



Northamptonshire Police, Fire and Crime Commissioner

Single Entity & Group

Statement of Accounts for the year 2024/25



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NARRATIVE STATEMENT

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FOREWORD BY CHIEF FINANCE OFFICER

These accounts are produced annually to give local taxpayers, employees and other interested parties clear information about Northamptonshire Police finances. They reflect the financial performance of the Office of the Police, Fire and Crime Commissioner for Northamptonshire (OPFCC) and are in accordance with the Police Reform and Social Responsibility Act 2011.

They are prepared on a going concern basis, assuming that the entity will continue in operation for the foreseeable future. They have been prepared in accordance with the Accounts and Audit Regulations 2015, the CIPFA Code of Practice on Local Authority Accounting and the Service Reporting Code of Practice 2024/25.

The information provided also allows for an assessment of the Commissioner’s performance in terms of stewardship and the management of the resources entrusted to them. The accounts are, therefore, necessarily detailed with technical and explanatory notes.

The purpose of this narrative report is to offer a guide on the most important matters reported in the accounts as well as providing information about the strategic direction of the OPFCC and Force. It provides an explanation of the financial position and assists in the interpretation of the financial statements. It contains information about the activities of the OPFCC and the main influences on the financial statements to provide a link between the Police activities, Police, Fire and Crime Plan, future challenges and how these impact on its financial resources.

It includes information on the budget preparation process, final accounts, performance information, Medium Term Financial Plans (MTFP) and other contextual information such as workforce numbers and strategic risks.



NORTHAMPTONSHIRE

The county of Northamptonshire covers an area of 913 square miles and has an estimated population of over 790,000 people. It is the southern-most county in the East Midlands region and its most populated towns are Northampton, Kettering, Corby and Wellingborough. There has been a notable increase in population in recent years with some major new housing development projects and more to come.

Prior to 2021/22, the county was serviced by seven borough/district councils. On 1 April 2021, these were consolidated into two unitary authorities (North and West Northamptonshire) through the reorganisation of local government in Northamptonshire as directed by Central Government.



SAFE AND SOUND

The Public Safety Plan for Northamptonshire 2025-2030

Safe and Sound is the Commissioner's public safety plan, which sets out the strategic direction for police and fire services in Northamptonshire for the next five years.

The plan has one goal – to make Northamptonshire safe and sound.

The Plan is framed around three missions that span the Commissioner's responsibilities across policing, fire and rescue, community safety and criminal justice. It is a strategy and reporting framework that will help us work in partnership to best serve victims and communities across Northamptonshire. The three missions are:

Visible and accessible community services

- Rebuilding public trust and confidence
- Increasing accessibility
- Bringing police and fire staff out into the community
- Putting prevention first

Professionalism and standards

- Setting the tone from the top
- Making sure the workforce understands and reflects the community they serve
- Putting values at the heart of everything we do
- Providing a high-quality service and support

Strong partnerships

- Tackle problems with a multi-agency approach
- Reduce reoffending
- Invest in partnerships to reduce harm
- Work collaboratively to support vulnerable people

The plan is based on a "big conversation" – focus groups and surveys that took place in communities across Northamptonshire to understand what people want and expect from their emergency services. This told us that people just want to feel safe where they live, work and visit.

The Big Conversation report and full Public Safety Plan can be found on the OPFCC website:

www.northantspfcc.org.uk



THE CHIEF CONSTABLE’S STRATEGIC PLAN

The Force Policing Plan sets out the areas of focus for Northamptonshire Police through the course of the next 3 years, working to a policing vision to make Northamptonshire the safest county in the UK.

The three areas of focus have been determined through consultation with the Federation and considered strategic analysis both locally and nationally. These are the areas of focus we need to improve and excel:

- Focus 1: Build and Maintain Trust and Confidence in Northamptonshire Police
- Focus 2: Quality of Investigation Standards
- Focus 3: Developing the workforce to close the skills gap across the force

Control Strategy

In line with the new Policing Plan, the force has replaced its Matters of Priority with a Control Strategy. The control strategy takes an intelligence approach to understanding where the force should focus its efforts.

