



Police and Crime Commissioner
CAMBRIDGESHIRE AND PETERBOROUGH

**STATEMENT OF
ACCOUNTS 2022/23**

CAMBRIDGESHIRE POLICE AND CRIME COMMISSIONER STATEMENT OF ACCOUNTS 2022/23

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Preface by the Police and Crime Commissioner for Cambridgeshire

Introduction to the 2022/23 Statement of Accounts by Darryl Preston, the elected Police and Crime Commissioner for Cambridgeshire and Peterborough.

My Police and Crime Plan was published in November 2021 following consultation with the public and partner organisations.

The Office of the Police and Crime Commissioner (OPCC) led or significantly supported a number of bids for additional funding bringing much needed extra funds of £1,652,642 into the County. The Domestic Abuse Perpetrator fund brought in additional funds of £311,836 for interventions and support for victims of domestic abuse and stalking. We were awarded a grant for Safer Streets Round 4 of £401,690 which focusses on anti-social behaviour in Peterborough and Fenland alongside training local businesses how to identify predatory behaviour. Additional funding was secured for independent sexual violence advisors and independent domestic abuse advisors until March 2025 with £526,843 in 2022/23. The OPCC also successfully bid for community based domestic abuse and sexual violence support and were awarded £295,887 and £86,386. We were also awarded a grant of £30,000 towards implementing the new Serious Violence Duty.

The 2022/23 financial year was the final year of the Government's Police Uplift Programme to recruit an additional 20,000 police officers. Cambridgeshire's target number of officers was an extra 82 to be recruited in the financial year to the 31 March 2023. The Force continued its excellent performance to achieve the year three target of 1,732 officers ending the year with 1,756 officers – like in previous years an overachievement against target. This represents a record high for the force and a total of 206 more officers through the Uplift Programme. The expectation for 2024/25 is that the increase in officers is maintained which the Constabulary will remain accountable for, and indeed is incentivised through £2.8m of ring-fenced grant for that year.

As part of the police grant settlement offered by government, I increased the policing element of Council Tax for 2023/24 by £14.94 per Band D property, or 29 pence per week.

A balanced budget for 2023/24 was therefore achieved following the funding settlement from the government and the local precept provided by our community. Over the next two years, strong financial management is still 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 – Redundancy costs for Cambridgeshire employees in collaborated units are apportioned in line with existing cost sharing principles. One of the three Cambridgeshire staff in the £0 - £20k cost band was part of HR collaborated unit.

In addition, Cambridgeshire contributed towards 2 exit packages for Hertfordshire and Bedfordshire staff totalling £17k.

The financial climate remains challenging. The Chief Constable and Constabulary Director of Finance and their staff continue to do an excellent job in managing the Constabulary budget in a professional and robust manner.

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
- Be assured that the financial position of the PCC and Group is sound and secure.

This Narrative 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 the performance for 2022/23 can be found in the Annual Report 2022/23. The narrative statement also provides a summary of the financial position as at 31 March 2023 and is structured as follows:

1. Explanation of the PCC and Group
2. Financial Performance
3. Non-Financial Performance
4. Medium Term Financial Plan
5. Statement of Accounts 2022/23

1. Explanation of the PCC and Group

This Statement of Accounts sets out the financial position of the Cambridgeshire Police and Crime Commissioner and the Chief Constable of Cambridgeshire (herein referred to as “the Group”) for the year ended 31 March 2023.

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

One of the Police and Crime Commissioner’s duties 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 holding parent, the Police and Crime Commissioner guarantees any outstanding liabilities of the Chief Constable who is a 100% subsidiary.

Local control arrangements have influenced the setting of the Accounting Policies, such that all income, working capital, cash balances and 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 2022/23, 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 explains how the resources provided by the PCC have been used to deliver operational policing services.

2. Financial Performance

Revenue – Budget and Outturn 2022/23

The Police and Crime Commissioner approved a budget of £171.51m. At the end of the year, spending was £170.76m

Table 1: PCC Revenue Budget and Outturn 2022/23 summary of revenue position (£000)

Revenue Split	Budget	Final Outturn	Variance
Officer costs	82,856	84,590	1,734
Staff Costs	27,423	25,045	-2,377
Other Employee costs	252	401	150
Premises	4,785	5,130	345
Transport	3,034	3,404	370
Supplies & Services	8,356	8,880	525
Income	-1,581	-3,823	-2,242
Collaboration	41,386	40,275	-1,111
Chief Corporate	-11	92	103
OPCC	1,269	1,182	-88
OPCC Capital/Grants	3,745	5,583	1,838
Overall Revenue	171,513	170,760	-753

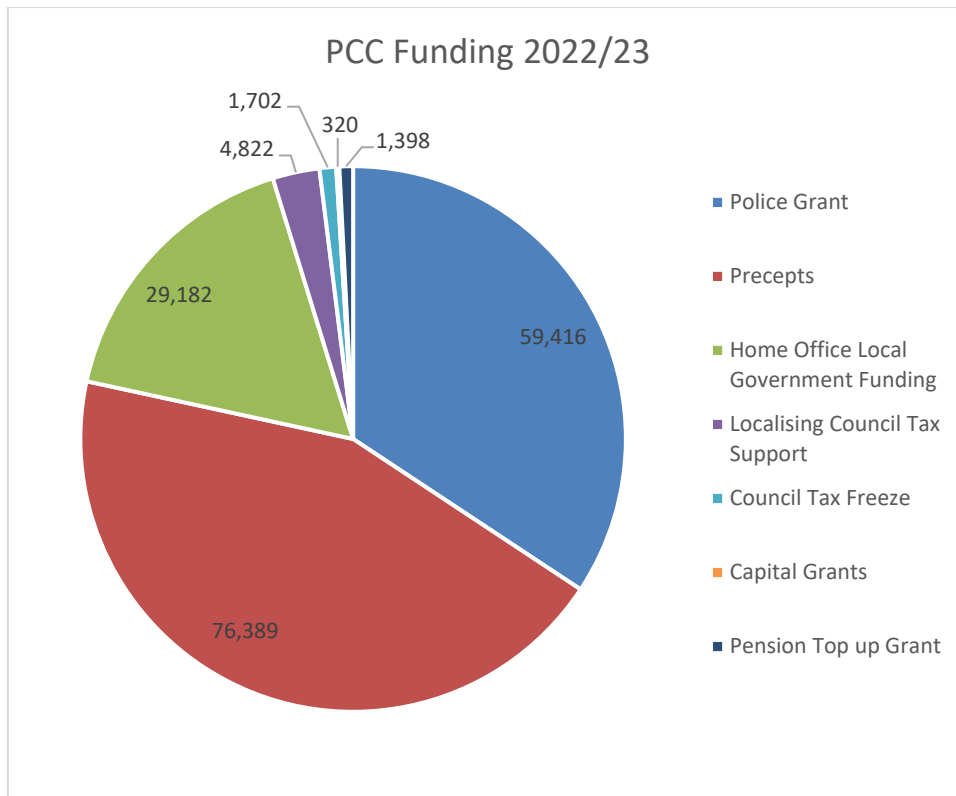
Reconciliation of Outturn to Net Expenditure Chargeable to the General Fund Balance (EFA Statement)

	£000
Reported Underspend	(753)
Revenue related reserve contributions	(5,338)
Capital Related reserve contributions	2,611
	<u>(3,480)</u>

Funding

The PCC budget is funded from a combination of Government grant and Council Tax, as set out on **Table 2** below and **Chart 1**.

Credited to Taxation and Non-Specific Grants	2022/23	2021/22
	£000	£000
Police Grant	59,416	56,313
Precepts	76,389	72,079
Home Office Local Government Funding	29,182	27,549
Localising Council Tax Support	4,822	6,173
Council Tax Freeze Grant	1,702	1,702
Capital Grants	320	185
Pension Top up Grant	1,398	1,398
	<u>173,229</u>	<u>165,399</u>



Capital 2022/23

The capital outturn is £4,878k under budget and is due to slippage on Capital projects relating to the Estate. Capital carry forwards totalling £768k were approved by our Business Coordination Board. These are a combination of Estate and ICT projects that have been committed but where slippages/delays have been incurred which were out of the forces control.

The summary capital programme is shown in **Table 3** below along with how it was financed.

Table 3: 2022/23 Capital Programme and Financing

	Original 2022/23 Capital Programme	Carry Forwards	Authorised Programme Amendments	Revised 2022/23 Capital Budget	Outturn 2022/23	Variance to Budget	%
All figures £'000							
Capital Payments:-							
Land & Buildings	5,145	439	4,441	10,025	5,931	(4,094)	59%
Fleet	1,568	41	105	1,714	1,607	(107)	94%
IT & Communications	2,661	32	31	2,724	2,253	(471)	83%
Other Projects & Collaboration	197	2	44	243	238	(5)	98%
Approved subject to further business case	300	-	(100)	200	-	(200)	
TOTAL	9,871	514	4,521	14,906	10,028	(4,878)	67%

	Original 2022/23 Capital Programme	Carry Forwards	Previously Authorised Programme Amendments	Revised 2022/23 Capital Budget	Applied
All figures £'000					
Capital Financing:-					
Capital Grants	-	-	320	320	320
Carry Forward Reserve	-	1,008	-	1,008	1,008
Capital Receipts	4,025	-	(2,934)	1,091	1,091
POCA Reserve	-	-	97	97	97
RCCO Reserve	3,840	-	1,401	5,241	5,241
Uplift Reserve	-	-	-	-	-
Borrowing	2,006	(494)	5,676	7,188	2,271
TOTAL	9,871	514	4,561	14,946	10,028

Reserves

After the impact of revenue and capital spending and funding detailed above the usable reserves of the PCC are £24m, as detailed in **Table 4** below. Of these £9.4m relates to the General Reserve which is held primarily as a contingency for the cost of major police operations. This represents 5.5% of the Net Budget Requirement for 2023/24 which is considered prudent against the target of 5% percentage of the total budget to hold as a General Reserve for operational contingencies. This places the General Reserve in a strong position as the Net Budget Requirement increases over the medium term.

The purpose of the reserves is detailed in note 12.






