,124)
Local Policing - Operational	95,611	93,080	(2,531)
People and 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)

Reconciliation of Outturn to Net Expenditure Chargeable to the General Fund Balance (EFA statement)

	2025/26 £'000	2024/25 £'000
Reported Underspend	(636)	(176)
Revenue related reserve contributions	(4,097)	1,287
Capital Related reserve contributions	244	(897)
(Surplus)/Deficit on Provision of Services	(4,489)	214

Funding

The PCC budget is funded from a combination of government grant and council tax (precept), as set out in the table below

The Commissioner has responsibility for the totality of policing and owns the overall budgets, assets, income and reserves. The Commissioner also aims to ensure that the Chief Constable has the resources needed to deliver an efficient and effective policing service.

Taxation and Non -Specific Grant Income (refer to note 15 Accounting Statements)

	2025/26	2024/25
	£000	£000
Police Grant	(66,723)	(64,331)
Precepts (Council Tax Income)	(92,652)	(87,468)
Home Office Local Government Funding	(31,290)	(29,704)
Localised Council Tax Support	(4,823)	(4,822)
Council Tax Freeze	(1,702)	(1,702)
Capital grants	(759)	(10)
Pension Grant	(4,433)	(4,729)
National Insurance Grant	(2,579)	-
	(204,961)	(192,766)

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 reported total expenditure of £30,223k against the budget of £35,771k, resulting in an underspend of £5,548k. The position demonstrates strong financial governance, with some investments carried forward into 2026/27 due mainly to timing issues. The key variances 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 (£500k) in the programme to manage adverse cost movements which were not required during the year.

Capital Type Budget and Outturn - summary

	2025/26 Capital Budget £'000	2025/26 Capital Outturn £'000	Capital Variance £'000
Land & Buildings	29,262	25,851	(3,411)
Fleet	2,362	2,176	(186)
ICT	2,861	1,493	(1,368)
Other Projects & Collaboration	786	703	(83)
Major Projects Contingency	400	-	(400)
Chief's Delegated Budget	100	-	(100)
TOTAL	35,771	30,223	(5,548)

2025/26 Capital Programme and Financing

The tables below show the capital budget and out-turn and the agreed funding:

Capital Spend by Type and Funding

	Budget 2025/26 Capital Programme £000	Carry Forwards £000	Previously Authorised Programme Amendments £000	Authorised Programme Amendments £000	Revised 2025/26 Capital Budget £000	Outturn 2025/26 £000
Capital Payments:-						
Land & Buildings	36,883	171	(7,792)	-	29,262	25,851
Fleet	2,362	-	-	-	2,362	2,176
IT & Communications	2,815	46	-	-	2,861	1,493
Other Projects & Collaboration	697	-	89	-	786	703
Major Projects Contingency	400	-	-	-	400	-
Approval from Chief Delegated Budget	100	-	-	-	100	-
TOTAL	43,257	217	(7,703)	-	35,771	30,223

	Original 2025/26 Capital Programme £000	Carry Forwards £000	Authorised Programme Amendments £000	Authorised Programme Amendments £000	Revised 2025/26 Capital Budget £000	Applied funding 2025/26 £000
Capital Financing:-						
Capital Grants	-	-	47	700	747	759
Carry Forward Reserve	-	217	-	-	217	-
Taser Reserve	280	-	-	-	280	493
RCCO ERSOU	-	-	-	-	-	77
RCCO (From Collab Veh recharges)	540	-	-	-	540	567
RCCO's/POCA Reserve	1,000	-	60	-	1,060	4,136
Community Infrastructure Levy	641	-	-	-	641	-
Borrowing	40,796	-	-8,510	-	32,286	24,191
TOTAL	43,257	217	(8,403)	700	35,771	30,223

Other Financial

The PCC commissions and funds services through grants and contracts where there is a statutory responsibility to do so and where it supports delivery of the PCC's Police and Crime Plan. The gross commissioning budget for 2025/26 was £6m of which, £4.6m was funded externally. It is also recognised that the most effective way to deliver certain aspects of the Police and Crime Plan is through partnership with other organisations with examples such as the six community safety partnerships providing additional capacity in the form of a problem-solving post in each area. This enables them to work with communities and local partners to resolve local issues such as anti-social behaviour, fly-tipping and road safety.

Commissioning examples and funding can be found on the PCC's website here [Commissioning and grants \(cambridgeshire-pcc.gov.uk\)](https://www.cambridgeshire-pcc.gov.uk) and in the Annual Report.

Reserves

After the impact of revenue and capital spending and funding detailed above, the usable reserves of the PCC are £31.9m as detailed in the table. Of these, £10.3m relates to the general reserve which is held primarily as a contingency for the cost of major police operations. This represents c.5.0% of the net budget requirement for 2025/26 which is considered a prudent percentage of the total budget to hold as a general reserve for operational contingencies.

The purpose of the reserves is detailed in note 12.

Usable Reserves as at 31 March 2026

	Balance at 31	2025/26		Balance at 31
	March 2025	Added to Reserve	Utilised	March 2026
	£'000	£'000	£'000	£'000
Insurance Reserve	2,482	641	-	3,123
Ill-Health Retirement Reserve	398	187	-	585
Prevention and Early Intervention Reserve (Drug Forfeiture)	360	-	(119)	241
Budget Assistance Reserve	4,763	-	(93)	4,670
Capital Carry Forward Reserve	216	471	(216)	471
Asset Recovery Incentivisation Reserve	775	329	(166)	938
Road Casualty Reduction & Support Fund	587	207	(148)	646
OPCC Operational Reserve*	660	43	-	703
Estates Development Reserve	2,060	-	(255)	1,805
Major Incident Victim Support	25	-	-	25
Eastern Region Serious Organised Crime Building Maintenance Fund	123	15	-	138
Emergency Service Mobile Communication Programme Reserve	1,260	3,050	-	4,310
Pension Reserve (McCloud & Revaluation Smoothing)	250	-	-	250
Crime Reduction & Prevention Reserve	501	-	-	501
Council Tax Fund Initiative Reserve	109	-	-	109
Sustainability Reserve	455	-	-	455
Fleet Reserve	323	414	(8)	729
NPCC Forensic Reserve	367	-	(367)	-
Taser Reserve	1,286	-	(582)	704
Op Olympus	250	-	(150)	100
Digital Innovation Fund	-	600	-	600
Total Earmarked Reserves	17,250	5,957	(2,104)	21,103
General Reserve	9,622	636	-	10,258
Total General and Earmarked Reserves	26,872	6,593	(2,104)	31,361
Capital Receipts Reserve	77	481	-	558
Total Usable Reserves	26,949	7,074	(2,104)	31,919

*previously known as Collaboration and Commissioning Reserve

3. Non-Financial Performance

At the beginning of 2025, the PCC set out his plans for the next three years in a new Police and Crime Plan (PCP). This is centred around the four pillars shown in the infographic below. The plan sets out clear actions which will be taken in each of these areas over the period of the plan. Details of the PCP can be found in the link below .

[Police and Crime Plan 2025-2028](https://www.cambridgeshire-pcc.gov.uk/the-police-and-crime-plan/a-new-police-and-crime-plan-for-Cambridgeshire-and-Peterborough/)

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


Alternatively, you can email the Office of the Police and Crime Commissioner to request a printed copy at cambs-pcc@cambs.police.uk

TACKLING CRIME AND KEEPING COMMUNITIES SAFE

SAFE
COMMUNITIES

From initial contact to response, we will support the Chief Constable to ensure police officers are visible and accessible within communities, listening and responding to your concerns.

Whether you live in a village, town or city, we will ensure you get the police service you need.




EARLY
INTERVENTION
AND
PREVENTION

We will work with police and partners to take an early intervention approach to help prevent crime and serious violence, including violence against women and girls, from happening in the first place.

We will work in partnership to better understand and address the root causes of crime.


We will work with probation and other agencies to ensure that people who have offended change their behaviour and are less likely to reoffend.



TACKLING
CRIME AND
ANTI-SOCIAL
BEHAVIOUR

We will support and encourage communities to work with the police and other organisations, such as the county's six Community Safety Partnerships, to resolve local issues such as anti-social behaviour, road safety, rural crime and business crime – issues that matter to them.

We will work with the police and agencies, including the courts, prosecutors, probation and local authorities, to ensure they use criminal justice and other enforcement processes effectively to tackle crime and disorder.




SUPPORTING
VICTIMS AND
WITNESSES

We will ensure victims can access support services which offer a bespoke response to their individual needs.

We will provide opportunities for victims and witnesses' voices to be heard.

We will work in partnership with criminal justice agencies to ensure victims and witnesses continue to be placed at the heart of the criminal justice system.




BUILDING
TRUST AND
CONFIDENCE

We will hold the Chief Constable to account to ensure police officers and staff always carry out their duties with integrity and social responsibility.

We will aim to strengthen public trust and confidence through independent scrutiny of police powers.

We will support the Chief Constable and senior officers to continue to promote a culture that is inclusive and diverse and reflects the communities they serve.



4. Outlook and Medium Term Financial Strategy

During 2025/26 the Medium Term Financial Strategy (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 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 (MTFP) for the revenue budget is provided below.

Medium Term Financial Plan Summary to 2029/30

	Budget 2026/27 £'000	Forecast 2027/28 £'000	Forecast 2028/29 £'000	Forecast 2029/30 £'000
Total In-House Expenditure	137,997	142,822	147,412	152,020
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 Other Collaborations & Partnership	6,076	6,276	6,473	6,726
Constabulary Expenditure	212,404	219,947	226,639	233,466
Total Income	(2,309)	(2,438)	(2,439)	(2,440)
Total Constabulary Budget	210,095	217,509	224,200	231,026
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)	217,397	225,163	231,225	237,276
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 / +Surplus	(473)	(400)	(400)	(400)
TOTAL FINANCING	217,397	225,163	231,225	237,276

The MTFS is forecast to be balanced through to 2028/29 with as yet unidentified savings required to balance in 2029/30. However, various planning assumptions have

been made 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 anticipated that further savings over and above those already planned will also be required in 2027/28 and 2028/29. The Police Settlement for 2026/27 was a single year settlement and the Government's Comprehensive Spending Review (CSR) through to 2029/30 does not provide force level allocations. This represents additional 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 early 2026/27. With the completion of this major capital construction project, the capital programme will be returning 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 four year MTFS planning horizon. The main sources of funding planned are forecast capital receipts (£16m) and revenue contributions (£14.1m) supplemented by some planned contributions from reserves for the new Emergency Services Network (ESN) and the new taser units.

5. Statement of Accounts 2025/26

The financial statements have been prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2025/26. This follows International Financial Reporting Standards (IFRS) to the extent that they are meaningful and appropriate to local authority accounts as determined by His Majesty's Treasury.

The statements reflect the current legislative framework which is central to the Police Reform and Social Responsibility Act 2011. Fundamentally, the PCC is responsible for the finances of the whole Group and controls the assets, the majority of liabilities and the reserves. The PCC receives all income and funding and allocates funding to the Constabulary to deliver an efficient and effective service. In turn, the Chief Constable has a duty to fulfil prescribed functions within the annual budget set by the PCC in consultation with the Chief Constable. A glossary of key terms can be found at the end of this publication.

The Core Statements are:

- **Comprehensive Income and Expenditure Statement:** this shows the cost for the year of providing services. The PCC receives all income which is therefore excluded from the Chief Constable's Statement.
- **Movement in Reserves Statement:** this shows the movement of reserves during the year, analysed between usable and unusable reserves. The Chief Constable has no usable reserves. Unusable reserves are those that have been created to reconcile the accounting entries required to comply with the Code with those that must be statutorily charged to the General Fund Balance for council tax setting purposes. These cannot be used to support local expenditure.
- **Balance Sheet:** this sets out the assets, liabilities and reserves of the PCC and Group as at 31 March each year.
- **Cash Flow Statement:** this summarises the movements in cash and cash equivalents during the year. It shows how cash and cash equivalents are used or generated in operating, investing and financing activities. The Supplementary Financial Statements are:
- **Statement of Accounting Policies:** this sets out details of the accounting policies adopted in compiling the Statement of Accounts.
- **Police Pension Fund Account:** this sets out the position for the three Police Pension Schemes (1987, 2006 and 2015) Fund Accounts as at 31 March each year.
- **Annual Governance Statement:** this sets out the governance structures of the organisation and its key internal controls. The Notes to these financial statements provide more detail about accounting policies adopted by the PCC.

The primary financial statements are supported by explanatory notes, including details of the accounting policies adopted by the PCC.

Movement in Reserves Statement (MiRS)

The Movement in Reserves Statement shows the movement from the start of the year to the end on the different reserves held by the PCC, analysed into usable reserves (i.e. those that can be applied to fund expenditure or reduce local taxation) and other unusable reserves. The statement shows how the movements in year of the PCC's 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 decrease line

shows the statutory general fund balance movements in the year following those adjustments.

The Expenditure and Funding Analysis (EFA)

The Expenditure and Funding Analysis (EFA) is a disclosure note only to show how the annual expenditure is used and funded from resources (Government grants, council tax and business rates) by the PCC in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the policing services. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

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.

Balance Sheet

The balance sheet shows the value of the assets and liabilities recognised by the PCC at the 31 March 2026. The net assets of the PCC are matched by the reserves held by the PCC. Reserves are reported in two categories; the first category of reserves are usable reserves, i.e. those reserves that the PCC may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the capital receipts reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves are unusable and includes reserves that hold unrealised gains and losses (for example the revaluation reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the movement in reserves statement at the line entitled 'adjustments between accounting basis and funding basis under regulations'.