The Control Strategy illustrates the operational thematic priorities of the Force and sets the long-term priorities for crime prevention, Intelligence, reassurance, and enforcement. It provides a framework to implement decisions on prioritising the allocation of resources.

The strategy has a number of themes; neighbourhood concerns, serious and organised crime, serious violence, vulnerability and violence against women and girls & of these ‘outer ring themes’ the force has identified areas of risk, these are:

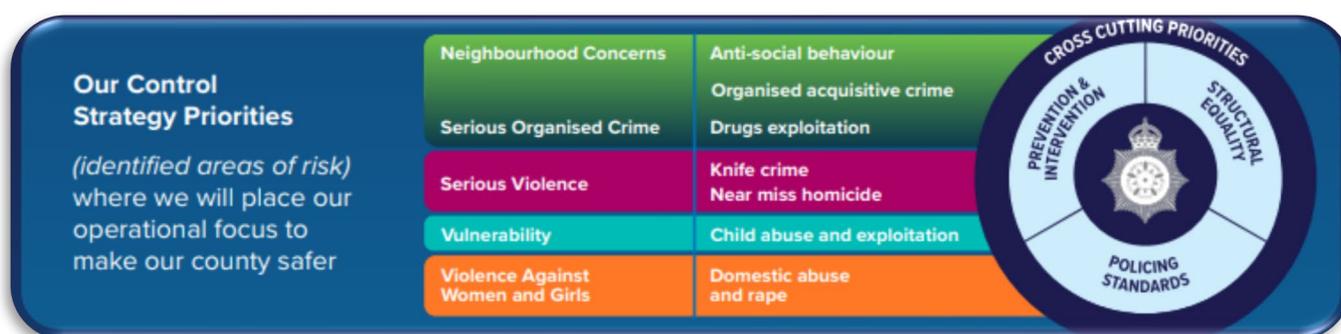
- Antisocial behaviour
- Organised and acquisitive crime
- Drug Exploitation
- Knife crime
- Near miss homicide
- Child abuse and exploitation
- Domestic abuse and rape

In addition to the areas of identified risk, 3 cross cutting priorities will be considered through all activity, these are:

- Prevention and Intervention
- Structural Equality
- Policing Standards

Performance and Accountability

The plan is underpinned by a comprehensive performance framework, using considered and relevant indicators that will enable the organisation to assess its progress in delivery against the plan. Oversight and scrutiny of delivery of the control strategy takes place through the Performance Force Executive Meeting and the Commissioner’s Accountability Board.





STATUTORY FRAMEWORK

The PFCC and Chief Constable were established as separate legal entities under the Police Reform and Social Responsibility Act 2011. The Act sets out the statutory financial framework for both entities and is supported by the Financial Management Code of Practice, which sets out their financial relationships and responsibilities.

The PFCC has overall responsibility for the finances of the group in that they receive all external funding and sets the annual budget and precept. The Chief Constable has produced a separate set of accounts which explains how the resources provided by the PFCC have been used to deliver operational policing services.

The Policing and Crime Act 2017 provided legislation to:

- Place a statutory duty on the three emergency services to collaborate
- Enable PFCCs (PCCs) to be represented on the Fire Authority
- Enable PFCCs (PCCs) to make a local case to take on governance of the fire and rescue service as the Fire Authority
- Further enable the PFCC to make a local case for fire and rescue and police to become a single organisation under a single chief officer

The business case was approved by the Home Office in April 2018 for the governance of Northamptonshire Fire and Rescue Service (NFRS) to transfer to the PCC from the County Council. The transfer took place on 1st January 2019 and the PCC thereby became the Police, Fire and Crime Commissioner (PFCC) for Policing and the Northamptonshire Commissioner Fire and Rescue Authority for Fire.