Table 4: Usable Reserves as at 31 March 2023

	Balance at 31	2022/23		Balance at 31
	March 2022	Added to Reserve	Applied	March 2023
	£000	£000	£000	£000
Carry Forward Projects Reserve	1,812	2,110	(1,812)	2,110
Insurance Reserve	1,410	-	-	1,410
III-Health Retirement Reserve	398	-	-	398
Drug Forfeiture (Operational) Reserve	375	72	(28)	419
Budget Assistance Reserve	2,187	1,631	-	3,818
Capital Carry Forward Reserve	1,008	768	(1,008)	768
Asset Incentivisation Reserve	489	239	(284)	444
Road Casualty Reduction & Support Fund	1,020	62	(264)	818
Collaboration & Commissioning Reserve	443	88	-	531
Uplift Reserve	30	-	-	30
Major Incident Victim Support	25	-	-	25
Eastern Region Serious Organised Crime Building Maintenance Fund	124	14	(6)	132
Emergency Service Mobile Communication Programme Reserve	242	287	-	529
Pension Reserve (McCloud & Revaluation Smoothing)	150	100	-	250
Crime Reduction & Prevention Reserve	384	117	-	501
Council Tax Fund Initiative Reserve	109	-	-	109
Council Tax Support Fund	955	-	0	955
Sustainability Reserve	-	455	-	455
Agile working Reserve	330	-	(330)	-
Capital Fleet Reserve	-	384	-	384
Total Earmarked Reserves	11,491	6,327	(3,732)	14,086
General Reserve	8,561	885	-	9,446
Total General and Earmarked Reserves	20,052	7,212	(3,732)	23,532
Capital Receipts Reserve	956	212	(1,091)	77
Unapplied Capital Receipts Reserve	187	-	- 187	-
Total Usable Reserves	21,195	7,424	(5,010)	23,609

3. Non Financial Performance

In 2021 the PCC set out his plans for the next three years in a new Police and Crime Plan. This is centred around five pillars shown below. The plan sets out clear actions which will be taken in each of these five areas over the period of the plan. The detail of the performance during 2022/23 against each of these key areas can be found in the PCC's Annual Report which can be found on the OPCC website on the following link [The Police & Crime Commissioner for Cambridgeshire | Annual Report \(cambridgeshire-pcc.gov.uk\)](https://www.cambridgeshire-pcc.gov.uk/annual-report).

TACKLING CRIME & KEEPING COMMUNITIES SAFE

PUTTING COMMUNITIES FIRST	CRIME PREVENTION	SUPPORTING VICTIMS AND WITNESSES	ETHICAL POLICING	ROBUST ENFORCEMENT
 <p>We will ensure the police and other partners are listening to the public and working with them to act on their concerns and supporting them to assist themselves.</p> <p>From initial contact, to rural and business crime, anti-social behaviour, hate crime and speeding.</p>	 <p>We will work in partnership to understand and tackle the root causes of crime and serious violence through early intervention and rehabilitating people who have offended, while reducing opportunities for people to commit crime.</p>	 <p>We will protect vulnerable people and ensure victims and witnesses are placed at the heart of the criminal justice system, commissioning services to support them.</p> <p>We will recognise every victim's experience is different and will provide a quality service which maintains their trust and confidence in the criminal justice system.</p>	 <p>We will ensure the police act with integrity and social responsibility, promoting a culture that is inclusive, diverse and takes equality seriously.</p> <p>From how they interact with the public they serve, to environmental sustainability.</p>	 <p>We will ensure the police and other partners such as courts, prosecutors, probation and local authorities are using criminal justice and other enforcement processes effectively to keep Cambridgeshire and Peterborough safe.</p>

4. Outlook

The Medium Term Financial Strategy (MTFS) 2023/24 to 2026/27 was approved by the PCC in February 2023 and sets out the financial plans over the next four years. The policing budget for Cambridgeshire is facing significant pressures over the coming 4 years Whilst the budget is balanced for 23/24, significant savings need to be found from 24/25 (see table below). Work is underway to address savings required.

However, there are a significant number of national and government initiatives where costs are borne by individual forces. These areas present a challenge to the MTFS as the implications are out of the Constabulary's control.

- The National Drugs Campaign from Harm to Hope is a 10-year plan to cut crime and save lives. To thrive and succeed communities need to feel safe on the streets and secure in their homes.
- Violence Against Women and Girls (VAWG) is a national agenda in response to crimes of violence, harassment and abuse against women and girls. The constabulary is working with the National Police Chiefs Council (NPCC) as well as locally with partners to respond to VAWG effectively with resources identified in the budget for this purpose.
- The Police Race Action Plan is a national programme of work which seeks to create anti-racist culture, values and behaviours within policing. It aims to address the significantly lower level of trust and confidence and race disparities affecting black people and sets out changes across policing to

improve outcomes for black people who work within or interact with policing. The constabulary is working closely with the College of Policing (CoP) and NPCC programme team to ensure an effective local programme of work is underway to deliver against the action plan.

- The National Enabling Programme (NEP) which is designed to strategically align policing nationally under the Policing Vision 2025 and will underpin a national digital secure workplace and generate efficiencies.
- The National Police Air Service (NPAS) provided through a single air service to police forces across England and Wales.
- Transforming the Forensics Landscape where National Programmes such as the Digital Forensics Programme, the impending Statutory Codes of Practice with regards to Scientific Activities, the advancement of digital redactions tools and work across the forensic marketplace are just some examples where national pressures exist and continue to grow. Alongside the Forensic Capability Network national approaches are being developed to increase quality, improve efficiency and speed to investigations to support criminal justice outcomes.
- Police Education Qualification Framework (PEQF) a national requirement to have a framework across the country for education and training of new police officers covering both degree and non-degree entry routes. The PEQF is delivered with education providers locally and Cambridgeshire is delivering the PEQF with Anglia Ruskin University as the successful contractor across the Eastern Region.
- The National Productivity and Efficiency Review, commissioned by the Home Secretary to examine potential efficiencies nationally and to identify 'blockers and enablers' on key issues such as Mental Health, National Crime Recording and Criminal Justice.

The current 2023/24 MTFS can be accessed at the following link: [2023-24 Medium Term Financial Strategy](#)

(Link Address [The Police & Crime Commissioner for Cambridgeshire | BCB 23rd February 2023 \(cambridgeshire-pcc.gov.uk\)](#))

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

	Budget	Forecast Budget	Forecast Budget	Forecast Budget
	2023/24	2024/25	2025/26	2026/27
	£'000	£'000	£'000	£'000
Total In-House Expenditure	114,858	120,912	124,918	128,780
Net Cost of Police Pensions	18,924	20,404	21,003	21,548
Total BCH Collaboration	38,916	40,149	41,152	42,131
Total Other Collaborations & Partnership	5,674	5,758	5,860	5,972
Constabulary Expenditure	178,373	187,223	192,934	198,432
Total Income	-1,672	-1,672	-1,673	-1,674
Total Constabulary Budget	176,702	185,550	191,260	196,757
Total OPCC Office Expenditure	1,327	1,365	1,397	1,425
Total Corporate Costs and Grants	-3,121	-3,751	-951	-951
Total Capital Financing Costs	3,251	5,675	7,801	9,082
Savings Required	0	-5,218	-9,339	-12,449
NET BUDGET REQUIREMENT (NBR)	178,160	183,621	190,169	193,865
Financed by:				
Formula Grant	95,400	96,960	97,930	98,909
Uplift Grant (baseline of ringfenced grant)			2,800	2,800
Precept	82,304	86,465	89,439	92,156
Local Council Tax Earmarked Reserve	558	397	-	-
Contribution (to)/from Reserves	-	-	-	-
Collection Fund - (Deficit) / +Surplus	-102	-200	-	-
TOTAL FINANCING	178,160	183,622	190,169	193,865

In response to these risks work is already underway for the 2024/25 budget and MTFP refresh. The assumptions underpinning the current MTFP, such as inflation, cost pressures, grant increase and precept funding will be revisited. Significant savings proposals are being developed and will be assessed in the coming months as part of the planning cycle.

The PCC is well placed with cash reserves and a strategy to protect these reserves and only use them where essential or for ear-marked purposes. Following the financial planning undertaken for the 2023/24 to 2026/27 MTFS refresh the revenue budget is in a strong position to manage these uncertainties for the next two years. However, budget savings do need to be identified which is the focus of financial planning to secure a truly balanced and sustainable MTFS.

Whilst there are financial uncertainties the PCC is heading into some exciting times as it works with the force to develop the estate, such as the Southern Police Station project and the operational support unit specialist training facilities and firing range facilities. These projects will transform and modernise the policing services for Cambridgeshire and collaborated partners.

5. Financial Statements & EFA Disclosure

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 (CIES).

The Comprehensive Income and Expenditure Statement (CIES)

This statement 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. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

Balance Sheet

The Balance Sheet shows the value at the 31 March 2023 of the assets and liabilities recognised by the PCC. The net assets of the PCC (assets less liabilities) 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 2023 is negative £1.100b as shown below (31 March 2022 £1.670b). At this time, the statutory arrangements for funding the Pension deficit mean that the financial position of the Constabulary continues to remain healthy.

	31/03/2023
	£m
Long Term Assets	60
Current Assets	33
Current Liabilities	(22)
Long Term Liabilities	(1,171)
Net Asset	(1,100)
Usable Reserves	(24)
Unusable Reserves	1,124
	1,100

The Cash Flow Statement

The Cash Flow Statement shows the changes in “cash” (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.

	31/3/2023
Net cashflows from	£m
Operating activities	5.3
Investing activities	(7.9)
Financing activities	(0.6)
Net increase in cash and cash equivalents	(3.2)
Cash & Cash equivalents	
At the beginning of reportin period	7.0
At the end of the reporting period	3.8

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.

Insert signature

Phil Trussell FCCA
Chief Finance Officer to the Cambridgeshire Police and Crime Commissioner
4 December 2024

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 2023 and its income and expenditure for the year then ended.

Insert signature

Phil Trussell FCCA

Chief Finance Officer to the Cambridgeshire Police and Crime Commissioner

Signature

Darryl Preston

Cambridgeshire Police and Crime Commissioner

4 December 2024

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 Business Rates) in comparison with those resources consumed or earned in accordance with generally accepted accounting practices.