The balance sheet position at 31 March 2026 shows a net liability of £1,016m as shown below (31 March 2025 £1,064m). At this time, the statutory arrangements for funding the Pension deficit mean that the financial position of the Constabulary continues to remain healthy. The long-term liabilities consist of pension liabilities, borrowing of £36.9m and provisions for legal and insurance claims of £1.0m.

Summary Balance Sheet at 31 March 2026

	31/03/2026	31/03/2025	Variance
	£m	£m	£m
Long Term Assets	99	77	22.0
Current Assets	26	40	(14.0)
Current Liabilities	(38)	(26)	(12.0)
Long Term Liabilities	(1,103)	(1,155)	52.0
Net Liabilities	(1,016)	(1,064)	48.0

The Cash Flow Statement

The cash flow statement shows the changes in cash and cash equivalents of the PCC during the reporting period. The statement shows how the PCC generates and uses cash by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the PCC are funded by way of taxation and grant income or from the recipients of services provided by the Police. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the PCC's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the PCC.

Summary Net Cashflows at 31 March 2026

	31/03/26
	£m
Net cashflows from	
Operating activities	18.8
Investing activities	(18.2)
Financing activities	3.3
Net increase in cash and cash equivalent	3.9
Cash & Cash equivalents:	
At the beginning of reporting period	0.5
At the end of the reporting period	4.4

Further information

Further information about the accounts is available from the Office of the Police and Crime Commissioner (OPCC).

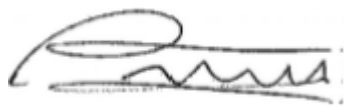
The OPCC publishes a number of important documents to inform the public about the work of both the Commissioner and the Constabulary. These can be viewed and downloaded from the Commissioner's website: www.cambridgeshire-pcc.gov.uk.

You can also write to the Chief Executive at:

Office of the Police and Crime Commissioner
PO Box 688
Huntingdon
PE29 9LA
Tel: 0300 333 3456, email: cambs-pcc@cambs.police.uk

Acknowledgements

Accounting regulations and new legislation continue to add further work and complexity to the accounts and I am extremely grateful to the Constabulary's Director of Finance and Resources, Jon Lee and the finance team for their hard work in preparing these accounts and their support during the year.



Phil Trussell FCCA
Chief Finance Officer to the Cambridgeshire Police and Crime Commissioner
23 June 2026

DRAFT

Statement of Responsibilities for the Statement of Accounts

The Commissioner's Responsibilities

The Group 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. In this Group, that officer is the Chief Finance Officer;
- manage its affairs to secure the economic, efficient and 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 Group'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 Group at 31 March 2026 and its income and expenditure for the year then ended.



Phil Trussell FCCA

Chief Finance Officer to the Cambridgeshire Police and Crime Commissioner

23 June 2026

In accordance with the requirements of S8 of the Accounts and Audit Regulations 2015, I confirm that the Statement of Accounts was approved on 23 June 2026.

Group 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.

Net Expenditure Chargeable to the General Fund Balance	2024/25 Adjustments between the Funding and Accounting Basis Note 8	Net Expenditure in the Comprehensive Income and Expenditure Statement		Net Expenditure Chargeable to the General Fund Balance	2025/26 Adjustments between the Funding and Accounting Basis Note 8	Net Expenditure in the Comprehensive Income and Expenditure Statement
£000	£000	£000		£000	£000	£000
189,570	(31,233)	158,337	Police Services	197,001	(40,383)	156,618
3,580	(9)	3,571	Corporate, Democratic and Commissioning Services	2,447	(61)	2,386
193,150	(31,242)	161,908	Net Cost of Services	199,448	(40,444)	159,004
(192,936)	56,639	(136,297)	Other Income and Expenditure	(203,937)	61,634	(142,303)
214	25,397	25,611	Deficit on Provision of Services	(4,489)	21,190	16,701
27,086			Opening General Fund Balance	26,872		
(214)			Less Deficit on General Fund in Year	4,489		
26,872			Closing General Fund Balance	31,361		

Police and Crime Commissioner's Expenditure and Funding Analysis

Net Expenditure Chargeable to the General Fund Balance	2024/25		Net Expenditure in the Comprehensive Income and Expenditure Statement		2025/26		Net Expenditure in the Comprehensive Income and Expenditure Statement
	Adjustments between the Funding and Accounting Basis Note 8	£000			Adjustments between the Funding and Accounting Basis Note 8	£000	
(13,527)	1,184	(12,343)	Police Services	(13,099)	(726)	(13,825)	
3,645	(74)	3,571	Corporate, Democratic and Commissioning Services	2,419	(33)	2,386	
217,666	-	217,666	Intra-group Adjustment for financial resources consumed	224,974	-	224,974	
207,784	1,110	208,894	Net Cost of Services	214,294	(759)	213,535	
(207,570)	182	(207,388)	Other Income and Expenditure	(218,783)	(297)	(219,080)	
214	1,292	1,506	Deficit on Provision of Services	(4,489)	(1,056)	(5,545)	
27,086			Opening General Fund Balance	26,872			
(214)			Less Deficit on General Fund in Year	4,489			
26,872			Closing General Fund Balance	31,361			

Comprehensive Income and Expenditure Statement – Group

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
179,375	(21,038)	158,337	Police Services	178,001	(21,383)	156,618
7,368	(3,797)	3,571	Corporate, Democratic and Commissioning Services	7,006	(4,620)	2,386
186,743	(24,835)	161,908	Net Cost of Services	185,007	(26,003)	159,004
527	-	527	Other Operating Expenditure (note 13)	702	(474)	228
55,942	-	55,942	Financing and Investment Income and Expenditure (note 14)	62,430	-	62,430
-	(192,766)	(192,766)	Taxation and Non-Specific Grant Income (note 15)	-	(204,961)	(204,961)
243,212	(217,601)	25,611	Deficit on Provision of Services	248,139	(231,438)	16,701
		470	Surplus/(deficit) on revaluation of Property, Plant and Equipment (note 25)			(437)
		(113,649)	Remeasurement of the net defined benefit liability (note 34)			(64,602)
		(113,179)	Other Comprehensive Income and Expenditure			(65,039)
		(87,568)	Total Comprehensive Income and Expenditure			(48,338)

Comprehensive Income and Expenditure Statement – Police and Crime Commissioner

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
8,695	(21,038)	(12,343)	Police Services	7,558	(21,383)	(13,825)
7,368	(3,797)	3,571	Corporate, Democratic and Commissioning Services	7,006	(4,620)	2,386
217,666	-	217,666	Intra-Group Adjustment for financial resources consumed (note 7)	224,974	-	224,974
233,729	(24,835)	208,894	Net Cost of Services	239,538	(26,003)	213,535
527	(14,532)	(14,005)	Other Operating Expenditure (note 13)	702	(15,348)	(14,646)
(617)	-	(617)	Financing and Investment Income and Expenditure (note 14)	527	-	527
-	(192,766)	(192,766)	Taxation and Non-Specific Grant Income (note 15)	-	(204,961)	(204,961)
233,639	(232,133)	1,506	Deficit on Provision of Services	240,767	(246,312)	(5,545)
		470	Surplus on revaluation of Property, Plant and Equipment (note 24)			(437)
		1,930	Remeasurement of the net defined benefit liability (note 33)			(478)
		2,400	Other Comprehensive Income and Expenditure			(915)
		3,906	Total Comprehensive Income and Expenditure			(6,460)

Group Movement in Reserves Statement

	General Fund Balance £000	Capital Receipts Reserve £000	Total Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
Balance at 31 March 2024	27,086	77	27,163	(1,178,964)	(1,151,801)
Movement in reserves during 2024/25					
Total Comprehensive Income and Expenditure	(25,611)	-	(25,611)	113,179	87,568
Adjustments between accounting basis & funding basis under regulations (note 10)	25,397	-	25,397	(25,397)	-
Increase in 2024/25	(214)	-	(214)	87,782	87,568
Balance at 31 March 2025	26,872	77	26,949	(1,091,182)	(1,064,233)
Movement in reserves during 2025/26					
Total Comprehensive Income and Expenditure	(16,701)	-	(16,701)	65,039	48,338
Adjustments between accounting basis & funding basis under regulations (note 10)	21,190	481	21,671	(21,671)	-
Increase in 2025/26	4,489	481	4,970	43,368	48,338
Balance at 31 March 2026	31,361	558	31,919	(1,047,814)	(1,015,895)

Police and Crime Commissioner Movement in Reserves Statement

	General Fund Balance £000	Capital Receipts Reserve £000	Total Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
Balance at 31 March 2024	27,086	77	27,163	34,858	62,021
Total Comprehensive Income and Expenditure	(1,506)	-	(1,506)	(2,400)	(3,906)
Adjustments between accounting basis & funding basis under regulations (note 11)	1,292	-	1,292	(1,292)	-
Increase in 2024/25	(214)	-	(214)	(3,692)	(3,906)
Balance at 31 March 2025	26,872	77	26,949	31,166	58,115
Movement in reserves during 2025/26					
Total Comprehensive Income and Expenditure	5,545	-	5,545	915	6,460
Adjustments between accounting basis & funding basis under regulations (note 11)	(1,056)	481	(575)	575	-
Increase in 2025/26	4,489	481	4,970	1,490	6,460
Balance at 31 March 2026	31,361	558	31,919	32,656	64,575

Group and Police and Crime Commissioner's Balance Sheet

	Notes*	31 March 2026			31 March 2025		
		Chief £000	PCC £000	Group £000	Chief £000	PCC £000	Group £000
Property, Plant and Equipment	16	-	96,178	96,178	-	74,209	74,209
Investment Property		-	710	710	-	630	630
Intangible Assets	17	-	591	591	-	863	863
Right of Use Asset	17a	-	1,422	1,422	-	1,629	1,629
Long Term Assets		-	98,901	98,901	-	77,331	77,331
Short Term Investments	18	-	1,140	1,140	-	13,140	13,140
Inventories		-	1,510	1,510	-	1,661	1,661
Short Term Debtors	19	-	19,600	19,600	-	24,876	24,876
Cash and Cash Equivalents	20	-	4,432	4,432	-	548	548
Current Assets		-	26,682	26,682	-	40,225	40,225
Short Term Borrowing	18		(13,203)	(13,203)	-	(672)	(672)
Short Term Creditors	21	(6,817)	(18,080)	(24,897)	(7,456)	(17,967)	(25,423)
Lease Liability	23		(136)	(136)		(131)	(131)
Current Liabilities		(6,817)	(31,419)	(38,236)	(7,456)	(18,770)	(26,226)
Long Term Creditors			-	-	-	-	-
Provisions	22		(1,733)	(1,733)	-	(2,899)	(2,899)
Long Term Lease Liabilities	23		(835)	(835)	-	(1,037)	(1,037)
Long Term Borrowing	18		(27,021)	(27,021)	-	(36,224)	(36,224)
Other Long Term Liabilities	35	(1,073,653)	-	(1,073,653)	(1,114,892)	(511)	(1,115,403)
Long Term Liabilities		(1,073,653)	(29,589)	(1,103,242)	(1,114,892)	(40,671)	(1,155,563)
Net Assets/(Liabilities)		(1,080,470)	64,575	(1,015,895)	(1,122,348)	58,115	(1,064,233)
Usable Reserves	12	-	(31,919)	(31,919)	-	(26,949)	(26,949)
Unusable Reserves	25	1,080,470	(32,656)	1,047,814	1,122,348	(31,166)	1,091,182
Total Reserves		1,080,470	(64,575)	1,015,895	1,122,348	(58,115)	1,064,233

Group and Police and Crime Commissioner's Cash Flow Statement

	2025/26		2024/25	
	PCC £000	Group £000	PCC £000	Group £000
Net deficit on the provision of services	5,545	(16,701)	(1,506)	(25,611)
Adjust net deficit on the provision of services for non cash movements (note 26)	13,234	35,480	5,765	29,870
Net cash flows from Operating Activities	18,779	18,779	4,259	4,259
Investing Activities				
Purchase of Property, Plant and Equipment and Intangible Assets	(30,223)	(30,223)	(20,681)	(20,681)
Proceeds from the sale of property, plant and equipment	-	-	(527)	(527)
Purchase of Short Term Investments	(1,140)	(1,140)	(13,140)	(13,140)
Proceeds from the Sale of Short Term Investments	13,140	13,140	5,000	5,000
Financing Activities				
Borrowing in year	4,000	4,000	22,000	22,000
Repayments of long term borrowing	(672)	(672)	(909)	(909)
Net increase in cash and cash equivalents	3,884	3,884	(3,998)	(3,998)
Cash and cash equivalents at the beginning of the reporting period	548	548	4,546	4,546
Cash and cash equivalents at the end of the reporting period (Note 20)	4,432	4,432	548	548

Notes to the Accounts

1. Accounting Policies

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 Group is a going concern and that materiality has been set at the relevant level for the individual entities and the Group;
- The underlying assumption that the Group 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. Police and Crime Commissioners and 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. 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 Commissioner and also those for the Group. The term 'Group' is used to indicate individual transactions and policies of the Commissioner and the Chief Constable for the year ended 31 March 2026. 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 accounting policies below apply to both the Commissioner and the Group, unless stated otherwise in the heading of the individual policies.