GROUP BOUNDARY

The Police, Fire and Crime Commissioner for Northamptonshire (Fire and Rescue Authority) Order 2018 utilised existing legislation (Specifically Section 4A of the Fire and Rescue Services Act 2004) to create a new corporation sole NCFRA, a role which is held by the Police, Fire and Commissioner, but acting as NCFRA. This legislation outlines the key responsibilities for oversight and ensuring good governance within the NCFRA.

This reflects that the government provides funding to NCFRA and is ultimately responsible for the NCFRA.

Therefore, whilst there is some commonality within the OPFCC, Chief Constable and NCFRA, they are three separate corporations sole, with Fire and Police created under separate legislation and with the responsibility to set up and maintain separate “Funds” for each organisation, with separate legal responsibilities and no ability to vire funds between them. As set out by CIPFA, there is not a requirement for the NCFRA Accounts to be included within the OPFCC group accounts.

The business case for the governance transfer included maintaining separate management arrangements and operational functions for each service but working towards sharing of some support services and buildings where it makes sense to provide better value for money for the public of Northamptonshire. This direction of travel towards shared support teams continues. The accounts of Fire and Policing are operated separately in line with the legislation.

In line with the Home Office Financial Management Code of Practice, a collaboration agreement is in place between the three separate organisations (OPFCC, Northamptonshire Police and Northamptonshire Fire and Rescue) to set out the arrangements for working together where it would be advantageous to the parties to do so, mirroring such collaboration arrangements that Northamptonshire Police have with other police forces.

The arrangements outlined in the legislation result in a requirement to disclose the nature of the transactions between OPFCC and the NCFRA and this is provided within the related parties note within the statement of accounts. Most of this note relates to governance services provided by the Office of the PFCC to Fire, and charges for services and shared staff between Fire and Policing.



RESPONSIBILITIES

The Police Reform and Social Responsibility Act 2011 and the Financial Management Code of Practice for the Police (England) describe the high-level responsibilities and the working financial relationship between the PFCC and the Chief Constable, summarised as:

The Police, Fire and Crime Commissioner:

- Appoints the Chief Constable and may suspend them or require them to resign or retire
- Must maintain the Police Force and ensure that it is efficient and effective
- Must issue a Police and Crime Plan
- Must hold the Chief Constable to account for their actions and those of their officers and staff
- Receives all income from grants, precept and charges

The Chief Constable:

- Holds office as a servant of the crown and is not an employee
- Has direction and control over police officers and is the employer of police staff
- Is operationally independent
- Must have regard to the Commissioner’s Police and Crime Plan
- Holds no property, rights or liabilities
- May not borrow money

OPERATIONAL MODEL

Our People

At 31st March 2025 Northamptonshire Police Force and the OPFCC Budgeted establishment was 2,779 FTE. The analysis is shown in the table below:

Category of employee	2023/24	2024/25
Police Officers	1,501	1,501
PCSO	80	80
Police Staff*	1,014	1,062
OPFCC Staff*	16	16
OPFCC Delivery (Complaints, Youth Work and Early Intervention)	52	56
OPFCC Victims (Voice & Sunflower)	60	64
Total	2,723	2,779

*This includes staff employed under by the Chief Constable and OPFCC but where costs are shared with NCFRS (Fire).

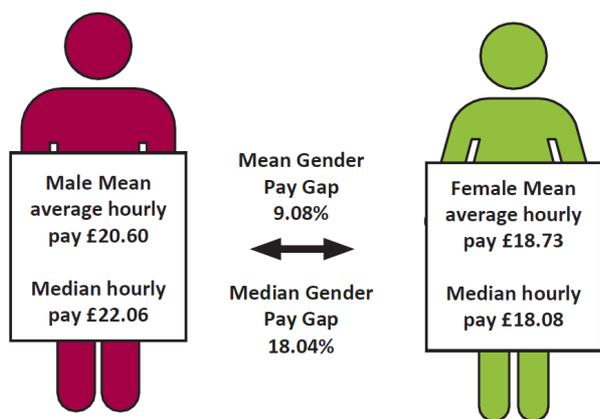
In addition to this the Force has officers and staff seconded to national and regional projects and employs a number of dedicated PCSOs, funded by local partners.