Net Expenditure Chargeable to the General Fund Balance	2021/22		Net Expenditure in the Comprehensive Income and Expenditure Statement		2022/23		Net Expenditure in the Comprehensive Income and Expenditure Statement
	Adjustments between the Funding and Accounting Basis Note 8				Net Expenditure Chargeable to the General Fund Balance	Adjustments between the Funding and Accounting Basis Note 8	
£000	£000	£000	£000		£000	£000	£000
158,326	13,328	171,654	171,654	Police Services	166,974	5,933	172,907
4,003	179	4,182	4,182	Corporate, Democratic and Commissioning Services	2,724	138	2,862
162,329	-	175,836	175,836	Net Cost of Services	169,698	6,071	175,769
(166,152)	34,801	(131,351)	(131,351)	Other Income and Expenditure	(173,178)	46,027	(127,151)
(3,823)	48,308	44,485	44,485	Deficit on Provision of Services	(3,480)	52,098	48,618
16,229				Opening General Fund Balance	20,052		
3,823				Less Deficit on General Fund in Year	3,480		
20,052				Closing General Fund Balance	23,532		

Police and Crime Commissioner's Expenditure and Funding Analysis

Net Expenditure Chargeable to the General Fund Balance	2021/22	Net Expenditure in the Comprehensive Income and Expenditure Statement		Net Expenditure Chargeable to the General Fund Balance	2022/23	Net Expenditure in the Comprehensive Income and Expenditure Statement
	Adjustments between the Funding and Accounting Basis Note 8				Adjustments between the Funding and Accounting Basis Note 8	
£000	£000	£000		£000	£000	£000
(9,204)	(2,141)	(11,345)	Police Services	(11,047)	(498)	(11,545)
4,002	180	4,182	Corporate, Democratic and Commissioning Services	2,724	138	2,862
183,141	-	183,141	Intra-group Adjustment for financial resources consumed	194,047	-	194,047
177,939	(1,961)	175,978	Net Cost of Services	185,724	(360)	185,364
(181,762)	(27)	(181,789)	Other Income and Expenditure	(189,204)	150	(189,054)
(3,823) -	(1,988) -	(5,811)	Deficit on Provision of Services	(3,480)	(210)	(3,690)
16,229			Opening General Fund Balance	20,052		
3,823			Less Deficit on General Fund in Year	3,480		
20,052			Closing General Fund Balance	23,532		

Comprehensive Income and Expenditure Statement – Group

2021/22 Gross Expenditure £000	2021/22 Gross Income £000	2021/22 Net Expenditure £000		2022/23 Gross Expenditure £000	2022/23 Gross Income £000	2022/23 Net Expenditure £000
188,900	(17,246)	171,654	Police Services	192,678	(19,771)	172,907
7,357	(3,175)	4,182	Corporate, Democratic and Commissioning Services	6,088	(3,226)	2,862
196,257	(20,421)	175,836	Net Cost of Services	198,766	(22,997)	175,769
(1,345)	-	(1,345)	Other Operating Expenditure (note 13)	157	-	157
35,393	-	35,393	Financing and Investment Income and Expenditure (note 14)	45,921	-	45,921
-	(165,399)	(165,399)	Taxation and Non-Specific Grant Income (note 15)	-	(173,229)	(173,229)
230,305	(185,820)	44,485	Deficit on Provision of Services	244,844	(196,226)	48,618
		(330)	Surplus on revaluation of Property, Plant and Equipment (note 24)			4,679
		(58,053)	Remeasurement of the net defined benefit liability (note 33)			(623,842)
		(58,383)	Other Comprehensive Income and Expenditure			(619,163)
		161,938	Total Comprehensive Income and Expenditure			(570,545)

Comprehensive Income and Expenditure Statement – Police and Crime Commissioner

2021/22 Gross Expenditure £000	2021/22 Gross Income £000	2021/22 Net Expenditure £000		2022/23 Gross Expenditure £000	2022/23 Gross Income £000	2022/23 Net Expenditure £000
5,900	(17,246)	(11,345)	Police Services	8,226	(19,771)	(11,545)
7,358	(3,175)	4,182	Corporate, Democratic and Commissioning Services	6,088	(3,226)	2,862
183,141	-	183,141	Intra-Group Adjustment for financial resources consumed (note 7)	194,047	-	194,047
196,399	(20,421)	175,978	- Net Cost of Services	208,361	(22,997)	185,364
(1,345)	(15,610)	(16,955)	Other Operating Expenditure (note 13)	157	(16,028)	(15,871)
565	-	565	Financing and Investment Income and Expenditure (note 14)	46	-	46
-	(165,399)	(165,399)	Taxation and Non-Specific Grant Income (note 15)	-	(173,229)	(173,229)
195,619	(201,430)	(5,811)	Deficit on Provision of Services	208,564	(212,254)	(3,690)
		(330)	Surplus on revaluation of Property, Plant and Equipment (note 24)			4,679
		(638)	Remeasurement of the net defined benefit liability (note 33)			(1,893)
		(968)	Other Comprehensive Income and Expenditure			2,786
		(6,779)	Total Comprehensive Income and Expenditure			(904)

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 2021	16,229	187	16,416	(1,700,665)	(1,684,249)
Movement in reserves during 2021/22					
Total Comprehensive Income and Expenditure	(44,485)	-	(44,485)	58,383	13,898
Adjustments between accounting basis & funding basis under regulations (note 10)	48,308	956	49,264	(49,264)	-
(Decrease) in 2021/22	3,823	956	4,779	9,119	13,898
Balance at 31 March 2022	20,052	1,143	21,195	(1,691,546)	(1,670,351)
Movement in reserves during 2022/23					
Total Comprehensive Income and Expenditure	(48,618)	-	(48,618)	619,163	570,545
Adjustments between accounting basis & funding basis under regulations (note 10)	52,098	(1,066)	51,032	(51,032)	-
Increase in 2022/23	3,480	(1,066)	2,414	568,131	570,545
Balance at 31 March 2023	23,532	77	23,609	(1,123,415)	(1,099,806)

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 2021	16,229	187	16,416	35,953	52,369
Movement in reserves during 2021/22					
Total Comprehensive Income and Expenditure	5,811	-	5,811	968	6,779
Adjustments between accounting basis & funding basis under regulations (note 11)	(1,988)	956	(1,032)	1,032	-
(Decrease) in 2021/22	3,823	956	4,779	2,000	6,779
Balance at 31 March 2022	20,052	1,143	21,195	37,953	59,148
Movement in reserves during 2022/23					
Total Comprehensive Income and Expenditure	3,690	-	3,690	(2,786)	904
Adjustments between accounting basis & funding basis under regulations (note 11)	(210)	(1,066)	(1,276)	1,276	-
Increase in 2022/23	3,480	(1,066)	2,414	(1,510)	904
Balance at 31 March 2023	23,532	77	23,609	36,443	60,052

Group and Police and Crime Commissioner's Balance Sheet

	Notes	31 March 2023			31 March 2022		
		Chief £000	PCC £000	Group £000	Chief £000	PCC £000	Group £000
Property, Plant and Equipment	16	-	58,848	58,848	-	58,933	58,933
Investment Property		-	122	122	-	122	122
Intangible Assets	17	-	1,365	1,365	-	2,585	2,585
Long Term Assets		-	60,335	60,335	-	61,640	61,640
Short Term Investments	18	-	5,000	5,000	-	6,500	6,500
Inventories		-	1,291	1,291	-	1,170	1,170
Short Term Debtors	19	-	22,699	22,699	-	23,144	23,144
Cash and Cash Equivalents	20	-	3,812	3,812	-	7,001	7,001
Current Assets		-	32,802	32,802	-	37,815	37,815
Short Term Borrowing	18	-	(348)	(348)	-	(587)	(587)
Short Term Creditors	21	(5,993)	(16,096)	(22,089)	(5,504)	(20,993)	(26,497)
Current Liabilities		(5,993)	(16,444)	(22,437)	(5,504)	(21,580)	(27,084)
Long Term Creditors		-	(43)	(43)	-	(43)	(43)
Provisions	22	-	(2,132)	(2,132)	-	(2,132)	(2,132)
Long Term Borrowing	18	-	(15,805)	(15,805)	-	(16,153)	(16,153)
Other Long Term Liabilities	33	(1,153,865)	1,339	(1,152,526)	(1,723,995)	(399)	(1,724,394)
Long Term Liabilities		(1,153,865)	(16,641)	(1,170,506)	(1,723,995)	(18,727)	(1,742,722)
Net Assets/(Liabilities)		(1,159,858)	60,052	(1,099,806)	(1,729,499)	59,148	(1,670,351)
Usable Reserves	23	-	(23,609)	(23,609)	-	(21,195)	(21,195)
Unusable Reserves	24	1,159,858	(36,443)	1,123,415	1,729,499	(37,953)	1,691,546
Total Reserves		1,159,858	(60,052)	1,099,806	1,729,499	(59,148)	1,670,351

Group and Police and Crime Commissioner's Cash Flow Statement

	2022/23		2021/22	
	PCC	Group	PCC	Group
	£000	£000	£000	£000
Net deficit on the provision of services	3,690	(48,618)	5,811	(44,485)
Adjust net deficit on the provision of services for non cash movements (note 25)	1,567	53,875	1,393	51,689
Net cash flows from Operating Activities	5,257	5,257	7,204	7,204
Investing Activities				
Purchase of Property, Plant and Equipment and Intangible Assets	(9,571)	(9,571)	(8,789)	(8,789)
Proceeds from the sale of property, plant and equipment	212	212	2,481	2,481
Purchase of Short Term Investments	(5,000)	(5,000)	(6,500)	(6,500)
Proceeds from the Sale of Short Term Investments	6,500	6,500	4,000	4,000
Financing Activities				
Repayments of long term borrowing	(587)	(587)	(562)	(562)
Net increase in cash and cash equivalents	(3,189)	(3,189)	(2,166)	(2,166)
Cash and cash equivalents at the beginning of the reporting period	7,001	7,001	9,167	9,167
Cash and cash equivalents at the end of the reporting period (Note 20)	3,812	3,812	7,001	7,001

Notes to the Accounts

1. Accounting Policies

The Statement of Accounts summarises the transactions for the 2022/23 financial year and the position at 31 March 2023. 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 2022/23, 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 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 2021. 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 a de-minimis limit of £5,000 is applied for revenue and £10,000 for capital.

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.

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.

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 LGPS is a funded scheme and as such the assets of the scheme are attributable to the Group and are included in the Balance Sheet at their fair value as follows:

- Quoted securities – current bid price;
- Unquoted securities – a professional estimate of fair value;
- Unitised securities – current bid price; and
- Property – market value.

Scheme assets include current assets, such as debtors and cash, as well as the investment portfolio. Accrued expenses and other current liabilities (such as fees payable to fund managers) are deducted from the net asset/liability. All scheme assets are held and monitored by Cambridgeshire County Council LGPS (the administrator); further information can be seen within their Statement of Accounts for 2022/23.

Liabilities largely comprise benefits promised under the formal terms of the pension scheme. Scheme liabilities are measured using the projected unit method. This method examines all the benefits for pensioners and deferred pensioners and their dependants and the accrued benefits for current members of the scheme, making allowance for projected scheme member earnings.

The change in the net pensions liability is analysed over the following headings:

Current Service Cost

This is the increase in liabilities as a result of years of service earned in the current year, allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.

Interest Cost

This is the expected increase in the present value of liabilities accrued during the year as they move one year closer to being paid. Interest cost is charged to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Expected Return on Assets

This is a measure of the estimated return (income from dividends, interest, etc.) on the investments held by the scheme for the year. It is not intended to reflect the actual realised return by the scheme, but an estimate at the beginning of the financial year of the long-term future expected investment return for each asset class. The expected return on assets is credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

The expected return is based on:

- For quoted corporate or government bonds – application of the current redemption yield at the start of the year to the market value of bonds held; and
- For other assets (especially equities) – application of the rate of return expected for each significant class of assets over the long-term at the beginning of the year to the fair value of assets held.