(i) 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 where a de-minimis limit of £5,000 is applied for revenue and £10,000 for capital.

Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.

Supplies are recorded as expenditure when they are consumed. Where there is a gap between the date of supplies and their consumption, they are carried as inventories on the Balance Sheet at the lower of cost and net realisable value.

Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.

Interest payable on borrowings and receivable on investments is accounted for on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.

Where income and expenditure has been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

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. Fees and charges methodology is per national guidance and as per previous years income in the Chief's accounts is moved into the PCC's accounts at year end.

(ii) Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in three months or less from the date of acquisition and are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management arrangements.

(iii) Charges to Revenue for Non-Current Assets

Services and support services are debited with the following amounts to record the cost of holding non-current assets during the year:

- Depreciation attributable to the asset used by the relevant service;
- Revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off; and
- Amortisation of intangible assets attributable to the service.

The Group is not required to raise council tax to cover depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement (equal to an amount calculated on a prudent basis determined by the Group in accordance with statutory guidance). Depreciation, revaluation and impairment losses and amortisations are therefore replaced by the revenue contribution in the General

Fund Balance (known as the Minimum Revenue Provision) by way of an adjusting transaction within the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

(iv) Employee Benefits

Benefits Payable During Employment

Short-term employee benefits (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 as a result 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 and 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 2015 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

Police and Crime Commissioner's Accounts include the cost of providing pensions to the staff under the direction and control of the Commissioner only.

The authority has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result 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 (Injury Benefit) Regulations 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 as a result 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 on the basis of 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) Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the PCC for Cambridgeshire becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and carried at their amortised cost.

An assessment is made annually as to what level of debts are outstanding at the end of the financial year and an impairment allowance for expected credit losses is calculated and charged to the Financing & Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. This has the impact of reducing the debtors balance shown within the balance sheet.

Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable, are based on the carrying amount of the liability multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised. Therefore, the amount shown in the Balance Sheet is the outstanding principal repayable and interest is charged to the Comprehensive Income and Expenditure Statement.

The PCC for Cambridgeshire fully complies with the CIPFA Code of Practice 'Treasury Management in the Public Services'. A Treasury Management Strategy has been approved by the PCC for Cambridgeshire.

(vii) Government Grants and Contributions

Government grants and contributions are accounted for on an accruals basis and credited when the conditions for their receipt have been complied with and there is a reasonable assurance that the grant or contribution will be received. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset received in the form of the grant or contribution, are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors.

Specific revenue grants are credited within the Net Cost of Services where they are matched with the expenditure to which they relate. Grants to cover general expenditure are credited to the 'Taxation and Non-Specific Grant Income' line in the Comprehensive Income and Expenditure Statement as a source of finance.

Grants and contributions towards property, plant and equipment are credited to the Comprehensive Income and Expenditure Statement once their conditions have been satisfied and then reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Account. Where it has been applied, it is posted to the Capital Adjustment Account.

(viii) Intangible Assets

Expenditure on assets that do not have a physical substance but are identifiable and are controlled by the Group (e.g. software) and bring benefits to the Group for more than one financial year, are capitalised in the first year of the project. The balance is amortised to the Comprehensive Income and Expenditure Statement over the economic life of the asset to reflect the pattern of consumption of benefits. In most cases it is assumed that software will have an economic life of 5 years.

Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise the Group's goods or services.

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the Group can be determined by reference to an active market. In practice, no intangible assets held by the Group meet this criterion and are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the Comprehensive Income and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. Therefore, gains and losses are reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

(ix) Joint Operations

Joint operations are arrangements where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement. The activities undertaken by the Group in conjunction with other joint operators involve the use of the assets and resources of those joint operators. In relation to its interest in a joint operation, the Group recognises: its assets, including its share of

any assets held jointly; its liabilities, including its share of any liabilities incurred jointly; its revenue from the sale of its share of the output arising from the joint operation; its share of the revenue from the sale of the output by the joint operation; and its expenses, including its share of any expenses incurred jointly.

Jointly controlled operations undertaken by the Group are in relation to a pooled budget arrangement with six other eastern forces for the provision of tackling organised crime, in relation to the collaboration agreement with National Police Air Service (NPAS), and in relation to the units collaborated with the Bedfordshire Police and Crime Commissioner/Bedfordshire Police and Hertfordshire Police and Crime Commissioner/Hertfordshire Constabulary (see note 26).

A 7 Force Procurement Team covering Cambridgeshire, Bedfordshire, Hertfordshire, Suffolk, Norfolk, Kent and Essex is in place for which costs are apportioned across the seven forces.

(x) Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

All expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis in the accounts, provided that the asset yields benefit to the Group for a period of more than one financial year and the cost of the item can be measured reliably. A de-minimis value of £10,000 for capitalising individual items has been adopted except for expenditure on vehicles which is always recorded on the property, plant and equipment register, and expenditure on computers which should be grouped and recorded on the property, plant and equipment register if the value of the grouped assets exceed the de-minimis value of £10,000.

Where assets are jointly owned between forces we capitalise our share of the asset. A de-minimus value of £10,000 is also applied to our share.

Measurement

Assets are initially measured at cost, comprising all expenditure that is directly attributable to bringing the asset into working condition for its intended use. The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the constabulary). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the authority. Assets are then carried in the Balance Sheet using the following measurement bases:

- Assets under construction are included in the Balance Sheet at historical cost. The Constabulary does not capitalise any borrowing costs incurred while assets are under construction;
- Operational land and properties and other operational assets are included in the Balance Sheet at current value. Non-specialised operational properties are valued on the basis of “Existing Use Value” (EUV);
- Non-operational land and properties and other non-operational assets, including any assets surplus to requirements, are included in the Balance Sheet at fair value, estimated at highest and best use from a market participant’s perspective; and
- Land and Buildings that are jointly owned between forces are bought onto our Balance Sheet in line with our agreed % share of the property and revalued on the same basis as our other property.
- Investment properties are those that are used solely to earn rentals and/or for capital appreciation and held separate to PPE. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale. Investment properties are measured initially at cost and subsequently at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at highest and best use. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the financing and investment income and expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.
- However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund balance. The gains and losses are therefore reversed out of the General Fund balance in the Movement in Reserves Statement and posted to the capital adjustment account and (for any sale proceeds greater than £10,000) the capital receipts reserve.

Assets that are included in the Balance Sheet at current value are revalued where there have been material changes in the value, but as a minimum every five years. In the years between formal valuations, the continuing appropriateness of current values based on the previous valuation is assessed by reference to market trends and professional advice and a desktop assessment is carried out of the higher valued properties. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains or gains credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss/impairment previously charged to Police Services.

Where decreases in value are identified, the revaluation loss is accounted for as follows:

- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against the balance; or
- Where there is no balance or insufficient balance, the carrying amount of the asset is written down against the relevant service line in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

All valuations are prepared under International Financial Reporting Standards (IFRS) which requires the statement of assets at Fair Value and are in accordance with RICS Valuation – Global Standards. Full Valuations in 2023/24 have been carried out by Chartered Surveyors Eddisons (Montagu Evans 2024/25) and desktop assessments by Gerald Eve.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance; or
- where there is no balance or insufficient balance, the carrying amount of the asset is written down against the relevant service line in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is subsequently reversed, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Disposal

When an asset is disposed of or decommissioned, the value of the asset in the Balance Sheet is written off to the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals are then credited to the Comprehensive Income and Expenditure Statement, netting off the carrying value of the

asset at the time of disposal. Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts in excess of £10,000 are categorised as Capital Receipts. These are credited to the Capital Receipts Reserve, and held until applied to finance new capital investment or set-aside to reduce the Group's underlying need to borrow (the Capital Financing Requirement). Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The gain or loss on disposal of assets is not a credit or charge against council tax, and is instead appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

Depreciation

Depreciation is provided for all Property, Plant and Equipment assets with a finite useful life, and is calculated using the straight-line method. The value of the asset (less any residual value) is depreciated over its useful life. Where an item of property, plant and equipment comprises two or more major components with substantially different useful economic lives, each component is treated separately for depreciation purposes. A de-minimis value has been adopted for components. Only components which are more than 20% of the value of the asset and are worth over £75,000 will be depreciated separately. Part provision may be made for newly acquired assets, unless acquired towards the end of the year. No provision is made for non-depreciable land and non-operational assets, or if the charge would be immaterial. Assets are depreciated on the basis shown in the Notes to the Core Statement of Accounts (Note 16 - Depreciation Methodologies). Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

(xi) Lease Right of Use Assets

The Constabulary as a lessee

The Constabulary has implemented IFRS 16 with effect from 1 April 2025, using the adaptations and interpretations set out by CIPFA in the 2023/24 Code of Practice. As mandated by the Code of Practice a cumulative catch-up basis has been used and prior year comparatives have not been restated.

For lessees, this transition has removed the separation between operating and finance leases, instead recognising leases in scope of IFRS 16 on the Balance Sheet as right of use assets and corresponding lease liabilities.

Liabilities have been calculated using the present value of outstanding payments due at 1 April 2025 and the opening cost of the right of use assets is calculated to equal lease liabilities, adjusted for any lease prepayments or accruals that existed immediately prior to 1 April 2025. The Comprehensive Income and Expenditure Statement (CIES) reflects

related charges for the depreciation on the right of use asset and interest on the lease liability in place of rental expenses.

This treatment has been applied to all leases except those which are short-term (less than 12 months) or under £10,000 de-minimus. These continue to be treated as expenses on a straight-line basis in the CIES for the duration of the lease term.

The definition of a contract is expanded in the Code of Practice to include intra UK government agreements such as Memorandum of Terms of Occupation. The Code also expands the definition of a lease to those with nil consideration, or significantly below market value, such as those known as peppercorn leases. For peppercorn leases, we have used a recent valuation where available or obtained a new professional valuation of the asset from an appropriately qualified professional. On transition the difference between the discounted lease liability and right of use asset for peppercorn leases is included as an adjustment to the opening balance of taxpayers' equity.

There is one lease where the end date relies on professional judgement, with a term of less than 5 years.

The practical expedient specified in IFRS 16 has been mandated by HM Treasury and we have therefore not reassessed whether contracts contain a lease, instead transitioning former operating leases to treatment as a Right of Use Asset and lease liability. However, peppercorn leases have been included in line with HM Treasury adaptations and the exemptions for low value or short-term leases may be applied where appropriate. The following practical expedients have also been applied following IFRS16 paragraph C10:

- Reliance on the assessment of whether any leases are onerous immediately before the date of initial application as an alternative to performing an impairment review. No leases in The Constabulary were onerous at 31 March 2026;
- We have used the equivalent PWLB borrowing rate as at 1st April 2024 for all leases on transition and will use the equivalent for any new leases added each year where required. The subsequent measurement of right of use assets is at fair value or current value in existing use where assets are held for their service potential, unless cost represents a reasonable proxy. For the Constabulary 1 April 2025 to 31 March 2026 land and buildings, valuations have been determined by our valuer Eddisons (2024-2025 our valuer was Montagu Evans) in accordance with RICS Guidance.

The Constabulary as a Lessor

Lessor accounting is largely unchanged by IFRS 16 with lessors continuing to distinguish finance and operating leases. All leases where the Constabulary are the Lessor have been classed as operating leases as they do not transfer substantially all the risks and economic benefits of the underlying asset. Occupation of the corporate estate by Bedfordshire, Hertfordshire and Cambridgeshire or partners is on a flexible shared basis with no formal occupancy agreements in place between the leaseholders.

(xii) Provisions, contingent liabilities and contingent assets

Provisions are made where an event has taken place that gives the Group an obligation to incur future expenses which are likely or certain to be incurred, but the amount or timing of which cannot be determined accurately but can be estimated reliably. These include provisions for bad and doubtful debts and the cost of meeting insurance claims falling below the Group's policy excesses.

Estimated settlements are reviewed at the end of each financial year. Where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the authority settles the obligation.

Provisions are charged as an expense to the Comprehensive Income and Expenditure Statement in the year that the Group becomes aware of the obligation.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

(xiii) Reserves

Amounts set aside for purposes falling outside the definition of provisions are considered to be reserves. Reserves are created by appropriating amounts from the General Fund Balance in the Movement in Reserves Statement. When expenditure which is to be financed by a reserve is incurred, it is charged to the Net Cost of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back to the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against council tax for the expenditure.

The Group has set aside a number of revenue reserves and details of these are provided in the notes to the accounts. Reserves include earmarked reserves set aside for specific policy purposes and liabilities. Certain reserves can only be used for specific statutory purposes. The Revaluation Reserve, the Capital Adjustment Account and the Usable Capital Receipts Account are examples of such reserves.

(xiv) Value Added Tax (VAT)

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

(xv) Fair Value Measurement

The Group measures some of its non-financial assets such as surplus assets and investment properties at fair value at each reporting date. Fair value is 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. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The Group measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

When measuring the fair value of a non-financial asset, the Group takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Group's financial statements are categorised within the fair value hierarchy as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – unobservable inputs for the asset or liability.

(xvi) Council Tax/Collection Fund

The council tax and NDR income included in the Comprehensive Income and Expenditure Statement is the PCC for Cambridgeshire's share of accrued income for the year.

As regulations determine the amount of council tax and NDR that must be included in the PCC for Cambridgeshire's General Fund, the difference between the income included in the Comprehensive Income and Expenditure Statement and the amount required by regulation to be credited to the General Fund is taken to the collection fund adjustment account and included as a reconciling item in the movement in reserves statement.