Gender Pay Gap

It is statutory for organisations with 250 or more employees to report annually on their gender pay gap. The latest report for the group shows that 51.32% of the workforce is female.

The report also shows the difference in the average pay between all men and women in a workforce. Our mean average gender pay gap is 9.08% which lower than the national average of 14.3% and an improvement on the previous year.

Northamptonshire OPFCC and OCC support the fair treatment and reward of all staff, irrespective of gender. Our pay approach is based on the principles of consistency, fairness and transparency, supporting the fair treatment and reward of all staff, irrespective of gender.



Appointments

For the OPFCC:

In May 2024, Danielle Stone was elected as the Police, Fire and Crime Commissioner for a 4 year term.

Monitoring Officer, Jonny Bugg continued in post throughout the year. Vaughan Ashcroft continued as the Interim Chief Finance Officer for the OPFCC and was permanently appointed on 28th October 2024. These roles also cover Northamptonshire Commissioner Fire and Rescue Authority (NCFRA).

For the Chief Constable:

Ivan Balhatchet had been Acting Chief Constable since 17th October 2023 and was permanently appointed on 1st February 2025.

Ash Tuckley undertook the role of Temporary Deputy Chief Constable from 10th June 2024 having previously been Assistant Chief Constable.

Emma James and Adam Ward were appointed as Temporary Assistant Chief Constables from 10th June 2024.

Paul Bullen continued as ACO Enabling Services.

Nick Alexander continued as Interim Chief Finance Officer and was permanently appointed on 11th November 2024.

STRATEGY AND RESOURCES

2024/25 Budget

In 2024/25, in line with the response to the public consultation, the PFCC increased the precept by £13, which was the maximum available without triggering a referendum. This increase was used to invest in operational priorities and frontline policing requirements identified by the Chief Constable.

In 2025/26, the PFCC again increased the precept by the maximum available which was £14.

Medium Term Financial Plan

The PFCC's medium term financial plan (MTFP) is regularly reviewed and updated in line with the following established principles:

- To make the best use of available resources
- To maximise income and funding
- To target expenditure and investments to priorities and value for money opportunities
- To exploit fixed assets to deliver maximum value
- To optimise delivery costs
- To provide sufficient financial reserves in the context of unprecedented uncertainty, transformation and change

The latest MTFP shows that the PFCC has produced a balanced budget for 2025/26 utilising earmarked reserves and with notable savings requirement. There is a plan underway to deliver the required savings needed over the medium term.

MTFP	25/26 £m	26/27 £m	27/28 £m	28/29 £m	29/30 £m
Expenditure	197.6	205.5	212.8	217.3	222.8
Savings Plans	(3.4)	(4.2)	(5.2)	(6.2)	(7.3)
	194.2	201.3	207.6	211.1	215.5
Funding	(194.2)	(198.7)	(203.8)	(208.9)	(214.1)
Shortfall	(0.0)	2.6	3.8	2.2	1.4

Reserves

The Reserves Strategy is reviewed each year and outlines a guideline level for General Reserves of 3% with a minimum level of 2.5%. The PFCC maintains a General Reserve in line with this level, which is £5.3m as at 31st March 2025. It is prudent to have such a reserve to enable the organisation to withstand unexpected events which may have financial implications.

In addition to the General Reserve, the PFCC holds earmarked reserves for specified purposes, and these are set out in the Reserves Strategy. The Strategy is then reviewed after the outturn position has been finalised.

The level of all cash backed reserves including funds held on behalf of regional units as at 31st March 2024 totalled £23.8m, increasing marginally to £23.9m at 31st March 2025.