Actuarial Gains and Losses

This element arises where actual events have not coincided with the actuarial assumptions made for the last valuation (known as experience gains and losses) or the actuarial assumptions have been updated. For instance, there may have been an unexpectedly high pay award in the year, or new research might alter assumptions about general levels of mortality. Actuarial gains and losses are recognised in the Pension Reserve.

Past Service Costs

These arise from decisions taken in the current year, but whose financial effect is derived from years of service earned in earlier years. For instance, if scheme regulations were amended to increase the multiplier derived from years of service applied to final salaries in calculating pensions, total liabilities would rise but the majority of this rise would not relate to employee activity in the current year. It is therefore presented separately from the Current Service Cost and is charged to Non-Distributed Costs in the Comprehensive Income and Expenditure Statement.

Settlements and Curtailments

These are events that change pension liabilities but are not normally covered by actuarial assumptions.

Settlements are irrevocable actions that relieve the employer of the primary responsibility for pension obligations (e.g. the transfer of scheme assets and liabilities relating to a group of employees moving to another scheme).

Curtailments are events that reduce the expected years of future service of present employees or reduce for a number of employees the accrual of defined benefits for some or all of their future service (e.g. closing a service unit of the Group).

Gains or losses on settlements and curtailments are debited to the Comprehensive Income and Expenditure Statement.

Contributions paid to defined benefit schemes

This is the cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as a separate expense.

Actual amount charged against the General Fund Balance for pensions in the year

Revenue charges in respect of current and past service costs, interest costs and the expected return on assets are reversed in order that actual employer's contributions and retirement benefits payable are recognised in the General Fund Balance. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pension Reserve to remove notional debits and credits 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 Pension Reserve thereby measures the beneficial impact on the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits 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 when the Group becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and carried at their amortised cost. Annual charges to the Financing and Investing 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, for most of the borrowings that the Group has, the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest), and the interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year in the loan agreement.

Gains or losses on the repurchase or early settlement of borrowing are credited and debited to the Financing and Investing Income and Expenditure line in the Comprehensive Income and Expenditure Statement in the year of repurchase/settlement. However, where repurchase has taken place as a part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write-down to the Comprehensive Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.

Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the General Fund Balance to be spread over future years. The Group has a policy of spreading the gain or loss over the term that was remaining on the loan against which the premium was payable or the discount receivable when it was repaid. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the General Fund Balance is managed by a transfer to or from a Financial Instruments Adjustment Account in the Movement in Reserves Statement.

(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 went live in January 2020. Costs are apportioned across the 7 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. 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;
- 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.

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 are credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss 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 2022/23 have been carried out by Chartered Surveyors Montagu Evans 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 for assets valued over £300,000. 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) Provisions

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. 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.

(xii) 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.

(xiii) 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.

(xiv) 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.

2. Accounting Standards adopted during the year

There have been no new Accounting Standards adopted in the year.

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

Accounting Standards issued in the 2023/24 code but not yet adopted are listed below:

- Definition of Accounting Estimates (Amendments to IAS 8) issued in February 2021.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) issued in February 2021.
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12) issued in May 2021.
- Updating a Reference to the Conceptual Framework (Amendments to IFRS 3) issued in May 2020.

Changes to these accounting standards are included in the 2023/24 CIPFA Code of Practice and once adopted may require disclosure in 2023/24 depending on their impact.

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 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	<p>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).</p>	<p>The effects on the net pension liability of changes in individual assumptions can be measured.</p> <p>However, the assumptions interact in complex ways. During 2022/23, the Group's actuaries advised that the net pension liability had increased by £21.9m for Police Pension Schemes (including a decrease of £225m as a result of changes in financial assumptions) and a decrease of £28m for Police Staff Pensions as a result of changes in financial assumptions. See note 19.</p> <p>A sensitivity analysis shown in Note 33 shows the impact that a 0.1% increase in Real Discount Rate will have or a 0.1% increase in Salary or Pension Increase would have on the 4 pension schemes. The highest impact likely is on the Police Pension Scheme if the Real Discount Rate was reduced with a potential impact of £18.4m (1.6% reduction in liability)</p>
Property, Plant & Equipment	<p>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 for, 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 5 year rolling programme and so the potential exists for variations in value and changes in useful life.</p> <p>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.</p>	<p>Our total land and buildings are valued at £58.8m. A 0.5% adjustment to the yield upwards and downwards to the PCC's Land & Buildings would result in an approximate -£2.1m and a £2.3m change respectively to the value shown in the PCC's Balance Sheet.</p>

6. Events after the Reporting Period

The Statement of Accounts were authorised for issue by the Chief Finance Officer on 5 December 2024

There are no events to report 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 though 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.

	2022/23	2021/22
	£000	£000
<u>Comprehensive Income and Expenditure Statement</u>		
PCC resources consumed at the request of the CC	194,047	183,141
PCC funding for resources consumed at the request of the CC	(194,047)	(183,141)

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)	2022/23
				Total Adjustments
	£000	£000	£000	£000
Police Services	(498)	5,942	489	5,933
Corporate, Democratic and Commissioning Services	-	138	-	138
Net Cost of Services	(498)	6,080	489	6,071
Other Income and Expenditure	-	45,893	134	46,027
Difference between the General Fund Deficit and Comprehensive Income and Expenditure Deficit	(498)	51,973	623	52,098
				2021/22
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	(2,141)	16,417	(948)	13,328
Corporate, Democratic and Commissioning Services	-	179	-	179
Net Cost of Services	(2,141)	16,596	(948)	13,507
Other Income and Expenditure	-	34,847	(46)	34,801
Difference between the General Fund Deficit and Comprehensive Income and Expenditure Deficit	(2,141)	51,443	(994)	48,308

Police and Crime Commissioner's 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)	2022/23 Total Adjustments
	£000	£000	£000	£000
Police Services	(498)	-	-	(498)
Corporate, Democratic and Commissioning Services	-	138	-	138
Net Cost of Services	(498)	138	-	(360)
Other Income and Expenditure	-	16	134	150
Difference between the General Fund Deficit and Comprehensive Income and Expenditure Deficit	(498)	154	134	(210)
2021/22				
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	(2,141)	-	-	(2,141)
Corporate, Democratic and Commissioning Services	-	180	-	180
Net Cost of Services	(2,141)	180	-	(1,961)
Other Income and Expenditure	-	19	(46)	(27)
Difference between the General Fund Deficit and Comprehensive Income and Expenditure Deficit	(2,141)	199	(46)	(1,988)

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 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 receivable in the year to those receivable 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 Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

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

9. Expenditure and Income Analysed by Nature

<u>Group</u>	2022/23	2021/22
	£'000	£'000
POLICE SERVICES		
Expenditure		
Police Pay and Allowances	79,473	74,570
Police Staff Pay and Allowances	49,335	47,817
Other Pay and Allowances	1,427	479
Other Employee Expenses	1,946	1,942
Police Pensions	19,734	28,720
Premises	5,639	5,535
Transport	4,381	3,873
Supplies and Services	22,667	19,636
Agency and Contracted Services	1,793	1,652
Depreciation and Impairment of Fixed Assets	6,283	4,676
Total Police Services	192,678	188,900
Net (Gain)/Loss on Disposal of Fixed Assets	157	(1,345)
Financing and Investment Income and Expenditure	45,921	35,393
Total Expenditure	238,756	222,948
Income		
Government Grants	(2,952)	(1,888)
Income from Fees and Charges	(16,819)	(15,358)
Taxation and Non-Specific Grant Income	(173,229)	(165,399)
Total Income	(193,000)	(182,645)
CORPORATE, DEMOCRATIC AND COMMISSIONING SERVICES		
Expenditure		
Police Staff Pay and Allowances	1,147	1,079
Other Employee Expenses	5	5
Premises	2	-
Transport	3	1
Supplies and Services	4,931	6,272
Total Expenditure	6,088	7,357
Income		
Other Income	(115)	(48)
Government Grants	(3,111)	(3,127)
Total Income	(3,226)	(3,175)
Deficit on Provision of Services	48,618	44,485

<u>PCC</u>	2022/23	2021/22
	£'000	£'000
POLICE SERVICES		
Expenditure		
Depreciation and Impairment of Fixed Assets	6,283	4,676
Supplies and Services	1,942	1,225
Intra-Group Adjustment for financial resources consumed	194,048	183,141
Total Police Services	202,273	189,042
Financing and Investment Income and Expenditure	46	565
Other Operating Expenditure	157	(1,345)
Total Expenditure	202,476	188,262
Income		
Government Grants	(2,952)	(1,888)
Income from Fees and Charges	(16,819)	(15,358)
Other Operating Income	(16,028)	(15,610)
Taxation and Non-Specific Grant Income	(173,229)	(165,399)
Total Income	(209,028)	(198,255)
CORPORATE, DEMOCRATIC AND COMMISSIONING SERVICES		
Expenditure		
Police Staff Pay and Allowances	1,147	1,079
Other Employee Expenses	5	5
Premises	2	0
Transport	3	1
Supplies and Services	4,931	6,272
Total Expenditure	6,088	7,357
Income		
Income from Fees and Charges	(115)	(48)
Government Grants	(3,111)	(3,127)
Total Income	(3,226)	(3,175)
Deficit on Provision of Services	<u>(3,690)</u>	<u>(5,811)</u>

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 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.

	2022/23		2021/22	
	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)	51,973	-	51,443	-
Council tax (transfers to (or from) Collection Fund)	134	-	(46)	-
Holiday pay (transferred to the Accumulated Absences Reserve)	489	-	(948)	-
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)	6,441	-	4,260	-
Total Adjustments to Revenue Resources	59,037	-	54,709	-
Adjustments between Revenue and Capital Resources				
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	-	212	-	1,551
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	(1,178)	-	(980)	-
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	(5,388)	-	(4,307)	-
Total Adjustments between Revenue and Capital Resources	(6,566)	212	(5,287)	1,551
Adjustments to Capital Resources				
Use of the Capital Receipts Reserve to finance capital expenditure	-	(1,091)	-	(1,550)
Addition of unapplied Capital Grant	-	-	(929)	929
Application of capital grants & Compulsory Purchase compensation to finance capital expenditure	(320)	-	(185)	-
Cash payments in relation to deferred capital receipts	-	-	-	26
Transfer from the Capital Receipts Reserve to the Capital Carry Forward Reserve	(240)	-	-	-
Transfer from the Capital Receipts Reserve to the Sustainability Reserve	187	(187)	-	-
Total Adjustments to Capital Resources	(373)	(1,278)	(1,114)	(595)
Total Adjustments	52,098	(1,066)	48,308	956

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 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.