The Balance Sheet includes the PCC for Cambridgeshire's share of the end of year balances in respect of council tax and NDR relating to arrears, impairment allowances for doubtful debts, overpayments and prepayments and appeals.

Where debtor balances for the above are identified as impaired because of a likelihood arising from a past event that payments due under the statutory arrangements will not be made, the asset is written down and a charge made to the taxation and non-specific grant income and expenditure line in the Comprehensive Income and Expenditure Statement. The impairment loss is measured as the difference between the carrying amount and the revised future cash flows.

2. Accounting Standards adopted during the year

There were no new accounting standards adopted in the year 2025-2026

3. Accounting Standards that have been issued but not yet 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.

4. Critical judgements in applying Accounting Policies

In applying the accounting policies set out in Note 1, the Group 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 and structure 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 as a result 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.

The valuations of our land and buildings requires professional judgements to be made using professional knowledge and using appropriate recent property price market information.

5. 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 that affect the 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 Governments Actuary 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 expert advice for the Police Staff Pension Scheme (the LGPS via the LGPS Administering Authority).	The effects on the net pension liability of changes in individual assumptions can be measured. However, the assumptions interact in complex ways. During 2025/26, the Group's actuaries advised that the net pension liability had decreased by £42m for Police Pension Scheme (including a decrease of £1m in the present value of obligations and a decrease of £34m in the fair value of assets plus a £7m move on the asset ceiling for Police Pensions as a result of changes in financial assumptions. See note 34.

**Property,
Plant &
Equipment**

PPE is depreciated over the useful lives of the assets which are dependent on assumption regarding the length of time the asset will be in operational use. These vary for different classes of assets. In addition, our highest value Land & Buildings are formally revalued on an annual basis with the remainder being part of a five year rolling programme and so the potential exists for variations in value and changes in useful life. Valuations are calculated by qualified valuers in accordance with RICS valuation Standards and values are based on recent actual prices achieved in the market for comparable land and buildings in the relevant area.

A sensitivity analysis shown in Note 34 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 four pension schemes. The highest impact likely is on the Police Pension Scheme if the Real Discount Rate was increased with a potential impact of £15.6m (1.4% reduction in liability).

Our total PPE land and buildings are valued at £96.2m. A 0.5% adjustment to the yield upwards and downwards to the PCC's Land & Buildings would result in an approximate -£1.0m and a £1.1m change respectively to the value shown in the PCC's Balance Sheet.

6. Events after the Reporting Period

The Statement of Accounts were authorised for issue by the Chief Finance Officer on 23 June 2026.

There are no other events to this date.

7. 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.

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	2024/25
	£000	£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)

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8. Group Note to the Expenditure and Funding Analysis

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments relating to Capital Items (Note 8.1)	Adjustments relating to Pensions (Note 8.2)	Other Adjustments (Note 8.3)	2025/26 Total Adjustments
	£000	£000	£000	£000
Police Services	(746)	(39,018)	(619)	(40,383)
Corporate, Democratic and Commissioning Services	-	(61)	-	(61)
Net Cost of Services	(746)	(39,079)	(619)	(40,444)
Other Income and Expenditure	-	61,931	(297)	61,634
Difference between the General Fund Deficit and Comprehensive Income and Expenditure Deficit	(746)	22,852	(916)	21,190
				2024/25
Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments relating to Capital Items (Note 8.1)	Adjustments relating to Pensions (Note 8.2)	Other Adjustments (Note 8.3)	Total Adjustments
	£000	£000	£000	£000
Police Services	1,184	(32,639)	222	(31,233)
Corporate, Democratic and Commissioning Services	-	(9)	-	(9)
Net Cost of Services	1,184	(32,648)	222	(31,242)
Other Income and Expenditure	-	56,457	182	56,639
Difference between the General Fund Deficit and Comprehensive Income and Expenditure Deficit	1,184	23,809	404	25,397

Police and Crime Commissioner’s Note to the Expenditure and Funding Analysis

	Adjustments relating to Capital Items (Note 8.1)		Adjustments relating to Pensions (Note 8.2)		Other Adjustments (Note 8.3)	2025/26 Total Adjustments
Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	£000	£000	£000	£000	£000	£000
Police Services	(746)	-	-	20		(726)
Corporate, Democratic and Commissioning Services	-	(33)	(33)	-		(33)
Net Cost of Services	(746)	(33)	(33)	20		(759)
Other income and expenditure	-	-	-	(297)		(297)
Difference between the General Fund Deficit and Comprehensive Income and Expenditure Deficit	(746)	(33)	(33)	(277)		(1,056)
2024/25						
Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments relating to Capital Items (Note 8.1)		Adjustments relating to Pensions (Note 8.2)		Other Adjustments (Note 8.3)	Total Adjustments
	£000	£000	£000	£000	£000	£000
Police Services	1,184	-	-	-		1,184
Corporate, Democratic and Commissioning Services	-	(74)	(74)	-		(74)
Net Cost of Services	1,184	(74)	(74)	-		1,110
Other Income and Expenditure	-	-	-	182		182
Difference between the General Fund Deficit and Comprehensive Income and Expenditure Deficit	1,184	(74)	(74)	182		1,292

8.1 Adjustments relating to Capital Items

This column adds in depreciation and impairment and revaluation gains and losses in the service line and for:

- **Other operating expenditure** – adjusts for capital disposals loss with a transfer of income on disposal of assets and the amounts written off for those assets;
- **Financing and investment income and expenditure** – the statutory charges for capital financing i.e., Minimum Revenue Provision and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices; and
- **Taxation and non-specific grant income and expenditure** – capital grants are adjusted for income not chargeable under generally accepted practices. Revenue grants are adjusted from those receivables in the year to those receivables without conditions or for which conditions were satisfied throughout the year. The Taxation and Non-Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

8.2 Adjustments 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** is the net interest on the defined benefit liability which is charged to the CIES.

8.3 Other Adjustments

Other differences between amounts debited/credited to the CIES and amounts payable/receivable to be recognised under statute:

For services this represents the removal of the accumulated absences accrual as allowed by statute a decrease of £619k and a decrease for our collection fund liability of £464k.

A full breakdown by type of this spend is shown in note 10 Movement to reserves.

9. Expenditure and Income Analysed by Nature

<u>Group</u>	2025/26	2024/25
	£000	£000
POLICE SERVICES		
Expenditure		
Police Pay and Allowances	97,922	92,359
Police Staff Pay and Allowances	47,317	48,311
Other Service Expenses	2,684	2,650
Police Pensions	(8,050)	(3,526)
Premises	5,577	5,677
Transport	4,139	4,549
Supplies and Services	20,675	21,480
Interest on leases	34	-
Agency and Contracted Services	1,094	993
Depreciation and Impairment of Fixed Assets	6,609	6,882
Total Police Services Expenditure	178,001	179,375
Net (Gain)/Loss on Disposal of Fixed Assets	702	527
Financing and Investment Income and Expenditure	62,430	55,942
Total Expenditure	241,133	235,844
Income		
Government Grants & Contributions	(12,030)	(12,551)
Income from Fees and Charges	(9,353)	(8,487)
Other income	(474)	-
Taxation and Non-Specific Grant Income	(204,961)	(192,766)
Total Income	(226,818)	(213,804)
CORPORATE, DEMOCRATIC AND COMMISSIONING SERVICES		
Expenditure		
Police Staff Pay and Allowances	1,318	1,204
Other Service Expenses	7	8
Premises	3	-
Transport	5	4
Supplies and Services	5,673	6,152
Total Expenditure	7,006	7,368
Income		
Government Grants & Contributions	(4,620)	(3,797)
Total Income	(4,620)	(3,797)
Deficit on Provision of Services	16,701	25,611

PCC

	2025/26	2024/25
	£000	£000
POLICE SERVICES		
Expenditure		
Police staff pay and allowances	-	6,882
Depreciation and Impairment of Fixed Assets	6,609	-
Supplies and Services	870	1,800
Premises	79	13
Intra-Group Adjustment for financial resources consumed	224,974	217,666
Total Police Services Expenditure	232,532	226,361
Financing and Investment Income and Expenditure	527	(617)
Other Operating Expenditure	702	527
Total Expenditure	233,761	226,271
Income		
Government Grants & Contributions	(12,030)	(12,551)
Income from Fees and Charges	(9,353)	(8,487)
Other Operating Income	(15,348)	(14,532)
Taxation and Non-Specific Grant Income	(204,961)	(192,766)
Total Income	(241,692)	(228,336)
CORPORATE, DEMOCRATIC AND COMMISSIONING SERVICES		
Expenditure		
Police Staff Pay and Allowances	1,318	1,204
Other Employee Expenses	7	8
Premises	3	-
Transport	5	4
Supplies and Services	5,673	6,152
Total Expenditure	7,006	7,368
Income		
Income from Fees and Charges	-	-
Government Grants & Contributions	(4,620)	(3,797)
Total Income	(4,620)	(3,797)
Deficit on Provision of Services	(5,545)	1,506

10. Group's 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 statement recognised by the Group in the year, in accordance with proper accounting practice, to arrive at the resources that are specified by statutory provisions as being available to the Group to meet future capital and revenue expenditure. The adjustments are made against the General Fund Balance.

	2025/26		2024/25	
	Usable Reserves		Usable Reserves	
	General Fund Balance	Capital Receipts Reserve	General Fund Balance	Capital Receipts Reserve
	£000	£000	£000	£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 the Pensions Reserve)	22,852	-	23,809	-
Council tax (transfers to (or from) Collection Fund)	(297)	-	182	-
Holiday pay (transferred to the Accumulated Absences Reserve)	(619)	-	222	-
Reversal of entries included in the deficit on the Provision of Services in relation to capital expenditure (the items are charged to the Capital Adjustment Account)	6,609	-	6,882	-
Total Adjustments to Revenue Resources	28,545	-	31,095	-
Adjustments between Revenue and Capital Resources				
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	702	-	527	-
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	(1,544)	-	(1,338)	-
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	(4,780)	-	(3,624)	-
Total Adjustments between Revenue and Capital Resources	(5,622)	-	(4,435)	-
Adjustments to Capital Resources				
Use of Estates Reserve to fund Capital Carry Forward Reserve	256	-	-	-
Capital Carry Forward receipt from Estates Development Reserve	(256)	-	-	-
Use of the Capital Receipts Reserve to finance capital expenditure	-	-	-	-
Addition of unapplied Capital receipt	(481)	481	-	-
Application of capital grants & Compulsory Purchase compensation to finance capital expenditure	(759)	-	(10)	-
Application of other earmarked reserve to finance capital expenditure	(493)	-	(1,253)	-
Total Adjustments to Capital Resources	(1,733)	481	(1,263)	-
Total Adjustments	21,190	481	25,397	-

11. Police and Crime Commissioner's 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 statement recognised by the Commissioner in the year in accordance with proper accounting practice, to the resources that are specified by statutory provisions as being available to the Commissioner to meet future capital and revenue expenditure.

	2025/26		2024/25	
	Usable Reserves		Usable Reserves	
	General Fund Balance	Capital Receipts Reserve	General Fund Balance	Capital Receipts Reserve
	£000	£000	£000	£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 the Pensions Reserve)	(33)	-	(74)	-
Council tax (transfers to (or from) Collection Fund)	(297)	-	182	-
Holiday Pay	20	-	-	-
Reversal of entries included in the deficit on the Provision of Services in relation to capital expenditure (the items are charged to the Capital Adjustment Account)	6,609	-	6,882	-
Total Adjustments to Revenue Resources	6,299	-	6,990	-
Adjustments between Revenue and Capital Resources				
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	702	-	527	-
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	(1,544)	-	(1,338)	-
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	(4,780)	-	(3,624)	-
Total Adjustments between Revenue and Capital Resources	(5,622)	-	(4,435)	-
Adjustments to Capital Resources				
Use of the Capital Receipts Reserve to finance capital expenditure	-	-	-	-
Addition of unapplied Capital Grant	(481)	481	(10)	-
Application of capital grants & Compulsory Purchase compensation to finance capital expenditure	(759)	-	-	-
Application of other earmarked reserve to finance capital expenditure	(493)	-	(1,253)	-
Total Adjustments to Capital Resources	(1,733)	481	(1,263)	-
Total Adjustments	(1,056)	481	1,292	-

12. Group and Police and Crime Commissioner's Movement in Reserves Statement – Transfers to/from Earmarked Reserves

This note sets out the amounts set aside from the General Fund balance in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure in 2025/26.