Estates

Despite some significant progress in recent years, Northamptonshire Police continues to operate with a number of aging buildings.

Work has been progressing for some time to replace the vehicle workshop with a new facility shared with Fire on an existing police site, and construction is due to commence during 2025/26.

Following consultation on the Public Safety Plan, the Estates strategy is changing in line with the commitment from the Police, Fire and Crime Commissioner and the Chief Constable to base police officers and staff in the heart of the community. This is focused on neighbourhood teams, and public access and enquiry desks but also has some impact on our response and investigation teams. It includes plans for new town centre bases in Corby and Kettering, along with hubs in other towns, partnering with other agencies. There are also options being explored regarding the aging Weston Favell police station.

The Estates Strategy is managed jointly with fire by Enabling Services to maximise opportunities for efficiencies across services.

Collaboration

The Home Office has actively encouraged collaborative working between Police Forces and Fire Authorities. The Forces and Police Authorities/PCCs within the East Midlands Region (Northamptonshire, Derbyshire, Leicestershire, Lincolnshire and Nottinghamshire) have collaborated on a wide range of activities both formally and informally for over 10 years.

The collaboration agenda is underpinned by 5 guiding principles:

- that local policing remains local
- any collaboration helps deliver more efficient and/or effective policing for Northamptonshire
- all areas of business are considered
- decisions not to participate in a particular collaboration are reviewed regularly, as circumstances may change
- any cost and/or benefits are shared between participating Forces

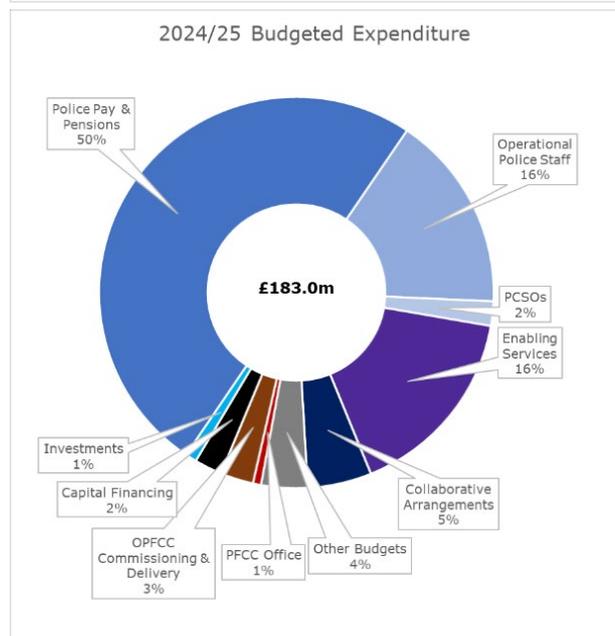
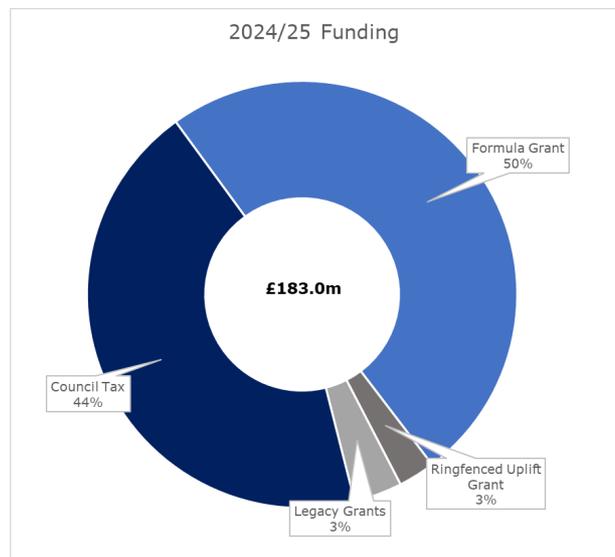
FINANCIAL PERFORMANCE

The Group Revenue Budget

Funding

Funding for the Police service is through a combination of government grant and precept (council tax). In 2024/25 the council tax element was based on a tax base of 258,512 properties at £306.04 at Band D. This was an increase of £13 per property compared to 2023/24.