	2022/23		2021/22	
	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)	154	-	199	-
Council tax (transfers to (or from) Collection Fund)	134	-	(46)	-
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)	6,441	-	4,260	-
Total Adjustments to Revenue Resources	6,729	-	4,413	-
Adjustments between Revenue and Capital Resources				
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	-	212	-	1,551
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	(1,178)	-	(980)	-
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	(5,388)	-	(4,307)	-
Total Adjustments between Revenue and Capital Resources	(6,566)	212	(5,287)	1,551
Adjustments to Capital Resources				
Use of the Capital Receipts Reserve to finance capital expenditure	-	(1,091)	-	(1,550)
Addition of unapplied Capital Grant	-	-	(929)	929
Application of capital grants & Compulsory Purchase compensation to finance capital expenditure	(320)	-	(185)	-
Cash payments in relation to deferred capital receipts	-	-	-	26
Transfer from the Capital Receipts Reserve to the Capital Carry Forward Reserve	(240)	-	-	-
Transfer from the Capital Receipts Reserve to the Sustainability Reserve	187	(187)	-	-
Total Adjustments to Capital Resources	(373)	(1,278)	(1,114)	(595)
Total Adjustments	(210)	(1,066)	(1,988)	956

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 2022/23.

	Balance at 31	2021/22			Balance at 31	2022/23			Balance at 31
	March 2021	Added to		March 2022	Added to		March 2023		
	£000	Reserve £000	Applied £000	£000	Reserve £000	Applied £000	£000		
Carry Forward Projects Reserve	1,158	1,812	(1,158)	1,812	2,110	(1,812)	2,110		
Insurance Reserve	1,676	-	266	1,410	-	-	1,410		
Ill-Health Retirement Reserve	398	-	-	398	-	-	398		
Drug Forfeiture (Operational) Reserve	398	93	116	375	72	(28)	419		
Budget Assistance Reserve	1,887	300	-	2,187	1,631	-	3,818		
Capital Carry Forward Reserve	1,008	-	0	1,008	768	(1,008)	768		
Asset Incentivisation Reserve	524	35	-	489	239	(284)	444		
Road Casualty Reduction & Support Fund	1,097	246	(323)	1,020	62	(264)	818		
Collaboration & Commissioning Reserve	251	192	-	443	88	-	531		
Uplift Reserve	30	70	70	30	-	-	30		
Major Incident Victim Support	25	-	-	25	-	-	25		
Eastern Region Serious Organised Crime Building Maintenance Fund	110	14	-	124	14	(6)	132		
Emergency Service Mobile Communication Programme Reserve	100	142	-	242	287	-	529		
Pension Reserve (McCloud & Revaluation Smoothing)	75	175	100	150	100	-	250		
Crime Reduction & Prevention Reserve	-	384	-	384	117	-	501		
Council Tax Fund Initiative Reserve	-	109	-	109	-	-	109		
Council Tax Support Fund	-	955	-	955	-	0	955		
Sustainability Reserve	-	-	-	-	455	-	455		
Agile working Reserve	-	330	-	330	-	(330)	-		
Capital Fleet Reserve	-	-	-	-	384	-	384		
Total Earmarked Reserves	8,737	4,787	(2,033)	11,491	6,327	(3,732)	14,086		
General Reserve	7,492	1,069	-	8,561	885	-	9,446		
Total General and Earmarked Reserves	16,229	5,856	(2,033)	20,052	7,212	(3,732)	23,532		
Capital Receipts Reserve	-	2,644	(1,688)	956	212	(1,091)	77		
Unapplied Capital Receipts Reserve	187	-	-	187	-	(187)	-		
Total Usable Reserves	16,416	8,500	(3,721)	21,195	7,424	(5,010)	23,609		

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.

Drug Forfeiture (Operational)

Funds transferred to the Drug Forfeiture Reserve are amounts received from the courts, earmarked to fight drug crime.

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 Incentivisation Reserve

Funds transferred to the Asset Incentivisation Reserve are amounts received from the Proceeds of Crime Act (POCA).

Road Casualty Reduction and Support Fund

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

Collaboration and Commissioning

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

Uplift Reserve

This reserve has been established in year in order to help meet the future costs of increasing the Officer workforce.

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.

ERSOU Building Maintenance Fund

This is a new reserve created from Home Office funding to cover planned maintenance costs of the building.

Crime Reduction and Prevention Reserve

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

ESMCP Reserve

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

Pension Reserve

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

Council Tax Fraud Initiative Reserve

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 Reserve

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

Agile Working Reserve

Following Covid the Constabulary is moving to a more flexible approach to working where possible which will include a mix of working from home and in the office. This reserve is to assist in creating this approach formally part of which is creation of a number of Agile spaces of work across the County and providing mixed workers with basic ICT kit to work from home.

Capital Fleet Reserve

This reserve has been established to cover some of the costs to ensure we meet our future sustainability targets on our Fleet.

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

	2022/23		2021/22	
	PCC £000	Group £000	PCC £000	Group £000
Pension Top Up Grant Received from Home Office	(16,028)	16,028	(15,610)	15,610
Pension Top Up Grant Transferred to Pension Fund	-	(16,028)	-	(15,610)
(Profit)/Loss on the disposal of non-current assets	157	157	(1,345)	(1,345)
	(15,871)	157	(16,955)	(1,345)

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

	2022/23		2021/22	
	PCC £000	Group £000	PCC £000	Group £000
Interest payable and similar charges	553	553	579	579
Net interest on the net defined benefit liability	124	52,300	89	39,188
Expected Return on Assets	(107)	(6,407)	(70)	(4,341)
Interest receivable and similar income	(525)	(525)	(33)	(33)
	45	45,921	565	35,393

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

	2022/23 £000	2021/22 £000
Council tax income	(76,389)	(73,430)
Non-domestic Rates, Council Tax Support & Freeze Grant	(35,706)	(34,073)
Non-ringfenced government grants	(59,416)	(56,313)
Capital grants	(320)	(185)
Pension Top up Grant	(1,398)	(1,398)
	(173,229)	(165,399)

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 2022	43,210	23,305	8,323	2,671	4,174	81,683
Additions	-	-	-	-	9,796	9,796
Disposals	-	(2,751)	(1,080)	-	-	(3,831)
Reclassifications	5,372	2,516	1,895	-	(9,449)	334
Revaluation increases/(decreases) recognised in the Revaluation Reserve	(4,998)	-	-	319	-	(4,679)
Impairments recognised in the Deficit on the Provision of Services	(2,507)	-	-	-	-	(2,507)
Revaluation increases/(decreases) recognised in the Provision of Services	-	-	-	-	-	-
At 31 March 2023	41,077	23,070	9,138	2,990	4,521	80,796
Accumulated depreciation						
At 1 April 2022	(2,175)	(16,864)	(3,711)	-	-	(22,750)
Charge for 2022/23	766	(2,200)	(1,224)	-	-	(2,658)
Disposals	-	2,742	719	-	-	3,461
Reclassifications	-	-	-	-	-	-
Revaluation increases recognised in the Revaluation Reserve	-	-	-	-	-	-
At 31 March 2023	(1,409)	(16,322)	(4,216)	0	0	(21,947)
Net book value						
31 March 2023	39,668	6,748	4,922	2,990	4,521	58,849
31 March 2022	41,035	6,441	4,612	2,671	4,174	58,933

	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 2021	42,133	25,516	8,035	3,414	2,294	81,392
Additions	-	-	-	-	7,306	7,306
Disposals	-	(4,636)	(982)	(743)	-	(6,361)
Reclassifications	1,679	2,435	1,286	-	(5,442)	(42)
Revaluation increases recognised in the Revaluation Reserve	329	-	-	-	-	329
Impairments recognised in the Deficit on the Provision of Services	(930)	(10)	-	-	-	(940)
Revaluation increase recognised in the Provision of Services	-	-	(16)	-	16	-
At 31 March 2022	43,211	23,305	8,323	2,671	4,174	81,684
Accumulated depreciation						
At 1 April 2021	(2,453)	(19,640)	(3,388)	-	-	(25,481)
Charge for 2021/22	124	(1,807)	(966)	-	-	(2,649)
Disposals	-	4,583	643	-	-	5,226
Reclassifications	-	-	-	-	-	-
Revaluation decreases recognised in the Provision of Services	153	-	-	-	-	153
At 31 March 2022	(2,176)	(16,864)	(3,711)	-	-	(22,751)
Net book value						
31 March 2022	41,035	6,441	4,612	2,671	4,174	58,933
31 March 2021	42,918	4,962	4,458	743	3,135	56,216

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 7 years, depending on type;
- Plant and Equipment - 5 years; and
- IT and Communications - 5 years.

Land and assets under construction are not depreciated.

Residual Values

The following residual values have been applied:

- Vehicles – 25% of cost.

Capital Commitments

At 31 March 2023, the Group has entered into a number of contracts related to capital expenditure on Property, Plant and Equipment assets in 2022/23 whose contractual commitments are £1.2m. The commitments relate to Estates and ICT. Included in the Medium Term Capital Plan is a new Southern Police Station for which the land purchase was completed on 1st April 2023 costing £4.2m inclusive of stamp duty. Work progresses to reach a contracted position for the construction of the building.

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 2022/23 have been carried out by Chartered Surveyors Montagu Evans. They have also undergone a rigorous review by our internal valuers Jackie Golby, Strategic Head of Estates and Elly McKee (MRICS) Chartered Surveyor (MRICS).

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.

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	Total
	Software Licenses	Land and Buildings	Surplus	Plant and Equipment	Vehicles	ACOC		
Assets valued at Historical Cost:	9,759	5,598	-	23,070	9,138	4,521	-	52,086
Valued at Current Value in:								
2022/23	-	28,507	-	-	-	-	-	28,507
2021/22	-	1,934	-	-	-	-	122	2,056
2020/21	-	1,457	2,990	-	-	-	-	4,447
2022/23	-	538	-	-	-	-	-	538
2021/22	-	1,913	-	-	-	-	-	1,913
2017/18	-	1,130	-	-	-	-	-	1,130
	9,759	41,077	2,990	23,070	9,138	4,521	122	90,677

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 £1,299k (£785k 21/22) & Level 2 £39,779k (£42,426k 21/22) 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 are carried out internally, in accordance with the methodologies and basis for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors. The Group's valuation experts work closely with finance staff reporting directly to the Chief Finance Officer on a regular basis regarding all valuation matters.

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

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 5 years, in line with other IT and Communication Assets. The carrying amount of intangible assets is amortised on a straight-line basis. Amortisation of £915k (2021/22 £1,240k) is chargeable to Police Services in the Comprehensive Income and Expenditure Statement.