	Balance at 31 March 2024			Balance at 31 March 2025			Balance at 31 March 2026		
	£000	2024/25		£000	2025/26		£000	£000	
		Added to Reserve	Utilised		Added to Reserve	Utilised			
Carry Forward Projects Reserve	1,740	-	(1,740)	-	-	-	-	-	
Insurance Reserve	2,257	225	-	2,482	641	-	3,123	-	
Ill-Health Retirement Reserve	398	-	-	398	187	-	585	-	
Prevention and Early Intervention Reserve (Drug Forfeiture)	408	16	(64)	360	-	(119)	241	-	
Budget Assistance Reserve	4,763	-	-	4,763	-	(93)	4,670	-	
Capital Carry Forward Reserve	683	90	(557)	216	471	(216)	471	-	
Asset Recovery Incentivisation Reserve	580	450	(255)	775	329	(166)	938	-	
Road Casualty Reduction & Support Fund	563	232	(208)	587	207	(148)	646	-	
OPCC Operational Reserve*	634	26	-	660	43	-	703	-	
Estates Development Reserve	650	2,060	(650)	2,060	-	(255)	1,805	-	
Major Incident Victim Support	25	-	-	25	-	-	25	-	
Eastern Region Serious Organised Crime Building Maintenance Fund	109	14	-	123	15	-	138	-	
Emergency Service Mobile Communication Programme Reserve	867	393	-	1,260	3,050	-	4,310	-	
Pension Reserve (McCloud & Revaluation Smoothing)	250	-	-	250	-	-	250	-	
Crime Reduction & Prevention Reserve	501	-	-	501	-	-	501	-	
Council Tax Fund Initiative Reserve	109	-	-	109	-	-	109	-	
Council Tax Support Fund	397	-	(397)	-	-	-	-	-	
Sustainability Reserve	455	-	-	455	-	-	455	-	
Fleet Reserve	334	-	(11)	323	414	(8)	729	-	
NPCC Forensic Reserve	367	-	-	367	-	(367)	-	-	
Taser Reserve	1,300	-	(14)	1,286	-	(582)	704	-	
Op Olympus	250	-	-	250	-	(150)	100	-	
Digital Innovation Fund	-	-	-	-	600	-	600	-	
Total Earmarked Reserves	17,640	3,506	(3,896)	17,250	5,957	(2,104)	21,103		
General Reserve	9,446	176	-	9,622	636	-	10,258		
Total General and Earmarked Reserves	27,086	3,682	(3,896)	26,872	6,593	(2,104)	31,361		
Capital Receipts Reserve	77	-	-	77	481	-	558		
Total Usable Reserves	27,163	3,682	(3,896)	26,949	7,074	(2,104)	31,919		

*previously known as Collaboration and Commissioning Reserve

Carry Forward Projects

Funds transferred to the Carry Forward Projects Reserve are underspends attributable to revenue commitments that are to be applied in the coming year.

Insurance

The purpose of this reserve is to finance self-insured liabilities and the policy excesses that are not covered by external policies.

Ill-Health Retirement

This reserve is maintained to meet exceptional costs of ill-health retirements.

Prevention and Early Intervention

Funds transferred to this Reserve are amounts received from HM Courts, earmarked for operational activity to fund initiatives to reduce and prevent crime. Funds are applied from this fund as operational need requires. This money is also referred to as Drug Forfeiture monies.

Budget Assistance

The reserve has been established to meet budget pressures in future years.

Capital Carry Forward

The reserve will fund approved capital carried forward expenditure in future years.

Asset Recovery Incentivisation

Funds transferred to the Asset Incentivisation Reserve are amounts received from the Proceeds of Crime Act (POCA) following successful investigations by ERSOU. The Assistant Chief Constable manages bids to this fund.

Road Casualty Reduction and Support Fund

This reserve has been established using underspends generated by the BCH Collaborated Cameras, Tickets and Collisions Unit to finance road safety and casualty reduction work.

OPCC Operational (previously Collaboration and Commissioning)

The reserve will fund assurance work for the OPCC regarding collaboration and commissioning Services.

Estates Development

The Estates Development Reserve has been set aside to fund future large capital estate projects.

Major Incident Victim Support

This reserve was created from an underspend in the Victims and Witness Hub following devolved responsibility from the MOJ to provide support victims of major crime incidents in the county.

Eastern Region Serious Organised Crime Building Maintenance

This is a reserve created from Home Office funding to cover planned maintenance costs of collaborated ERSOU buildings.

Emergency Services Mobile Communication Programme (ESMCP)

This reserve was established in 2020/21 to meet the future costs arising from the National airwave replacement project.

Pension

This reserve was established in 2020/21 to help meet the future costs of pension liabilities arising from McCloud and revaluation smoothing.

Crime Reduction and Prevention

An earmarked reserve to support one off projects and pilots in support of crime reduction and prevention.

Council Tax Fraud Initiative

A new reserve to cover the costs of the 3 year review being undertaken by local authorities to investigate council tax fraud.

Council Tax Support Fund

This reserve has been created from a one off grant from the Ministry of Housing, Communities and Local Government in recognition of the increased cost of providing local council tax support at a time when households were facing financial difficulties as a result of covid 19. The grant is not ring-fenced.

Sustainability

This reserve has been established to support the Sustainability Strategy and associated initiatives and projects.

Fleet

This reserve holds prior year surpluses held against the Fleet budget and is held to cover any future deficits.

NPCC Forensic

This is a reserve held by the Chief under his National Forensic Lead role

Taser

This reserve has been established to cover the costs of taser replacement programme across the next few years

Op Olympus

This reserve is held towards costs anticipated for the national policing response to the Bates versus the Post Office matter.

Digital Innovation Fund

This reserve has been set up in 2025-26 to assist in the cost of new technologies and digital innovation.

13. Group and Police and Crime Commissioner's Comprehensive Income and Expenditure Statement – Other Operating Expenditure

	2025/26		2024/25 Restated*	
	PCC £000	Group £000	PCC £000	Group £000
Pension Grant Received from Home Office	(14,874)	14,874	(14,532)	14,532
Pension Grant Transferred to Pension Fund	-	(14,874)	-	(14,532)
(Profit)/Loss on the disposal of non-current assets	702	702	527	527
	(14,172)	702	(14,005)	527

14. Group and Police and Crime Commissioner's Comprehensive Income and Expenditure Statement – Financing and Investment Income and Expenditure

	2025/26		2024/25	
	PCC £000	Group £000	PCC £000	Group £000
Interest payable and similar charges	-	1,546	463	500
Net interest on the net defined benefit liability & asset ceiling	325	77,570	165	69,096
Expected Return on Assets	(297)	(15,639)	(230)	(12,639)
Interest receivable and similar income	(1,047)	(1,047)	(1,015)	(1,015)
	(1,019)	62,430	(617)	55,942

15. Group and Police and Crime Commissioner's Comprehensive Income and Expenditure Statement – Taxation and Non-Specific Grant Income

	2025/26 £000	2024/25 £000
Police Grant	(66,723)	(64,331)
Precepts (Council Tax Income)	(92,652)	(87,468)
Home Office Local Government Funding	(31,290)	(29,704)
Localised Council Tax Support	(4,823)	(4,822)
Council Tax Freeze	(1,702)	(1,702)
Capital grants	(759)	(10)
Pension Grant	(4,433)	(4,729)
National Insurance Grant	(2,579)	-
	(204,961)	(192,766)

16. Group and Police and Crime Commissioner's Property, Plant and Equipment

	Land and Buildings £000	Plant and Equipment £000	Vehicles £000	Surplus Assets £000	Assets Under Construction £000	Total £000
Cost or valuation						
At 1 April 2025	37,931	19,979	11,217	2,980	23,188	95,295
Additions	-	-	-	-	30,063	30,063
Disposals	-	(6,570)	(2,384)	-	-	(8,954)
Reclassifications from Assets under construction	1,250	2,441	2,408	-	(6,099)	-
Revaluation increases/(decreases) recognised in the Revaluation Reserve	(2,024)	-	-	2,416	-	392
Impairments recognised in the Surplus/Deficit on the Provision of Services	(3,206)	(21)	-	29	-	(3,198)
Revaluation increases/(decreases) recognised in the Provision of Services	(51)	-	-	-	(1,744)	(1,795)
At 31 March 2026	33,900	15,829	11,241	5,425	45,408	111,803
Accumulated depreciation						
At 1 April 2025	(1,969)	(14,145)	(4,972)	-	-	(21,086)
Charge for 2025/26	1,292	(2,209)	(1,353)	-	-	(2,270)
Disposals	-	6,570	1,687	-	-	8,257
Reclassifications	-	-	-	-	-	-
Revaluation increases recognised in the Revaluation Reserve	(526)	-	-	-	-	(526)
At 31 March 2026	(1,203)	(9,784)	(4,638)	0	0	(15,625)
Net book value						
31 March 2026	32,697	6,045	6,603	5,425	45,408	96,178
31 March 2025	37,931	19,979	11,217	2,980	23,188	95,295

	Land and Buildings £000	Plant and Equipment £000	Vehicles £000	Surplus Assets £000	Assets Under Construction £000	Total £000
Cost or valuation						
At 1 April 2024	39,509	24,842	9,866	2,880	9,707	86,804
Additions	-	-	-	-	20,508	20,508
Disposals	(32)	(6,452)	(1,681)	-	-	(8,165)
Reclassifications from Assets under construction	2,438	1,589	3,032	-	(7,027)	32
Reclassification to Surplus from Investment Assets	-	-	-	105	-	105
Reclassifications to investment property	(399)	-	-	-	-	(399)
Reclassifications to Right of use assets	(561)	-	-	-	-	(561)
Revaluation increases/(decreases) recognised in the Revaluation Reserve	(689)	-	-	-	-	(689)
Impairments recognised in the Surplus/Deficit on the Provision of Services	(2,335)	-	-	-	-	(2,335)
Revaluation increases/(decreases) recognised in the Provision of Services	-	-	-	(5)	-	(5)
At 31 March 2025	37,931	19,979	11,217	2,980	23,188	95,295
Accumulated depreciation						
At 1 April 2024	(1,818)	(18,226)	(4,819)	-	-	(24,863)
Charge for 2025/26	(218)	(2,371)	(1,317)	-	-	(3,906)
Disposals	30	6,452	1,164	-	-	7,646
Reclassifications	(89)	-	-	-	-	(89)
Revaluation increases recognised in the Revaluation Reserve	126	-	-	-	-	126
At 31 March 2025	(1,969)	(14,145)	(4,972)	0	0	(21,086)
Net book value						
31 March 2025	35,962	5,834	6,245	2,980	23,188	74,209
31 March 2024	37,691	6,616	5,047	2,880	9,707	61,941

Recognition

As well as the grouping of expenditure on computers (in line with the Group's Accounting Policies), items purchased as part of a capital scheme that are identical or related, are grouped and recorded on the property, plant and equipment register if the value of the grouped assets exceed the de-minimis value of £10,000.

Depreciation

The following useful lives have been used in the calculation of depreciation on a straight line basis:

- Buildings - 20 to 60 years;
- Vehicles - 3 to 10 years, depending on type;
- Plant and Equipment - 5 years; and
- IT and Communications - 5 years.

Land and assets under construction are not depreciated.

Amortisation

- Intangible assets – 5 years;
- Lease right of use assets – over the life of the lease or useful life of asset if shorter.

The above are the lives used on initial capitalisation. If more robust information is made available over the course of the asset life, then this is applied, for example, as part of a revaluation review. In addition, when assets are approaching the end of their lives, we carry out a review with the asset owner to determine whether the asset is still delivering future economic benefit and being utilised in service delivery. We may then extend the asset life appropriately.

Residual Values

The following residual values have been applied:

- Vehicles – 25% of cost.

Capital Commitments

At 31 March 2026, the Group has entered into a number of contracts related to capital expenditure on Property, Plant and Equipment assets in 2025/26 whose contractual commitments are £2.9m.

Revaluations

The following statement shows the progress of the Group's programme of revaluation of property, plant and equipment. Our largest asset values of land and buildings are

reviewed annually with others on a rolling 5 year agreed programme, or sooner where there is a material change in value in any year or a property is reclassified (to Surplus Assets, Held for Sale Assets or Investment Properties). In the years between formal valuations, the continuing appropriateness of current values based on previous valuations is assessed by reference to market trends and professional advice. In addition, a desktop assessment has been carried out on agreed properties as appropriate based on materiality levels.

All valuations are prepared under International Financial Reporting Standards (IFRS) which requires the statement of assets at Fair Value and are in accordance with RICS Valuation – Global Standards. Valuations and Desktop Assessments in 2025/26 have been carried out by Chartered Surveyors Eddisons. They have also undergone a rigorous review by our Estates Surveyor.

Valuations of all other items of plant and equipment are based on historical cost. The basis for valuation of property, plant and equipment is set out in the Statement of Accounting Policies.

PPE Indexation

From 1 April 2025, the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requirements changed in respect of revaluations of property, plant and equipment. Where authorities do not have a rolling programme of revaluations in place and/or the assets are not non-property assets subject to indexation, authorities revalue their assets every five years with annual indexation applied to assets during the four intervening years. Where authorities cannot obtain indices without undue cost or effort, authorities revalue those assets using a quinquennial revaluation with a desktop revaluation in year three.

Full revaluations are carried out in accordance with RICS Red Book requirements, while indexation reflects market-based movements applied at intervening periods. We currently undertake a full valuation of our main land and buildings on an annual basis with the remaining portfolio valued on a rolling 5 year basis. In 2025-26 this has meant that 79% of our PPE and Investment properties in value have been fully valued (£26.4m valued v £33.4m full land and buildings)

Due to the unique nature of our portfolio, with different property types and condition, and with each asset itself displaying distinct characteristics and asset-specific attributes, we, along with our valuers do not consider it appropriate to apply a uniform index across those properties not valued at 31 March 2026.

In addition, the preceding valuations were undertaken by an alternative external valuer, and there are material and inconsistent variances between 2025 valuations and the opinion of our current valuers Eddisons, with movements both upward and downward. Accordingly, we do not consider that the application of a set index would be reliable that have not previously been valued by our current valuer and they therefore have advised that they do not recommend indexation for those properties.