A breakdown of this funding and its distribution across the major budget headings is as follows:



*Subject to rounding



In 2024/25, the PFCC continued to invest in Northamptonshire Police and maintain officer numbers at over 1,501.

In addition to funding of officer uplift, the 2024/25 budget included ring-fencing the sum of over £1.8m for the Chief Constable to support new areas of investment.

The OPFCC Commissioning and Delivery Budget continued to include substantial investment in order to:

- Prioritise work to support victims and the vulnerable
- Take forward initiatives to reduce domestic violence
- Work with partners to take forward initiatives to reduce re-offending
- With increased investment to continue to prioritise Early Intervention and engagement work
- To continue to prioritise targeted Youth Intervention and engagement work, including increasing capacity in neighbourhoods
- Continue work on crime prevention and Safer Streets
- Maximise use of available grant funding to deliver new initiatives such as Immediate Justice and ASB Hotspots

Rigorous budgetary control arrangements are in place together with a devolved system of budgetary control, which ensured resources were allocated to priorities as required. Monthly control reports on budgetary performance for the group are scrutinised.

Group Revenue Outturn

The total budget envelope for the OPFCC Group, including the OCC in 2024/25 was £183.0m. The provisional year-end outturn is as follows:

2024/25 Group Budget	Variance £m
Chief Constable	(1.06)
OPFCC (inc. Commissioning & Delivery)	(0.09)
Core Funding	0.12
Over/(Under)	(1.03)

Budget Outturn of the Chief Constable

The PFCC allocated £177.3m for the Chief Constable, including £1.8m for new investment and a cashable efficiency savings target of £0.8m.

The Chief Constable underspent by £1.06m as follows:

2024/25 Force Budget	Variance £m
Police Officers and PCSOs	(0.97)
Operational Policing	0.63
Control Room	0.06
Enabling Services	(0.36)
Central Budgets	(0.32)
Collaboration Units	(0.10)
Over/(Under)	(1.06)

Points of note contributing to the provisional year-end variance include:

- Officer recruitment profiles were expected to be significantly higher than the final position, which resulted in a significant underspend on police officer pay
- Turnover savings of police staff posts
- Investment interest was higher than budgeted
- There were pressures on overtime due to pay awards and a limited impact from volumetric changes, much of which has been addressed as a pressure within the 2025/26 budget

Budget Outturn of the OPFCC

The net PFCC budget (after contributions for shared services from Fire) for 2024/25 was £5.81m.

OPFCC	Budget £m	Outturn £m	Variance £m
OPFCC Office	1.310	1.360	0.050
<u>Commissioning & Delivery</u>			
People	3.899	3.835	(0.064)
Place	0.502	0.437	(0.065)
Joint Comms Team	0.099	0.088	(0.011)
	4.500	4.360	(0.140)
TOTAL	5.810	5.720	(0.090)



There is a budget of £1.310m for the costs associated with running the Office of the Police, Fire and Crime Commissioner, including statutory roles and requirements.

At year end, the PFCC office budget was overspent by £0.05m with the overspend mainly arising from higher than budgeted pay awards and recruitment costs.

The PFCC delivery budget of £4.500m was underspent by £0.140m at year end, mainly comprised of timing delays in recruiting staff to the Early Intervention and Youth Teams and for Crime Prevention work that we now take place in 2025/26.

The Capital Programme

In addition to revenue expenditure, money is spent on assets such as buildings, computers and vehicles, which will be used by or on behalf of the PFCC to support policing requirements in the long term.