The movement of assets are as follows:

	2022/23			2021/22		
	Intangibles under		Total £000	Intangibles under		Total £000
	Intangibles £000	Development £000		Intangibles £000	Development £000	
Balance at start of year:						
Gross carrying amount	10,065	-	10,065	8,074	1,453	9,527
Accumulated amortisation	(7,480)	-	(7,480)	(6,240)	-	(6,240)
Net carrying amount at start of year	2,585	-	2,585	1,834	1,453	3,287
Additions	-	232	232	-	496	496
Disposals	(203)	-	(203)			
Reclassifications from assets under construction	(249)	(85)	(334)	1,991	(1,949)	42
Amortisation for the period	(915)	-	(915)	(1,240)	-	(1,240)
Net carrying amount at end of year	1,218	147	1,365	2,585	-	2,585
Comprising:						
Gross carrying amount	9,613	147	9,760	10,065	-	10,065
Accumulated amortisation	(8,395)	-	(8,395)	(7,480)	-	(7,480)
	1,218	147	1,365	2,585	-	2,585

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.

2022/23

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	-	-	3,812	5,000	1,742	10,554
Total Financial Assets	-	-	3,812	5,000	1,742	10,554

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	-	-	-	-	-	-	-
Amortised Cost	15,805	-	348	5,993	10,351	16,344	32,497
Total Financial Assets	15,805	-	348	5,993	10,351	16,344	32,497

2021/22

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	-	-	7,001	6,500	8,360	21,861
Total Financial Assets	-	-	7,001	6,500	8,360	21,861

Financial Liabilities

	Non Current		Current			Group Creditors £000	Total
	Borrowings	Creditors	Borrowings	Creditors Chief £000	Creditors PCC £000		
Fair Value through Profit and loss	-	-	-	-	-	-	-
Amortised Cost	16,153	-	587	5,504	15,326	20,830	37,570
Total Financial Assets	16,153	-	587	5,504	15,326	20,830	37,570

Fair Values of Financial Assets and Financial Liabilities

At 31st March 2023, 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 2023		31 March 2022	
	Amount	Fair Value	Amount	Fair Value
Financial liabilities at amortised cost:				
Public Works loan Board loans	(16,153)	(14,517)	(16,740)	(19,671)

The fair value on borrowing is lower/higher than the carrying amount dependent on the Group's portfolio of loans and the interest rates 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

	2022/23	2021/22
	£000	£000
Trade Receivables	566	784
Prepayments	2,679	5,281
Other Receivables	19,606	17,079
	22,851	23,144

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

	2022/23	2021/22
	£000	£000
Cash held by the Commissioner	15	19
Bank current accounts	(423) *	4,423
Short term deposits	4,220	2,559
	3,812	7,001

* Pension Payroll paid on 31/3/23

21. Group and Police and Crime Commissioner's Creditors

	2022/23		2021/22	
	PCC	Group	PCC	Group
	£000	£000	£000	£000
Trade Creditors	(469)	(469)	(933)	(933)
Other Creditors	(15,627)	(21,620)	(20,060)	(25,564)
	(16,096)	(22,089)	(20,993)	(26,497)

22. Group and Police and Crime Commissioner's Provisions

Insurance

The balance at 31 March 2023 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.

	2022/23	2021/22
	£000	£000
Insurance		
Balance at 1 April	1,928	1,107
Increase (Decrease) in year	-	821
Balance at 31 March	<u><u>1,928</u></u>	<u><u>1,928</u></u>
	2022/23	2021/22
	£000	£000
Legal Provision		
Balance at 1 April	204	205
Amounts used in year	-	(1)
Increase in year	-	-
Balance at 31 March	<u><u>204</u></u>	<u><u>204</u></u>
Total Provision	<u><u>2,132</u></u>	<u><u>2,132</u></u>

23. 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.

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

	2022/23		2021/22	
	Group	PCC	Group	PCC
	£000	£000	£000	£000
Revaluation Reserve	12,597	12,597	17,180	17,180
Capital Adjustment Account	23,140	23,140	21,673	21,672
Pensions Reserve	(1,152,526)	1,339	(1,724,395)	(399)
Collection Fund Adjustment Account	(633)	(633)	(500)	(500)
Accumulated Absences Account	(5,993)	-	(5,504)	-
	<u><u>(1,123,415)</u></u>	<u><u>36,443</u></u>	<u><u>(1,691,546)</u></u>	<u><u>37,953</u></u>

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.

	2022/23	2021/22
	£000	£000
Balance at 1 April	17,180	16,697
(Downward)/Upward revaluation of assets	(4,679)	329
Difference between fair value depreciation and historical cost depreciation	96	154
Balance at 31 March	<u>12,597</u>	<u>17,180</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.

	2022/23 £000	2021/22 £000
Balance at 1 April	21,673	20,615
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	(5,368)	(3,436)
Revaluation losses on Property, Plant and Equipment		
Amortisation of intangible assets	(915)	(1,240)
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	(370)	416
Difference between fair value depreciation and historical cost depreciation	(97)	(154)
Capital financing applied in the year:		
Use of the Capital Receipts Reserve to finance new capital expenditure	1,091	1,551
Use of the Reserves to finance new capital expenditure	-	(1,551)
Use of Capital Carry Forward Reserve to finance new capital expenditure	240	-
Capital grants credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	320	185
Compulsory Purchase Compensation applied to capital financing	-	-
Statutory provision for the financing of capital investment charged against the General Fund	1,178	980
Capital expenditure charged against the General Fund	5,388	4,307
Balance at 31 March	23,140	21,673

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 33.

	Group	
	2022/23	2021/22
	£000	£000
Balance at 1 April	(1,724,395)	(1,731,005)
Remeasurements of the net defined benefit liability	623,842	58,053
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	(95,752)	(94,723)
Employer's pensions contributions and direct payments to pensioners payable in the year	43,779	43,280
Balance at 31 March	<u>(1,152,526)</u>	<u>(1,724,395)</u>
	PCC	
	2022/23	2021/22
	£000	£000
Balance at 1 April	(399)	(839)
Remeasurements of the net defined benefit liability	1,893	638
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	(344)	(351)
Employer's pensions contributions and direct payments to pensioners payable in the year	189	153
Balance at 31 March	<u>1,339</u>	<u>(399)</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.

	2022/23 £000	2021/22 £000
Balance at 1 April	(5,504)	(6,452)
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	(489)	948
Balance at 31 March	<u>(5,993)</u>	<u>(5,504)</u>

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

The cash flows for operating activities include the following items:

	2022/23		2021/22	
	PCC £000	Group £000	PCC £000	Group £000
Depreciation	2,658	2,658	2,496	2,496
Amortisation	2,507	2,507	1,240	1,240
Impairment and downward valuations	1,118	1,118	940	940
Decrease in creditors	(5,822)	(5,333)	(13,777)	(14,424)
Decrease in debtors	293	293	11,646	11,646
Decrease in inventories	(121)	(121)	(133)	(133)
Movement in Pension Liability	154	51,973	500	51,443
Carrying value of non-current assets sold or derecognised	158	158	(1,345)	(1,345)
Other non-cash items charged to the net surplus or deficit on the provision of services	622	622	(174)	(174)
	<u>1,567</u>	<u>53,875</u>	<u>1,393</u>	<u>51,689</u>

26. Group and Police and Crime Commissioner's Joint Operations

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 six 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:

2022/23	Beds	Cambs	Essex	Herts	Kent	Norfolk	Suffolk	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue Grants	(868)	(1,095)	(1,881)	(1,559)	(1,270)	(1,236)	(954)	(8,864)
Capital Grants	(221)	(280)	(81)	(399)	(74)	(316)	(243)	(1,615)
Running Costs	3,156	3,985	4,591	5,671	4,372	4,495	3,468	29,739
Depreciation	46	46	32	74	16	58	47	318
Deficit	2,112	2,655	2,661	3,788	3,044	3,001	2,317	19,579
2021/22	Beds	Cambs	Essex	Herts	Kent	Norfolk	Suffolk	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Home Office Grant	(640)	(822)	(1,598)	(1,164)	(929)	(926)	(705)	(6,784)
Running Costs	2,596	3,331	3,603	4,718	3,381	3,754	2,861	24,244
Depreciation	61	63	54	101	36	79	64	458
Deficit	2,017	2,572	2,059	3,655	2,488	2,907	2,220	17,918

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 £30.8m (2021/22 £29.6m) 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:

Beds 2021/22 £'000	Cambs 2021/22 £'000	Herts 2021/22 £'000	Total 2021/22 £'000		Beds 2022/23 £'000	Cambs 2022/23 £'000	Herts 2022/23 £'000	Total 2022/23 £'000
				Joint Protective Services				
3,502	3,149	3,700	10,351	Armed Policing Units	3,368	3,007	3,554	9,929
849	1,053	1,420	3,322	Dog Units	869	1,066	1,443	3,378
2,265	2,728	3,364	8,357	Major Crime Unit	2,419	2,884	3,567	8,870
286	366	519	1,171	Operational Planning	313	395	563	1,271
330	423	599	1,352	Jps Command	400	504	718	1,621
96	124	175	395	Resilience	102	128	183	413
2,658	3,838	5,141	11,637	Roads Policing Unit	2,808	4,007	5,386	12,201
2,456	2,993	4,065	9,514	Scientific Services	2,579	3,109	4,235	9,923
12,442	14,674	18,983	46,099	Total Joint Protective Services	12,857	15,100	19,648	47,605
				Operational Support				
312	183	566	1,061	Cameras Tickets & Collisions	- 50 -	62	- 83 -	195
542	695	984	2,221	Custody & Criminal Justice Smt	278	170	500	948
102	196	160	458	Criminal Justice Unit	518	654	931	2,103
- 194 -	- 246 -	- 324 -	764	Firearms & Explosive Licenses	149	289	235	673
4,226	5,423	7,681	17,330	lct	4,238	5,346	7,611	17,195
-	-	-	-	-	-	-	-	-
-	-	-	-	- Delivery Management Office***	377	476	678	1,531
4,988	6,251	9,067	20,306	Total Operational Support Expenditure	5,511	6,872	9,871	22,254
				Organisational Support				
423	543	769	1,735	Collaboration Team***	-	-	-	-
4,124	5,292	7,496	16,912	Hr L&D	4,572	5,768	8,212	18,552
810	1,039	1,472	3,321	Information Management Depts	901	1,136	1,617	3,654
1,419	1,466	2,139	5,024	Professional Standards	1,546	1,580	2,313	5,440
66	84	119	269	Joint Uniform Stores	71	90	128	288
6,842	8,424	11,995	27,261	Total Organisational Support Expenditure	7,090	8,574	12,270	27,934
24,272	29,349	40,045	93,666	Total BCH Net Operating Costs	25,458	30,546	41,790	97,793
187	240	340	767	Joint Procurement Unit**	129	243	460	832
24,459	29,589	40,385	94,433	Total Net Operating Costs	25,587	30,789	42,249	98,625

7 Force Commercial Services (formerly 7 Force Procurement)

Procurement across Seven Forces; Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Kent, Norfolk and Suffolk has been collaborated to form a single 7F Procurement function since 1 January 2020. It's 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 2022/23 were £243k. Total costs during 2021/22 were £240k, which was a transition period for the unit which went live as a single 7 Force unit.