Breakdown of overall asset value

The following table details a breakdown of our assets at historic cost and impact following valuation as at 31 March each year is as follows:

	Intangible Assets	Property, Plant & Equipment					Investment Assets	Leased Right of Use Assets	Total
	Software Licenses £'000	Land and Buildings £'000	Surplus £'000	Plant and Equipment £'000	Vehicles £'000	ACOC £'000	£'000	£'000	
Assets valued at Historical Cost:	10,352	4,563		15,829	11,241	45,408	-	1,422	88,815
Valued at Current Value in:									
2025/26	-	19,491	5,425	-	-	-	710	-	25,626
2024/25	-	5,971	-	-	-	-	-	-	5,971
2023/24	-	603	-	-	-	-	-	-	603
2022/23	-	2,080	-	-	-	-	-	-	2,080
2021/22	-	1,129	-	-	-	-	-	-	1,129
2020/21	-	-	-	-	-	-	-	-	-
2019/20	-	63	-	-	-	-	-	-	63
	10,352	33,900	5,425	15,829	11,241	45,408	710	1,422	124,287

Transfers between Levels of the Fair Value Hierarchy

There has been one transfer this year between Levels 1 and 2 during the year. Our Land and Building and Investment assets fall within Level 1 £517k (£456k 2024/25 & Level 2 £33,383k (£38,191k 2024/25) hierarchy.

Valuation Techniques

There has been no change in the valuation techniques used during the year.

Valuation Process for Investment Properties

The fair value of the Group's investment properties is measured annually at each reporting date. All valuations were carried out by our valuers BTG Eddisons (2024-25 Montagu Evans), in accordance with the methodologies and basis for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors.

17. Group and Police and Crime Commissioner's Intangible Assets

The Group accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment.

All software is given a finite useful life of five years, in line with other IT and Communication Assets. The carrying amount of intangible assets is amortised on a straight-line basis. Amortisation of £428k (2024/25 £462k) is chargeable to Police Services in the Comprehensive Income and Expenditure Statement.

The movement of assets are as follows:

	2025/26			2024/25		
	Intangibles £000	Intangibles under Development £000	Total £000	Intangibles £000	Intangibles under Development £000	Total £000
Balance at start of year:						
Gross carrying amount	10,193	2	10,195	9,924	138	10,062
Accumulated amortisation	(9,333)	-	(9,333)	(8,871)	-	(8,871)
Net carrying amount at start of year	860	2	862	1,053	138	1,191
Additions	-	160	160	-	173	173
Disposals	(1)	(2)	(3)	(8)	-	(8)
Reclassifications from assets under construction	160	(160)	-	277	(309)	(32)
Amortisation for the period	(428)	-	(428)	(462)	-	(462)
Net carrying amount at 31st March	591	-	591	860	2	862
Comprising:						
Gross carrying amount	10,352	-	10,352	10,193	2	10,195
Accumulated amortisation	(9,761)	-	(9,761)	(9,333)	-	(9,333)
	591	-	591	860	2	862

17a. Lease Right of Use Assets

	Lease Right of Use Assets	
	£000	£000
Cost or valuation		
At 1 April 2025	1,808	-
Additions	-	1,247
Disposals	(10)	-
revaluation of lease	(15)	-
Reclassifications from PPE Land and buildings	-	561
At 31 March 2026	<u>1,783</u>	<u>1,808</u>
Accumulated amortisation		
At 1 April 2025	(179)	-
Charge for 2025/26	(187)	(179)
Disposals	5	-
Reclassifications	-	-
Revaluation increases recognised in the Revaluation Reserve	-	-
At 31 March 2026	<u>(361)</u>	<u>(179)</u>
Net book value	1,422	1,629

18. Group and Police and Crime Commissioner's Financial Instruments

Categories of Financial Instruments

The following categories of financial instruments are carried in the Balance Sheet.

2025/26

Financial Assets

	Non Current		Current			Total £000
	Investments £000	Debtors £000	Cash £000	Investments £000	Debtors £000	
Fair Value through Profit and loss	-	-	-	-	-	-
Amortised Cost	-	-	4,432	1,140	9,201	14,773
Total Financial Assets	-	-	4,432	1,140	9,201	14,773

Financial Liabilities

	Non Current		Current			Group Creditors £000	Total £000
	Borrowings £000	Creditors £000	Borrowings £000	Creditors Chief £000	Creditors PCC £000		
Fair Value through Profit and loss	13,203	-	27,021	6,817	9,256	16,073	56,297
Amortised Cost	-	-	-	-	-	-	-
Total Financial Assets	13,203	-	27,021	6,817	9,256	16,073	56,297

2024/25

Financial Assets

	Non Current		Current			Total £000
	Investments £000	Debtors £000	Cash £000	Investments £000	Debtors £000	
Fair Value through Profit and loss	-	-	-	-	-	-
Amortised Cost	-	-	548	13,140	2,290	15,978
Total Financial Assets	-	-	548	13,140	2,290	15,978

Financial Liabilities

	Non Current		Current			Group Creditors £000	Total £000
	Borrowings £000	Creditors £000	Borrowings £000	Creditors Chief £000	Creditors PCC £000		
Fair Value through Profit and loss	36,224	-	672	7,456	10,361	17,817	54,713
Amortised Cost	-	-	-	-	-	-	-
Total Financial Assets	36,224	-	672	7,456	10,361	17,817	54,713

Fair Values of Financial Assets and Financial Liabilities

At 31 March 2026, the Group does not hold any Financial Assets carried at Fair Value. Financial liabilities and financial assets represented by borrowings and receivables are carried in the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments (Level 2) using the following assumptions:

- for the fair value of Public Works Loan Board (PWLB) loans, premature repayment rates from the PWLB are applied to provide the fair value under PWLB debt redemption procedures;
- no early repayment or impairment is recognised;
- the carrying amount of an instrument maturing within 12 months is assumed to approximate to its fair value; and
- the fair value of trade and other receivables is taken to be the invoiced or billed amount.

The carrying and fair values of financial liabilities carried at amortised cost and of borrowings are as follows:

	31 March 2026		31 March 2025	
	Amount	Fair Value	Amount	Fair Value
Financial liabilities at amortised cost:				
Public Works loan Board loans	(40,224)	(37,139)	(36,896)	(34,266)

The fair value on borrowing is lower/higher than the carrying amount dependent on the Group's portfolio of loans and the interest available for similar loans at the balance sheet date. Most of our loans are on a fixed rate. All other financial liabilities and borrowings mature within 12 months and therefore their carrying values are assumed to approximate to their fair values.

19. Group and Police and Crime Commissioner's Debtors

	2025/26	2024/25
	£000	£000
Trade Receivables	968	789
Prepayments	5,985	6,194
Other Receivables	12,647	17,893
	<u>19,600</u>	<u>24,876</u>

20. Group and Police and Crime Commissioner's Cash and Cash Equivalents

	2025/26	2024/25
	£000	£000
Cash held by the Commissioner	15	18
Bank current accounts	(743)	(600)
Short term deposits	5,160	1,130
	<u>4,432</u>	<u>548</u>

21. Group and Police and Crime Commissioner's Creditors

	2025/26		2024/25	
	PCC £000	Group £000	PCC £000	Group £000
Trade Creditors	(927)	(927)	(979)	(979)
Other Creditors	(17,153)	(23,970)	(16,988)	(24,444)
	<u>(18,080)</u>	<u>(24,897)</u>	<u>(17,967)</u>	<u>(25,423)</u>

22. Group and Police and Crime Commissioner's Provisions & Contingent Liabilities

Insurance

The balance at 31 March 2026 represents estimated outstanding claims under the 'excess' clauses of the Group's employers' and public liability, motor and property insurance policies. The settlement of these claims is likely to be spread over a number of years. There are no amounts in respect of liabilities covered by the insurance provision that are expected to be subject to reimbursement from third parties.

	2025/26	2024/25
	£000	£000
Insurance		
Balance at 1 April	2,715	2,466
Increase (Decrease) in year	<u>(1,193)</u>	<u>249</u>
Balance at 31 March	<u>1,522</u>	<u>2,715</u>

	2025/26	2024/25
	£000	£000
Legal Provision		
Balance at 1 April	184	185
Amounts used in year	(2)	(1)
Increase in year	<u>-</u>	<u>-</u>
Balance at 31 March	<u>182</u>	<u>184</u>

Redundancy Provision

Balance at 1 April	-	-
Amounts used in year	29	-
Increase in year	<u>-</u>	<u>-</u>
Balance at 31 March	<u>29</u>	<u>-</u>
Total Provisions	<u>1,733</u>	<u>2,899</u>

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 approval of these financial statements, the redress scheme has not yet been fully

implemented, and the final scope remains subject to further approvals. Accordingly, no provision has been recognised in these accounts, but this matter is disclosed as a contingent liability.

23. Liabilities under Right of Use Assets

Quantitative disclosures around lease liabilities - Maturity Analysis

	31st March 2026	31st March 2025
	£000	£000
Obligations under leases for the following periods comprise:		
Land and Buildings:		
Not later than one year	182	212
Later than one year and not later than 5 years	626	666
Later than five years	835	1,003
	1,643	1,881
Less interest element	(672)	(713)
Present value of obligations	971	1,168
Current portion	136	131
non-current portion	835	1,037
	971	1,168

24. Group and Police and Crime Commissioner's Usable Reserves

Movement in the Group and Police and Crime Commissioner's usable reserves are detailed in the Movement in Reserves Statement Note 12

25. Group and Police and Crime Commissioner's Unusable Reserves

	2025/26		2024/25	
	Group	PCC	Group	PCC
	£000	£000	£000	£000
Revaluation Reserve	11,133	11,133	10,171	10,171
Capital Adjustment Account	21,959	21,959	22,220	22,220
Pensions Reserve	(1,073,653)	-	(1,115,403)	(511)
Collection Fund Adjustment Account	(416)	(416)	(714)	(714)
Accumulated Absences Account	(6,837)	(20)	(7,456)	-
	(1,047,814)	32,656	(1,091,182)	31,166

Revaluation Reserve (Group and Police and Crime Commissioner)

The revaluation reserve contains the gains made by the Group arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost; or
- used in the provision of services and the gains are consumed through depreciation; or
- disposed of and the gains are realised.

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

	2025/26	2024/25
	£000	£000
Balance at 1 April	10,171	10,753
(Downward)/Upward revaluation of assets	437	(470)
Difference between fair value depreciation and historical cost depreciation	525	(112)
Balance at 31 March	<u>11,133</u>	<u>10,171</u>

Capital Adjustment Account (Group and Police and Crime Commissioner)

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or additions to those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or additions or subsequent costs such as depreciation, impairment losses and amortisation which are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Group as finance for the costs of acquisition, construction and subsequent costs.

The Account contains accumulated gains and losses on Investment Properties.

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

Note 10 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

Capital Adjustment Account

	2025/26 £000	2024/25 £000
Balance at 1 April	22,220	23,292
Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:		
Charges for depreciation and impairment of non-current assets	(6,181)	(6,420)
Revaluation losses on Property, Plant and Equipment	-	-
Amortisation of intangible assets	(428)	(462)
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(702)	(527)
Difference between fair value depreciation and historical cost depreciation	(526)	112
Capital financing applied in the year:		
Use of the Capital Receipts Reserve to finance new capital expenditure	-	696
Use of the Reserves to finance new capital expenditure	493	557
Use of Capital Carry Forward Reserve to finance new capital expenditure	-	-
Capital grants credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	759	10
Statutory provision for the financing of capital investment charged against the General Fund	1,544	1,338
Capital expenditure charged against the General Fund	4,780	3,624
Balance at 31 March	21,959	22,220

Pension Reserve (Group and Police and Crime Commissioner)

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 Group 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 Group 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 Group 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 34.

	Group	
	2025/26	2024/25
	£000	£000
Balance at 1 April	(1,115,403)	(1,205,243)
Remeasurements of the net defined benefit liability	64,602	113,649
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	(73,621)	(74,103)
Employer's pensions contributions and direct payments to pensioners payable in the year	50,769	50,294
Balance at 31 March	<u>(1,073,653)</u>	<u>(1,115,403)</u>
	-	
	PCC	
	2025/26	2024/25
	£000	£000
Balance at 1 April	(511)	1,345
Remeasurements of the net defined benefit liability	478	(1,930)
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	(170)	(115)
Employer's pensions contributions and direct payments to pensioners payable in the year	203	189
Balance at 31 March	<u>-</u>	<u>(511)</u>

Accumulated Absences Account (Group)

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	619	(222)
Balance at 31 March	<u>(6,837)</u>	<u>(7,456)</u>

26. Group and Police and Crime Commissioner's Cash Flow Statement – Operating Activities

The cash flows for operating activities include the following items:

	2025/26		2024/25	
	PCC £000	Group £000	PCC £000	Group £000
Depreciation	3,224	3,224	4,368	4,368
Amortisation	187	187	179	179
Impairment and downward valuations	3,198	3,198	2,336	2,336
Increase/(Decrease) in creditors	832	193	209	(221)
(Increase)/Decrease in debtors	5,308	5,308	(1,547)	(1,547)
Decrease in inventories	151	151	(233)	(233)
Movement in Pension Liability	(33)	22,852	(74)	23,809
Carrying value of non-current assets sold or derecognised	2,449	2,449	527	527
Other non-cash items charged to the net surplus or deficit on the provision of services	(2,082)	(2,082)	-	652
	<u>13,234</u>	<u>35,480</u>	<u>5,765</u>	<u>29,870</u>

27. Group and Police and Crime Commissioner's Joint Operation

Eastern Region Special Operations Unit

The Eastern Region Special Operations Unit (ERSOU) is a joint arrangement between 7 forces – Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Kent, Norfolk and Suffolk, 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.