The approved capital programme for 2024/25 was up to £17.443m and expenditure totalled £5.330m:

Scheme	Expenditure £m
Expenditure:	
Estates	0.996
Information Technology	2.574
Vehicles & Equipment	1.760
TOTAL Capital Expenditure	5.330
Funded by:	
Capital Receipts	(0.651)
Revenue Contributions	(2.116)
Internal Borrowing	(2.563)
TOTAL Capital Funding	(5.330)

Estates costs were lower than anticipated due to some projects that were delayed, due to the length of time taken to secure suitable new premises, develop plans and go through the planning application process. There have also been some changes on priorities in line with the new Safe and Sound Plan.

There was some slippage on Information Technology procurements, with some laptops and other equipment taking longer than expected to be delivered. The cost of these will fall in 2025/26.

Expenditure on vehicles was largely as expected, both as part of the rolling replacement programme and unplanned and unavoidable vehicle purchases.

Capital Financing

A total of £2.116m of revenue budget from across the group was used to fund capital expenditure which reduces the need to borrow and the subsequent financing costs in future years. All borrowing required for the year is via internal cash balances.

Cash Flow

Total 'Cash and Cash Equivalents' at 31 March 2025 is £6.791m including a share of Joint Venture (Regional Collaboration) cash balances. The main factors that will affect cash in the future are:

- Acquisitions and disposals relating to the capital programme.
- The value of reserve balances, grants and contributions unapplied.

Borrowing

The Local Government Act 2003 provides the PFCC with the power to borrow and describes the duty to determine and keep under review how much borrowing is affordable. Controls on borrowing are contained within the CIPFA Prudential Code for Capital Finance in Local Authorities and, under the provisions of the 2003 Act, the PFCC must have regard to the Code when carrying out their duties under the Act.

The key objectives of the Prudential Code are to ensure, within a clear framework that capital investment plans are:

- Affordable
- Prudent
- Sustainable

The Treasury Management Strategy and Minimum Revenue Provision are reviewed annually. The last update was undertaken in March 2025.

Total borrowing is £22.7m and has all been obtained via the Public Works Loan Board (PWLb).



NON-FINANCIAL PERFORMANCE

Outcomes

The PFCC produces an annual report each year considered in full at the Police, Fire and Crime Panel in June. This report details all key activities and areas of work undertaken by the PFCC, together with key performance areas.

The final report is published on the PFCC website.

Independent Custody Visitor Scheme

The Northamptonshire Police and Crime Commissioner has a statutory duty to operate an effective Independent Custody Visiting (ICV) Scheme. This scheme allows for volunteers to visit detainees in custody to check on their welfare. It offers mutual protection to detainees and police officers by providing independent scrutiny of the treatment of detainees and the conditions in which they are being kept.

Review of Complaints

All PCCs became the relevant review body for less serious complaints and were given additional oversight and accountability responsibilities in relation to the complaints process. Prior to the implementation of the Policing and Crime Act 2017, a complaint was only considered recordable where it related to the conduct of a specific officer. Post February 2020, the definition of a complaint has been updated to 'any expression of dissatisfaction'.

The OPFCC Customer Service Team is responsible for the receipt and recording of complaints against the Force, the informal resolution of low-level complaints and for ensuring that all reviews are appropriately processed and considered. By taking responsibility for recording complaints, the PFCC has a clearer overview of the issues that are causing concern to the public. Any lessons to learn are now captured on a force-wide basis and passed to the Chief Constable to support on-going improvements.

The Accountability Board

The accountability for performance and service delivery is undertaken through the Accountability Board. Members of the board are the Commissioner (the Chair), the Monitoring Officer, the Chief Constable and other Chief Officers. There is a formal agenda which will have a schedule of assurance in the form of standard agenda items. These will be discussed and agreed with the Force at an agenda setting meeting.

The records of the Accountability Board are published on the OPFCC website. Areas for discussion and accountability include:

- Focus on areas of concern in performance and service delivery at a strategic level
- Discussions between the Force and the OPFCC in respect of the strategic budget setting and medium-term financial planning
- Strategic consideration of key identified corporate level risks and scrutiny activity



FORCE OPERATIONAL PERFORMANCE

The Chief set out 14 Key Performance Questions for 2024/25 with 28 KPIs, as summarised in the following tables.