27. 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
		£	£	£	£	£	£
<u>Chief Constable's Accounts</u>							
Chief Constable							
Nick Dean *	2022/23	154,533		5,045	159,578	258	159,836
<i>Nick Dean</i>	2021/22	153,423	-	4,624	158,047	46,473	204,520
Deputy Chief Constable							
Jane Gyford	2022/23	135,669	-	-	135,669	38,675	174,344
<i>Jane Gyford</i>	2021/22	134,559	-	-	134,559	38,331	172,890
Assistant Chief Constables							
Victoria Evans	2022/23	120,330	-	4,549	124,879	37,302	162,181
<i>Victoria Evans</i>	2021/22	119,220	-	4,184	123,404	36,958	160,362
Dan Vajzovic to 6.2.23 **	2022/23	105,142	-	-	105,142	32,100	137,242
<i>Dan Vajzovic</i>	2021/22	120,459	-	-	120,459	36,958	157,417
Chief Finance Officer (Constabulary)							
Jon Lee	2022/23	108,843	-	6,184	115,027	24,925	139,952
<i>Jon Lee</i>	2021/22	106,602	-	6,184	112,786	24,412	137,198
Totals	2022/23	624,517	0	15,778	640,295	133,260	773,555
	2021/22	634,263	0	14,992	649,255	183,132	832,387

* Nick Dean reached his 30 years in April 2022 and he opted out from 3.4.22

** Dan Vajzovic left Cambridgeshire Police 06.2.23 and moved to Deputy Chief Constable at Bedfordshire Police

Police and Crime Commissioner Accounts

Police & Crime Commissioner							
D Preston	2022/23	73,142			73,142	16,749	89,891
D Preston (13.5.21 - 31.3.22)	2021/22	63,147			63,147	14,461	77,608
(Acting PCC) Ray Bisby (1/4/21 - 12.5.21)	2021/22	8,398			8,398	1,923	10,321
Deputy Police & Crime Commissioner							
J Peach	2022/23	29,431			29,431	-	29,431
J Peach (New Role 15/11/21 - 31/3/22)	2021/22	10,789	-	-	10,789	1,926	12,715
Chief Executive James Haylett	2022/23	107,205			107,205	24,550	131,755
Chief Executive James Haylett*	2021/22	107,500			107,500	24,618	132,118
Chief Executive (0.9 FTE) D Gregson (Holiday Pay)	2021/22	5,970			5,970	-	5,970
Chief Finance Officer (OPCC)**							
Matthew Warren	2022/23	6,616			6,616		6,616
Matthew Warren	2021/22	8,954	-	-	8,954	-	8,954
Totals	2022/23	216,394	-	-	216,394	41,299	257,693
	2021/22	141,611	-	-	141,611	28,467	170,078

* 2021/22 included a payment in arrears paid in May 2021, dated back to February 2021 hence this is higher pay than 2022/23

** The post of Chief Finance Officer (OPCC) is currently fulfilled by an arrangement whereby the role is covered by the Cambridgeshire Fire & Rescue Service Deputy Chief Executive

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	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
£50,000 to £54,999	14	18	-	-	14	18
£55,000 to £59,999	11	7	1	-	10	7
£60,000 to £64,999	5	8	1	2	4	6
£65,000 to £69,999	5	-	-	-	5	-
£70,000 to £74,999	3	-	1	-	2	-
£75,000 to £79,999	3	-	-	-	3	-
£80,000 to £84,999	5	1	-	-	5	1
£85,000 to £89,999	4	1	-	-	4	1
£90,000 to £94,999	7	5	-	-	7	5
£95,000 to £99,999	-	1	-	-	-	1
£100,000 to £104,999	-	-	-	-	-	-
£105,000 to £109,999	1	2	-	1	1	1
£110,000 to £114,999	1	1	-	-	1	1
£115,000 to £119,999	1	1	-	-	1	1
£120,000 to £124,999	1	1	-	-	1	1
£125,000 to £129,999	-	-	-	-	-	-
£130,000 to £134,999	-	2	-	-	-	2
£135,000 to £139,999	1	-	-	-	1	-
£140,000 to £144,999	1	-	-	-	1	-
£145,000 to £149,999	-	-	-	-	-	-
£150,000 to £154,999	1	1	-	-	1	1
	64	49	3	3	61	46

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 numbers of exit packages with total cost per band and the total cost of redundancies agreed are set out below. There was only one redundancy during 22/23 that was remaining from the HR transformation programme in 2020-21. All redundancies were compulsory in both years.

Exit package cost band	Number of redundancies		Total cost of exit packages	
	2022/23	2021/22	2022/23	2021/22
	No.	No.	£'000	£'000
£0 - £20,000	-	2	-	35
£20,001 - £40,000	1	1	9	22
	1	3	9	57

Redundancy costs for Cambridgeshire employees in collaborated units are apportioned in line with existing cost sharing principles. In 2022/23 our share of the total redundancy cost of £30k was £9k. In 2021/22 one of the three employees worked in the HR collaborated units and their redundancy costs were apportioned. In addition during 2021/22 Cambridgeshire contributed towards 2 exit packaged for Hertfordshire and Bedfordshire employees with a total cost of £17k.

28. 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. Costs are higher in 22/23 due to payment of prior years re-negotiated costs.

	2022/23	2021/22
	£'000	£'000
Fees payable with regard to external audit services carried out by the appointed auditor:		
Police and Crime Commissioner	66	34
Chief Constable	35	18
	<u>101</u>	<u>52</u>

29. 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 2021/22.

	2022/23	2021/22
	£000	£000
Other Government Grants	838	422
Victims Commissioning	2,367	2,078
Pension Remedy	15	661
Pay Award	723	-
Safer Streets	496	737
Serious Violence Duty	30	-
Uplift Grant	1,594	1,117
	<u>6,063</u>	<u>5,015</u>

Credited to Taxation and Non-Specific Grants

	2022/23	2021/22
	£000	£000
Police Grant	59,416	56,313
Precepts	76,389	72,079
Home Office Local Government Funding	29,182	27,549
Localising Council Tax Support	4,822	6,173
Council Tax Freeze Grant	1,702	1,702
Capital Grants	320	185
Pension Top up Grant	1,398	1,398
	<u>173,229</u>	<u>165,399</u>

30. 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 29.

Officers

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

Cambridgeshire Police Shrievally Trust

The Cambridgeshire Police Shrievally 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:

N Dean, Chief Constable

In the year to 31 March 2023, the Group had dealings with the Trust being a Victims Support grant contribution of £50,000 (2021/22 £50,000) and a Safer Streets Grant for £25,428 (2021/22 £29,360).

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

The Group has a pooled budget arrangement (joint operation) with the 6 other eastern police forces for the provision of tackling organised crime and further pooled budget arrangements (joint operation) with Bedfordshire Police and Hertfordshire Constabulary for the provision of a range of policing services. Transactions and balances outstanding are detailed in 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 £978k to the six local authorities for National Non-Domestic Rates Bills (2021/22 £1,591k). This was lower in 2022/23 due to a £610k rebate received from Huntingdon District Council following a rate review.

31. 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.

The amount held under the two Acts, as at 31 March 2023, was £925,756 (31 March 2022: £972,695).

32. 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.

	2022/23	2021/22
	£000	£000
<i>Opening Capital Financing Requirement</i>	22,761	21,982
<i>Capital Investment</i>		
Property, Plant and Equipment	9,796	7,306
Intangible Assets	232	496
<i>Source of Finance</i>		
Capital Receipts	(1,091)	(1,551)
Government Grants	(320)	(185)
Capital Carry Forward Reserve	(240)	-
<i>Sums set aside from revenue</i>		
Direct revenue contributions	(5,338)	(4,307)
Minimum Revenue Provision	(1,178)	(980)
<i>Closing Capital Financing Requirement</i>	<u>24,622</u>	<u>22,761</u>

33. 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:

	2022/23				2021/22			
	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	35,762	13,770	327	49,859	44,330	14,735	332	59,397
Past service costs	-	-	-	-	-	479	-	479
	35,762	13,770	327	49,859	44,330	15,214	332	59,876
<i>Financing and Investment Income and Expenditure:</i>								
Net interest expense	43,570	2,306	17	45,893	32,530	2,298	19	34,847
	43,570	2,306	17	45,893	32,530	2,298	19	34,847
<i>Total Post Employment Benefit Charged to the Deficit on the Provision of Services</i>								
	79,332	16,076	344	95,752	76,860	17,512	351	94,723
<i>Other Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</i>								
Return on plan assets		11,317	52	11,369		(12,526)	(207)	(12,733)
Actuarial (gains)/losses arising on changes in demographic assumptions	(29,920)	(3,675)	(19)	(33,614)	-	(3,621)	12	(3,609)
Actuarial (gains)/losses arising on changes in financial assumptions	(582,090)	(134,918)	(2,200)	(719,208)	(21,690)	(25,617)	(395)	(47,702)
Other	97,120	20,217	274	117,611	3,030	3,448	58	6,536
	(514,890)	(107,059)	(1,893)	(623,842)	(18,660)	(38,316)	(532)	(57,508)
<i>Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Account</i>								
	(435,558)	(90,983)	(1,549)	(528,090)	58,200	(20,804)	(181)	37,215
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	(79,332)	(16,076)	(344)	(95,752)	(76,860)	(17,512)	(351)	(94,723)
<i>Actual amount charged against the General Fund Balance for Pensions in the year:</i>								
Employer's contributions payable to the schemes	36,948	6,642	189	43,779	36,252	6,875	153	43,280

Assets and Liabilities in Relation to Post Employment Benefits

Reconciliation of present value of the scheme liabilities:

	2022/23				2021/22			
	Police Pensions £000	Unfunded Liabilities LGPS- Chief Constable £000	Unfunded Liabilities LGPS- Police Commissioner £000	Total Liabilities £000	Police Pensions £000	Unfunded Liabilities LGPS- Chief Constable £000	Unfunded Liabilities LGPS- Police Commissioner £000	Total Liabilities £000
Balance at 1 April	1,644,088	306,694	4,200	1,954,982	1,622,140	314,394	4,172	1,940,706
Current service cost	35,762	13,770	327	49,859	44,330	14,735	332	59,397
Past service costs	-	-	-	-	-	479	-	479
Interest cost	43,570	8,606	124	52,300	32,530	6,569	89	39,188
Contributions by scheme participants	7,970	1,940	55	9,965	7,790	1,817	52	9,659
Benefits paid	(44,918)	(4,991)	(4)	(49,913)	(44,042)	(4,388)	(3)	(48,433)
Remeasurement gain/loss:								
Actuarial (gains) and losses arising on changes in demographic assumptions	(29,920)	(3,675)	(19)	(33,614)	-	(1,449)	(19)	(1,468)
Actuarial (gains) and losses arising on changes in financial assumptions	(582,090)	(134,918)	(2,200)	(719,208)	(21,690)	(26,064)	(434)	(48,188)
Other	97,120	20,217	274	117,611	3,030	601	11	3,642
Balance at 31 March	1,171,582	207,643	2,757	1,381,982	1,644,088	306,694	4,200	1,954,982