All revenue costs and capital expenditure are shared between the seven forces in accordance with the percentages defined in the Section 22 agreement. All capital expenditure is fully funded in the year of expenditure and there is therefore no capital financing charge to the seven participating forces.

ERSOU is a jointly controlled operation with no separate entity and is therefore not able to hold reserves in respect of any cumulative surplus or deficit at year end. Each participating Local Policing Body shows its share of the carried forward surplus in its accounts. The ERSOU operating account is shown in the following table. The expenditure figures do not include depreciation charges.

The Home Office grants were paid to Bedfordshire as agent for the participating forces.

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

2025/26	Beds	Camb	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	Camb	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 £42m (2024/25 £41m) has been consolidated into the Chief Constable's Comprehensive Income and Expenditure Statement and the Group's Comprehensive Income and Expenditure Statement.

The net operating costs for the BCH joint operations is shown below:

	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				Total				Total	
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				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				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	Total Net Operating Costs	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

Seven 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 are 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. Total costs during 2024/25 were £238k.

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28. Group and Police and Crime Commissioner's Officers' Remuneration

The remuneration paid to the Police and Crime Commissioner, Deputy Police and Crime Commissioner and Chief Officers is as follows:

		Salaries, fees & allowances	Bonuses	Benefits in Kind	Total Remuneration excluding pension contributions	Employer's pension contributions	Total Remuneration including pension contributions
		£	£	£	£	£	£
Chief Constable's Accounts							
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.

		Salaries, fees & allowances £	Bonuses £	Benefits in Kind £	Total Remuneration excluding pension contributions £	Employer's pension contributions £	Total Remuneration including pension contributions £
<u>Police and Crime Commissioner Accounts</u>							
Police & Crime Commissioner							
D Preston	2025/26	76,122	-	-	76,122	16,290	92,412
D Preston	2024/25	73,300	-	-	73,300	16,053	89,353
Deputy Police & Crime Commissioner *							
J Peach (leaver 10.05.24)	2024/25	3,252	-	-	3,252	712	3,964
Chief Executive							
Jack Hudson	2025/26	123,107	-	-	123,107	26,345	149,452
Jack Hudson (interim) (starter 29.07.24)	2024/25	102,156	-	-	102,156	22,372	124,528
James Haylett (Leaver 19.07.24)	2024/25	37,312	-	-	37,312	8,171	45,483
Chief Finance Officer (OPCC)							
P Trussell	2025/26	65,453	-	-	65,453	14,007	79,460
P Trussell	2024/25	62,680	-	-	62,680	13,727	76,407
Totals							
	2025/26	264,682	-	-	264,682	56,642	321,324
	2024/25	278,700	-	-	278,700	61,035	339,735

* No replacement following J Peach leaving

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

	Group		PCC		Chief	
	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
£50,000 to £54,999	13	13	3	-	10	13
£55,000 to £59,999	23	16	1	1	22	15
£60,000 to £64,999	5	15	-	1	5	14
£65,000 to £69,999	13	6	1	-	12	6
£70,000 to £74,999	3	9	-	2	3	7
£75,000 to £79,999	7	6	2	-	5	6
£80,000 to £84,999	5	3	-	-	5	3
£85,000 to £89,999	4	2	-	-	4	2
£90,000 to £94,999	4	3	-	-	4	3
£95,000 to £99,999	7	4	-	-	7	4
£100,000 to £104,999	5	5	-	1	5	4
£105,000 to £109,999	4	3	-	-	4	3
£110,000 to £114,999	1	2	-	-	1	2
£115,000 to £119,999	4	1	-	-	4	1
£120,000 to £124,999	1	-	1	-	-	-
£125,000 to £129,999	-	2	-	-	-	2
£130,000 to £134,999	2	1	-	-	2	1
£140,000 to £144,999	1	-	-	-	1	-
£150,000 to £154,999	1	-	-	-	1	-
£155,000 to £159,999	-	1	-	-	-	1
£160,000 to £164,999	1	1	-	-	1	1
£195,000 to £199,999	-	1	-	-	-	1
	104	94	8	5	96	89

The numbers above include the senior employees and relevant police officers disclosed earlier in Note 16 where they earned over £50k and also includes those seconded out of force at present. The number of employees that have reached the £50k mark has increased during the last couple of years due to pay increases but the reporting threshold has not risen in line.

29. Redundancy costs

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 during 25/26.

Exit package cost band	Number of redundancies			
	2025/26	2025/26	2024/25	2024/25
	Voluntary	Compulsory	Voluntary	Compulsory
	No.	No.	No.	No.
£0 - £20,000	2	-	2	-
£20,001 - £40,000	-	1	-	-
£100,001 - £150,000	2	-	-	-
	4	1	2	-

Redundancy costs for Cambridgeshire employees in collaborated units are apportioned in line with existing cost sharing principles. In 2025/26 our share of the total redundancy cost was £103k.

30. Group and Police and Crime Commissioner's Audit Costs

The Group has incurred the following costs in relation to the audit of the Statement of Accounts due to incomplete Audit.

	2025/26 £000	2024/25 £000
Fees payable with regard to external audit services carried out by the appointed auditor:		
Police and Crime Commissioner	100	114
Chief Constable	55	60
	<u>155</u>	<u>174</u> *

* Audit fees shown incorporate the fee variations which are awaiting approval by the PSAA for the Police and Crime Commissioner

31. Group and Police and Crime Commissioner's Grant Income

The Group credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2025/26.

	2025/26 £000	2024/25 £000
Uplift Grant	3,614	4,388
Victims Commissioning	3,463	2,614
Pay Award	1,238	1,690
Other Government Grants	921	1,634
Pension Remedy	89	631
Serious Violence Duty	604	599
Safer Streets	7	354
Hotspot Grant	1,094	230
Criminal Records Bureau	596	518
Asset Recovery Incentivisation Scheme	329	449
ERSOU Grant	1,207	874
Partnership Contributions	1,423	2,367
Neighbourhood Grant	2,065	-
	<u>16,650</u>	<u>16,348</u>

	2025/26 £000	2024/25 £000
Police Grant	66,723	64,331
Precepts	92,652	87,468
Home Office Local Government Funding	31,290	29,704
Localised Council Tax Support	4,823	4,822
Council Tax Freeze	1,702	1,702
Capital Grants	759	10
Pension Grant	4,433	4,729
National Insurance Grant	2,579	-
	<u>204,961</u>	<u>192,766</u>

32. Group and Police and Crime Commissioner's Related Parties

The Group is required to disclose material transactions with related parties (bodies or individuals that have the potential to control or influence the Group or to be controlled or influenced by it). Disclosure of these transactions allows readers to assess the extent to which the Group 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 Group.

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 7).

Central Government

Central government has significant influence over the general operations of the Group – it is responsible for providing the statutory framework within which the Group 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 Note 30.

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 a trustee throughout the period are set out below:

Officers:

Nick Dean, Chief Constable (to retirement 28 September 2025)

Simon Megicks, Chief Constable – from 29 September 2025

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 Group has a pooled budget arrangement (joint operation) with the six 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 Note 26.

The Group 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, 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. The LGPS scheme is administered by Cambridgeshire County Council and the PPS, NPPS and PPS 2015 are administered by XPS Pension Group; see Note 33 for details of transactions and balances outstanding.

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

33. Group and Police and Crime Commissioner’s Third Party Funds

Third Party Funds are monies administered but not owned by the Group.

Police Property Act

Under section 43 of the Powers of Criminal Courts Act 1973, the Group is empowered to seize monies or property used, or intended for use, for the purpose of crime. These seized monies are held by the Group, pending a decision by the Courts.

Misuse of Drugs Act

Section 27 of the Misuse of Drugs Act 1971 empowers Police Groups to retain monies seized during investigations. The Courts may release property or monies to the Group so that it is used to tackle drug related crime and drug abuse.

Seized Funds

We hold funds that are being pursued by ERSOU FIT for POCA and related powers – a civil case to remove the funds from those likely to have committed crime.

Property Banking

We hold funds seized from an individual whilst the investigation is carried out, and a case is being built.

Other Third Party Funds

We also hold small amounts for our Police Cadets & Peterborough Youth Boxing. The amount held under the two Acts, as at 31 March 2026, was £2.1m (31 March 2025: £2.2m).

34. Group and Police and Crime Commissioner's Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Group, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Group that has yet to be financed. The CFR is analysed in the second part of this note.

	2025/26	2024/25
	£000	£000
<i>Opening Capital Financing Requirement</i>	42,314	28,413
<i>Capital Investment</i>		
Property, Plant and Equipment	30,063	20,508
Intangible Assets	160	173
<i>Source of Finance</i>		
Capital Receipts	-	-
Government Grants	(759)	(10)
Taser Reserve contribution	(493)	-
Drug Forfeiture Reserve	-	(46)
Fleet Reserve	-	(558)
Estates Development Reserve	256	(650)
Capital Carry Forward Reserve	(256)	(557)
<i>Sums set aside from revenue</i>		
Direct revenue contributions	(4,780)	(2,870)
Minimum Revenue Provision	(1,544)	(1,338)
Other adjustment	-	(751)
<i>Closing Capital Financing Requirement</i>	64,961	42,314

35. 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 Group offers retirement benefits which are normally payable on retirement. The Group, however, is required to disclose its commitment to pay future retirement benefits as those benefits are earned by officers or employees.

The Group 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. 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, 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. 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 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.

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	LGPS- Police Commissioner £000	Total £000	Police Pensions £000	LGPS- Chief Constable £000	LGPS- Police Commissioner £000	Total £000
Comprehensive Income and Expenditure Account								
<i>Cost of Services:</i>								
Current service cost	6,824	4,701	142	11,667	11,006	6,438	180	17,624
Other past service costs	-	23	-	23	-	22	-	22
	6,824	4,724	142	11,690	11,006	6,460	180	17,646
<i>Financing and Investment Income and Expenditure:</i>								
Interest income on plan assets	60,770	(15,342)	(297)	45,131	56,820	(12,409)	(230)	44,181
Interest cost on defined benefits obligation	-	10,475	163	10,638	-	10,264	157	10,421
Interest on the effect of asset ceiling	-	6,000	162	6,162	-	1,847	8	1,855
	60,770	1,133	28	61,931	56,820	(298)	(65)	56,457
<i>Total Post Employment Benefit Charged to the Deficit on the Provision of Services</i>	67,594	5,857	170	73,621	67,826	6,162	115	74,103
<i>Other Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</i>								
Return on plan assets	-	209	10	219	-	7,856	145	8,001
Actuarial (gains)/losses arising on changes in demographic assumptions	-	(2,615)	(41)	(2,656)	(2,070)	(361)	(5)	(2,436)
Actuarial (gains)/losses arising on changes in financial assumptions	(36,440)	(9,263)	(96)	(45,799)	(142,080)	(41,048)	(774)	(183,902)
Effect of asset Ceiling	-	(12,247)	(729)	(12,976)	-	63,592	2,595	66,187
Other	(8,830)	5,062	378	(3,390)	460	(1,928)	(31)	(1,499)
	(45,270)	(18,854)	(478)	(64,602)	(143,690)	28,111	1,930	(113,649)
<i>Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Account</i>	22,324	(12,997)	(308)	9,019	(75,864)	34,273	2,045	(39,546)

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

<u>(67,594)</u>	<u>(5,857)</u>	<u>(170)</u>	<u>(73,621)</u>	<u>(67,826)</u>	<u>(6,162)</u>	<u>(115)</u>	<u>(74,103)</u>
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*Actual amount charged against the General Fund Balance for
Pensions in the year:*

Employer's contributions payable to the schemes	<u>42,901</u>	<u>7,665</u>	<u>203</u>	<u>50,769</u>	<u>42,514</u>	<u>7,591</u>	<u>189</u>	<u>50,294</u>
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Assets and Liabilities in Relation to Post Employment Benefits

Reconciliation of present value of the scheme liabilities:

	2025/26 Unfunded Liabilities				2024/25 Unfunded Liabilities			
	Police Pensions £000	LGPS- Chief Constable £000	LGPS- Police Commissioner £000	Total Liabilities £000	Police Pensions £000	LGPS- Chief Constable £000	LGPS- Police Commissioner £000	Total Liabilities £000
Balance at 1 April	1,093,836	179,075	2,697	1,275,608	1,212,214	210,392	3,120	1,425,726
Current service cost	6,824	4,701	142	11,667	11,006	6,438	180	17,624
Past service costs - other	-	23	-	23	-	22	-	22
Interest cost	60,770	10,475	163	71,408	56,820	10,264	157	67,241
Contributions by scheme participants	9,610	2,381	70	12,061	9,220	2,288	65	11,573
Benefits paid	(52,511)	(6,140)	(24)	(58,675)	(51,734)	(6,992)	(15)	(58,741)
<i>Remeasurement gain/loss:</i>				-				-
Actuarial (gains) and losses arising on changes in demographic assumptions	-	(2,615)	(41)	(2,656)	(2,070)	(361)	(5)	(2,436)
Actuarial (gains) and losses arising on changes in financial assumptions	(36,440)	(9,263)	(96)	(45,799)	(142,080)	(41,048)	(774)	(183,902)
Other Experience	(8,830)	19,030	389	10,589	460	(1,928)	(31)	(1,499)
Balance at 31 March	1,073,259	197,667	3,300	1,274,226	1,093,836	179,075	2,697	1,275,608

Reconciliation of the Movements in the Fair Value of Scheme Assets

	2025/26			2024/25		
	LGPS- Chief	LGPS- Police	Total Assets	LGPS- Chief	LGPS- Police	Total Assets
	Constable	Commissioner		Constable	Commissioner	
	£000	£000	£000	£000	£000	£000
Balance at 1 April	261,542	4,953	266,495	254,102	4,629	258,731
Interest Income	15,342	297	15,639	12,409	230	12,639
<i>Remeasurement gain/loss:</i>						-
The return on plan assets, excluding the amount included in the net interest expense	(209)	(10)	(219)	(7,856)	(145)	(8,001)
Other experience	13,968	11	13,979			
Contributions from employer	7,665	203	7,868	7,591	189	7,780
Contributions from employees into the scheme	2,381	70	2,451	2,288	65	2,353
Benefits paid	(6,140)	(24)	(6,164)	(6,992)	(15)	(7,007)
Closing fair value of scheme assets	294,549	5,500	300,049	261,542	4,953	266,495

Reconciliation of Asset Ceiling

	2025/26			2024/25		
	LGPS- Chief	LGPS- Police	Total Assets	LGPS- Chief	LGPS- Police	Total Assets
	Constable	Commissioner		Constable	Commissioner	
	£000	£000	£000	£000	£000	£000
Opening Asset Ceiling	103,523	2,767	106,290	38,084	164	38,248
actuarial gain/loss on asset ceiling	(12,247)	(729)	(12,976)	63,592	2,595	66,187
interest on asset ceiling	6,000	162	6,162	1,847	8	1,855
Closing Asset Ceiling	97,276	2,200	99,476	103,523	2,767	106,290

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	200,967	181,772	1,274,226	1,275,608
Fair Value of Plan Assets	-	-	(300,049)	(266,495)	(300,049)	(266,495)
Effect of Asset Ceiling	-	-	99,476	106,290	99,476	106,290
Net Liability arising from defined benefit obligation	1,073,259	1,093,836	394	21,567	1,073,653	1,115,403

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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:

	LGPS- Police Commissioner £000	LGPS- Chief Constable £000	31-Mar-26 £000	LGPS- Police Commissioner £000	LGPS- Chief Constable £000	31-Mar-25 £000
Cash and Cash Equivalents	168	9,013	9,181	115	6,120	6,235
Private Equity	724	38,935	39,659	627	33,261	33,888
Debt Securities						
UK Government	641	34,457	35,098	439	23,290	23,729
Equity Instruments (by industry)						
Consumer	52	2,810	2,862	55	2,922	2,977
Manufacturing	49	2,624	2,673	56	2,951	3,007
Energy and Utilities	6	311	317	4	223	227
Financial Institutions	63	3,406	3,469	55	2,911	2,966
Health and Care	43	2,323	2,366	45	2,374	2,419
Information Technology	143	7,673	7,816	131	6,945	7,076
Other	6	328	334	5	242	247
Investment Funds and Unit Trusts						
Equities	2,021	108,612	110,633	1,942	102,953	104,895
Bonds	745	40,025	40,770	652	34,574	35,226
Infrastructure	371	19,932	20,303	359	-	359
Other	-	-	-	-	19,036	19,036
Real Estate	468	25,145	25,613	468	24,790	25,258
Derivatives	-	-	-	-	(3)	(3)
	5,500	295,595	301,095	4,953	262,589	267,542

The liabilities are the underlying commitments that the Group has to pay retirement benefits in the long-term. The total liability of £1,073,653k has a significant impact on the net worth of the Group as presented in the Balance Sheet, giving rise to negative equity of £1,047,648k. However, statutory arrangements for funding the deficit mean that the financial position of the Group 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.

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 actuary 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	21.3	22.0	21.9
Women	25.1	24.2	24.0	23.9
Longevity at 65 for future pensioners:				
Men	23.7	22.7	23.4	23.3
Women	26.4	25.8	25.3	25.2
Rate of increase in salaries	3.5	3.2	3.7	3.5
Rate of increase in pensions	3.0	2.7	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 have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changed while all the assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

	Police Commissioner Scheme		Chief Constable Scheme		Police Pension Scheme	
	Increase in Liability (%)	Approximate monetary amount £000	Increase in Liability (%)	Approximate monetary amount £000	Increase in Liability (%)	Approximate monetary amount £000
Change in assumptions at 31 March 2026						
0.1% decrease in Real Discount Rate	2.0	71	2.0	3,510	-1.4	(15,600)
0.1% increase in the Salary Increase Rate	0.0	2	0.0	130	0.2	1,800
0.1% Increase in the Pension Increase Rate	2.0	69	2.0	3,382	1.4	15,400
Life Expectancy (Pensioners assumed to be one year younger)	4.0	132	4.0	7,949	0.5	5,200

Legal Claims & 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.

GMP 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 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 comprehensive income and expenditure statement. 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.

36. Group and Police and Crime Commissioner's Nature and Extent of Risks arising from Financial Instruments

The Group's activities expose it to a variety of financial risks:

- Credit risk – the possibility that other parties might fail to pay amounts due to the Group;
- Liquidity risk – the possibility that the Group might not have funds available to meet its commitments to make payments; and
- Market risk – the possibility that financial loss might arise as a result of changes in such measures as interest rates and stock market movements.

The Group's risk strategy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on resources available to fund services.

Risk management is carried out by a central treasury team under policies approved by the Group in the annual treasury management strategy. Specific areas such as interest rate risk, credit risk and the investment of surplus cash are covered within this.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the PCC's customers.

The risk is minimised through the Annual Investment Strategy, which requires that deposits are not made with banks and/or building societies unless they meet identified minimum credit criteria, in accordance with Fitch, Moody's and Standard & Poor's credit rating services. The Annual Investment Strategy also considers maximum amounts and time limits in respect of each financial institution. Deposits are not made with banks and financial institutions unless they meet minimum investment criteria. Additional selection criteria are also considered after this initial criteria is applied.

The PCC uses the creditworthiness service provided by Link Asset Service. This service uses a sophisticated modelling approach with credit ratings from all three rating agencies – Fitch, Moody's and Standard & Poors, forming the core element. However, it does not rely solely on the current credit ratings of counterparties but also uses the following as overlays:

- credit watches and credit outlooks from credit rating agencies;
- Credit Default Swap spreads to give early warning of likely changes in credit ratings; and
- sovereign ratings to select counterparties from only the most creditworthy countries.

The Investment Strategy for 2025/26 to 2028/29 was approved by the PCC in February 2026.

Investment limits are the lower of £10 million or 25% of available funds, with the exception of the Debt Management Account Deposit Facility and Money Market Funds where deposits may be made to a limit of 100% of available funds. Our investments

cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. A risk of irrecoverability applies to all of the PCC's deposits but there was no evidence at the 31 March 2026 that this was likely to crystallise.

With respect to amounts owed by the Group's customers and contractual debtors, the Group makes prudent provision for bad debts based on an assessment of the risks for each type of debt and the age and size of the outstanding balance. The majority of the Group's dealings are with public sector partners and the risks of default and uncollectability are considered to be lower than those associated with commercial debtors.

The following analysis summarises the Group's assessment of its potential maximum exposure to credit risk in relation to debtors:

The Group has never experienced a loss from non-performance by any of its counterparties in relation to deposits and does not expect any such loss to arise.

The Group does not generally extend credit to its public sector partners or customers beyond 30 days. £76k of the £968k balance is past its due date.

	31 March 2026 £000	31 March 2025 £000
Commercial Debtors	107	172

Liquidity Risk

As the Group has ready access to borrowings from the Public Works Loan Board, there is no significant risk that it will be unable to raise finance to meet its commitments under financial instruments. The table below shows the liability.

	31 March 2026 £000	31 March 2025 £000
Less than one year	13,203	672
Between one and two years	11,235	12,702
Between two and five years	3,548	12,248
More than five years	12,238	11,274
	<u>40,224</u>	<u>36,896</u>

Market Risk

Interest rate risk

The Group is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments. The extent of that risk is limited by the scale of

borrowing and investment activities undertaken. In 2025/26 the Group’s investments were all short-term investments comprising of overnight deposits, fixed term deposits, and notice accounts, which therefore fall to be treated as investments at variable rates, and its borrowings were fixed rate Public Works Loan Board loans. By way of example, a rise in interest rates would have the following effects:

- borrowings at fixed rates – the fair value of the liabilities borrowings will fall; and
- investments at variable rates – the interest income credited to the Comprehensive Income and Expenditure statement will rise.

Borrowings are not carried at fair value, so nominal gains and losses on fixed rate borrowings would not impact on the surplus or deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However, changes in interest receivable on variable rate investments will be credited to the surplus or deficit on the Provision of Services and affect the General Fund Balance pound for pound.

The Group has a number of strategies for managing interest rate risk. During periods of falling interest rates, and where economic circumstances make it favourable, fixed rate loans will be repaid early to limit exposure to losses. The risk of loss is mitigated by the fact that a proportion of government grant payable on financing costs will normally move with prevailing interest rates or the Group’s cost of borrowing and provide compensation for a proportion of any higher costs.

The scale of the Group’s investment activities is such that the consequences of any adverse changes in interest rates on service delivery are unlikely to be significant in terms of a shortfall in resources, particularly as budgets are regularly reviewed and updated during the year. However, if interest rates had been 50 basis points higher, with all other variables held constant, the financial effect for the 2025/26 year of account would be:

	2025/26	2024/25
	£000	£000
Increase in interest receivable on variable rate investments	130	103
Increase in Government grant receivable for financing costs	-	-
Impact on Income and Expenditure Account	<u>130</u>	<u>103</u>

37. 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 in 2024/25. Insurance costs were removed from the overall charge in 23/24 and accounted for separately. For 2025/26 the insurance costs for Cambridgeshire 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

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Pension Account

The Group is required to maintain a Pensions Account 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, administered 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 2025/26 were at a rate of 35.3% of pensionable salary. These rates are set by the Home Office and are subject to triennial revaluation by the Government's Actuary Department.

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 for 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 at Note 1, where applicable.

Full details of the Group's retirement benefits have been disclosed in Note 34.

Fund Account

	2025/26 £000	2024/25 £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 payable for the year before top-up grant payable by sponsoring department	14,873	14,532
Amount receivable from sponsoring department	(14,873)	(14,532)
Balance on Fund at 31 March	<u>-</u>	<u>-</u>
Net Assets Statement		
	2025/26 £000	2024/25 £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.
Agency Services	The provision of services by an Authority (the agent) on behalf of another Authority, which is legally responsible for providing those services. The responsible Authority reimburses the Authority providing the service.
Appropriations	Amounts transferred to or from revenue or capital reserves.
Asset	An item owned by the Group which has an economic value e.g. land & buildings, debts or cash.
Budget	A financial statement of the Group's plans for any given year.
Capital Adjustment Account	An account that reflects the difference between the cost of property, plant and equipment and the capital financing set aside to pay for them.
Capital Expenditure	Expenditure on new assets or on the enhancement of existing assets.
Capital Grants	Grants received towards capital spending on a particular service or project.
Capital Receipts	Proceeds from the sale of capital assets such as land or buildings. They are available to finance new capital outlay and to repay existing debt.
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.
Depreciation	The measure of the wearing out, consumption or other reduction in the useful economic life of an item of property, plant and equipment.
Earmarked Reserves	Funds set aside from the Comprehensive Income and Expenditure Statement that can only be used for specific purposes.
Effective Rate of Interest	The rate of interest that will discount the estimated cash flows over the life of a financial instrument to the amount in the balance sheet at initial measurement.
Equity Instrument	A contract that evidences a residual interest in the assets of an entity after deducting all its liabilities.
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 Asset	A right to future economic benefits controlled by the Group.
Financial Instrument	Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another.

Financial Liability	An obligation to transfer economic benefits controlled by the Group.
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 general (see Revenue Support Grant).
Impairment	The term used where the estimated recoverable amount from an asset is less than the amortised cost at which the asset is being carried on the balance sheet.
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 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.
Intangible Assets	An asset that lacks physical substance and yields benefits to the Group and the services it provides for a period of more than one year.
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.
Minimum Revenue Provision (MRP)	The minimum amount the Group is required by statute to set aside on an annual basis for the repayment of debt.

National Domestic (NNDR)	Non-Rates	The business rate in the pound is set annually and centrally by Government. The income arising is collected in a central pool for distribution to Local Authorities on the basis of a formula.
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 (Pensions)	Cost	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.
Precept		The cash sum levied by one Authority which is collected by another (a charging Authority). The Group is the precepting Authority and the District Councils are the charging Authorities.
Projected Credit (Pensions)	Unit Method	An actuarial method of valuing a pension scheme's liability to pay future retirement benefits considering estimated increases in future earnings.
Property, Plant and Equipment		Assets that have a physical substance and are held for use in the provision of services or for administration purposes on a continuing basis.
Provisions		Liabilities that are of uncertain timing or amount to be settled by the transfer of economic benefits.
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 Contributions to Capital Outlay	to	The financing of capital expenditure directly from Revenue rather than from loans or other sources.
Revenue Expenditure		The day-to-day spending and income of the Group on such items as staff, goods, services and equipment.
Revenue Balances	Fund	The accumulated surplus of income over expenditure held in reserve.

Revenue Support Grant (RSG)	The general grant paid by Central Government to aid Local Authority (including the Group) spending generally.
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.

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