Reconciliation of fair value of the scheme assets:

	2022/23				2021/22			
	Police Pensions £000	LGPS- Chief Constable £000	LGPS- Police Commissioner £000	Total Assets £000	Police Pensions £000	LGPS- Chief Constable £000	LGPS- Police Commissioner £000	Total Assets £000
Balance at 1 April	-	226,786	3,801	230,587	-	206,368	3,333	209,701
Interest Income	-	6,300	107	6,407	-	4,271	70	4,341
Remeasurement gain/loss:								
The return on plan assets, excluding the amount included in the net interest expense	-	(11,317)	(52)	(11,369)	-	11,843	196	12,039
Contributions from employer	36,948	6,642	189	43,779	36,252	6,875	153	43,280
Contributions from employees into the scheme	7,970	1,940	55	9,965	7,790	1,817	52	9,659
Benefits paid	(44,918)	(4,991)	(4)	(49,913)	(44,042)	(4,388)	(3)	(48,433)
Closing fair value of scheme assets	-	225,360	4,096	229,456	-	226,786	3,801	230,587

The amount included in the Balance Sheet arising from the Group's obligation in respect of its defined benefit plan is as follows:

	Police Pensions £000		LGPS £000		Total £000	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Present value of the defined benefit obligation	1,171,582	1,644,088	210,400	310,894	1,381,982	1,954,982
Fair Value of Plan Assets	-	-	(229,456)	(230,587)	(229,456)	(230,587)
Net Liability arising from defined benefit obligation	1,171,582	1,644,088	(19,056)	80,307	1,152,526	1,724,395

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-23 £000	LGPS- Police Commissioner £000	LGPS- Chief Constable £000	31-Mar-22 £000
Cash and Cash Equivalents	95	5,444	5,539	37	2,193	2,230
Private Equity	488	27,966	28,454	406	24,204	24,610
Debt Securities						
UK Government	133	7,628	7,761	187	11,130	11,317
Investment Funds and Unit Trusts						
Equities	2,173	124,513	126,686	2,191	130,750	132,941
Bonds	425	24,329	24,754	404	24,105	24,509
Infrastructure	346	19,813	20,158	302	18,019	18,321
Other	-	-	-	-	-	-
Real Estate	257	14,721	14,978	267	15,926	16,193
Derivatives	17	946	963	7	459	466
	3,932	225,360	229,292	3,801	226,786	230,587

The liabilities are the underlying commitments that the Group has to pay retirement benefits in the long-term. The total liability of £1,152,526k has a significant impact on the net worth of the Group as presented in the Balance Sheet, giving rise to negative equity of £1,099,806k. 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 using approximate roll forward methods. This allows for changes in financial and demographic assumptions, benefit accrual, actual pension increases and estimated cashflows over the period. The PPS, the NPPS and the PPS 2015 have been assessed by the Government Actuary's Department. The LGPS liabilities have been assessed by Hymans Robertson, an independent firm of actuaries, based on the latest full valuation of the scheme.

The principal assumptions used by the actuary have been:

	Local Government Pension Scheme		Police Pension Schemes	
	2022/23	2021/22	2022/23	2021/22
Mortality assumptions:				
Longevity at 65 for current pensioners:				
Men	22.0	22.0	21.9	22.1
Women	24.2	24.2	23.5	23.8
Longevity at 65 for future pensioners:				
Men	22.9	22.9	23.5	23.8
Women	26.0	26.0	25.0	25.4
Rate of increase in salaries	3.7	3.7	4.8	4.8
Rate of increase in pensions	3.2	3.2	3.0	3.0
Rate for discounting scheme liabilities	2.8	2.8	2.7	2.7
CARE revaluation rate	-	-	4.3	4.3

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.

Change in assumptions at 31 March 2023	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
0.1% increase in Real Discount Rate	3.0%	74	2.0%	4,598	-1.6%	(18,400)
0.1% increase in the Salary Increase Rate	0.0%	6	0.0%	566	0.2%	2,200
0.1% Increase in the Pension Increase Rate	2.0%	69	2.0%	4,100	1.6%	18,400
Life Expectancy (Pensioners assumed to be one year younger)	4.0%	116	4.0%	8,306	0.5%	5,800

Impact on Cash Flows

The total contributions expected to be made to the Local Government Pension Scheme by the Group in the year to 31 March 2023 is £6,348k (2021/22 6,284k). Expected contributions for the Police Pension Scheme in the year to 31 March 2023 are £17,572k (2021/22 £16,647k).

Legal Claims

Claimants have lodged claims for compensation under two active sets of litigation, Aarons and Penningtons.

Aarons & Ors

Government Legal Department settled the injury to feelings claims for Aarons on behalf of Chief Officers without seeking any financial contributions. Pecuniary loss claims have been stayed until the remedy is brought into force from 1 October 2023. 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.

Penningtons

As at 31 March 2023, it is not possible to reliably estimate the extent or likelihood of these claims being successful, and therefore no liability in respect of compensation claims is recognised in these accounts.

Remedy

The Public Service Pensions and Judicial Offices Act 2022 (PSPJOA 2022) legislates for how the government will remove the discrimination identified by the courts in the way that the 2015 reforms were introduced for some members. The main elements of the Act are:

- Changes implemented across all the main public service pension schemes in response to the Court of Appeal judgment in the McCloud and Sargeant cases:
- Eligible members of the main unfunded pension schemes have a choice of the benefits they wish to take for the “remedy period” of April 2015 to 31 March 2022.
- From 1 April 2022, when the remedy period ends, all those in service in main unfunded schemes will be members of the reformed pension schemes, ensuring equal treatment from that point on.
- Ensures there are no reductions to member benefits as a result of the 2016 cost control valuations.

Impact on pension liability

Allowing for all eligible members to accrue benefits from their legacy scheme during the remedy period would lead to an increase in the Police Pension Scheme liabilities - this figure will be determined by the Government Actuaries Department. The impact of an increase in scheme liabilities arising from McCloud/Sargeant judgement will be measured through the pension valuation process, which determines employer and employee contribution rates. The next Police Pension valuation is due to be reported in 2023/24, although this timetable is subject to change.

The impact of an increase in annual pension payments arising from McCloud/Sargeant is determined through the Police Pension Fund Regulations 2007. These require a police authority to maintain a pension fund into which officer and employer contributions are paid and out of which pension payments to retired officers are made. If the police pension fund does not have sufficient funds to meet the cost of pensions in year the amount required to meet the deficit is then paid by the Secretary of State to the police authority in the form of a central government topup grant.

34. 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 2023/24 to 2026/27 was approved by the PCC in January 2023 2022.

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 2022 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 balance outstanding. The majority of the Group's dealings are with public sector partners and the risks of default and uncollectibility 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. £59k of the £566k balance is past its due date for payment.

	31 March 2023	31 March 2022
	£000	£000
Commercial Debtors	109	16

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 2023	31 March 2022
	£000	£000
Less than one year	1,141	1,141
Between one and two years	1,141	1,141
Between two and five years	3,422	3,422
More than five years	18,229	19,369
	<u>23,933</u>	<u>25,073</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 2021/22 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 2022/23 year of account would be:

	2022/23	2021/22
	£000	£000
Increase in interest receivable on variable rate investments	114	87
Increase in Government grant receivable for financing costs	-	-
Impact on Income and Expenditure Account	<u>114</u>	<u>87</u>

35. Transport Consortium

The PCC for Cambridgeshire belongs to the Chiltern Transport Consortium operated by Thames Valley Police. Cambridgeshire's contribution for 2022/23 was £2.3m (£2.6m in 2021/22 which included insurance). Insurance costs were removed from the overall charge in 22/23 and accounted for separately. For 2022-23 the costs for Cambridgeshire were £675k (£235k 2021-22).

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

	2022/23	2021/22
	£000	£000
Employee Costs	3,149	2,901
Premises	420	431
Running Costs	4,829	5,195
Insurance*	-	2,352
Vehicles	9,287	9,538
Income	(2,291)	(1,913)
	<u>15,394</u>	<u>18,504</u>

* Insurance costs were removed from the consortium recharge from 2022-23.

Pension Account

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

Credits to the Pension Account include contributions from both the Chief Constable and serving police officers who are members of either the Police Pension Scheme (PPS), the New Police Pension Scheme (NPPS) or the Police Pension Scheme 2015 (PPS 2015). The Chief Constable's contributions in 2022/23 were at a rate of 31.0% 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 of 31.0% of serving police officers' pensionable salary and together with injury pensions and a capital charge for ill-health retirements, falls to be charged to the Group's Comprehensive Income and Expenditure Statement.

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

A statement of account for the Pension Account, together with its net current assets and liabilities at 31 March 2023, 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 33.

Fund Account

	2022/23	2021/22
	£'000	£'000
Contributions receivable:		
From employer:		
Normal	(18,122)	(17,694)
Early retirements	(269)	(247)
From members	(7,794)	(7,597)
Transfers in	(169)	(220)
	<u>(26,354)</u>	<u>(25,758)</u>
Benefits payable:		
Pensions	38,570	33,940
Commutations and lump sum retirement benefits	6,847	7,336
	<u>45,417</u>	<u>41,276</u>
Payments to and on account of leavers:		
Refunds of contributions	79	92
Individual transfers out to other schemes	23	-
	<u>102</u>	<u>92</u>
Net amount payable for the year before top-up grant payable by sponsoring department	19,165	15,610
Amount receivable from sponsoring department	(19,165)	(15,610)
Balance on Fund at 31 March	<u>-</u>	<u>-</u>

Net Assets Statement

	2022/23	2021/22
	£'000	£'000
Net current assets and liabilities		
Amounts owed from General Fund	7,173	1,065
Remaining top-up grant due from the Home Office	(7,173)	(1,065)
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 of 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 or not they have been received in that period.

Injury Award	An injury award compensates an individual for the potential loss of earnings for injury sustained whilst on duty that results in some level of disablement which hinders or prevents them from working in the future. An injury award is a life time 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 Non-Domestic Rates (NNDR)	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.
Past Service Cost (Pensions)	For a defined benefit scheme, the increase in the present value of the scheme liabilities related to staff service in prior periods arising in the current period as a result of the introduction of, or improvement to, retirement benefits payable.
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 Unit Credit Method (Pensions)	An actuarial method of valuing a pension scheme's liability to pay future retirement benefits taking into account estimated increases in future earnings.
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	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 Fund Balances	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.

Audit Report

Insert audit report when received