DRUG HARM					
Key Performance Indicator		Baseline	Mar25 position	KPI Outturn	
KPQ1	<i>To what extent are we protecting our communities from drugs harm?</i>				
KPI1	Efficiently dismantle and disrupt County Lines and Local Drug Lines operating in the county through impactful activity (Major to Minor)	51.6%	47.4%	Not Met	
KPI2	Improve intelligence quality for acquisitive crime (Burglary, Vehicle Crime, Shoplifting)	% sent for rework	7.9%	4.7%	Met
KPQ2	<i>To what extent are we reducing Neighbourhood crime and disorder in our communities?</i>				
KPI3	Reduce Anti-Social Behaviour repeat demand	5.7%	6.2%	Not Met	
KPI4	Reduce Neighbourhood crime victimisation: (i) Reduce neighbourhood crime* levels at a greater rate than the national average, to (ii) Improve our rate per 1000 population to at least top third of forces nationally or better <i>(*Residential burglary, all vehicle crime, personal robbery and theft from person)</i>	National	Northants		
				Met	
		Baseline	Mar25 position		
		Rate per 1k	8.89	8.38	Met
		Position	25	27	Not Met
KPQ3	<i>How well are we supporting victims of Neighbourhood crime and disorder?</i>				
KPI5	Improve Positive Outcomes secured overall (OC1-8) for neighbourhood crime offence investigations and specifically charges	PO rate	4.8%	3.8%	Not Met
		Charge rate	4.2%	3.5%	Not Met
KPI6	Improve satisfaction with overall service for neighbourhood crime types	Res Burglary	77.8%	78.1%	Met
		Vehicle crime	63.2%	65.7%	Met
		ASB	63.1%	58.0%	Not Met

SERIOUS AND ORGANISED CRIME (SOC)					
Key Performance Indicator		Baseline	Mar25 position	Assessment	
KPQ4	<i>To what extent are we reducing the threat of Serious Organised Crime (SOC) in our county?</i>				
KPI7	Increase understanding and improve safeguarding actions attributed to <u>vulnerability</u> within SOC (Crime recorded)	Crime volume	1894	2351	Met
		PO rate MSHT	3.4%	7.0%	Met
		PO rate CSA/ CSE	22.20%	17.90%	Not Met
KPI8	Improve intelligence quality for SOC linked <u>vulnerability</u> (child exploitation, modern slavery/human trafficking, immigration) - Rework needed	8%	3%	Met	



KPQ5	<i>To what extent are we disrupting SOC offenders and/or bringing them to justice?</i>			
KPI9	Increase persons charged for SOC related offences	872	1171	Met
KPI10	Increase confiscations and forfeitures under POCA legislation	£982,183.68	£990,124.87	Met

VIOLENCE AGAINST WOMEN AND GIRLS (VAWG)					
Key Performance Indicator		Baseline	Mar25 position	Assessment	
KPQ6	<i>To what extent are we protecting women and girls from harm?</i>				
KPI11	Reduce repeat victimisation levels of Domestic Abuse, Rape and Other Sexual Offences through proactive and preventative policing	DA	41.9%	37.1%	Met
		Rape	22.4%	22.3%	Met
		OSO	12.1%	11.8%	Met
KPI12	Achieve an arrest rate for domestic abuse above the most recent national average and above our pre Covid baseline (32%) - rolling 12m rate	35.2%	40.7%	Met	
KPI13	Improve the use of protective powers for VAWG offences in a timely manner (DVPOs, DVDS, SHPOs, SPOs)	539	987	Met	
KPI14	Increase the number of proactive interventions (predatory males / suspicious vehicles / vulnerable persons safeguarded) completed by police	561	353	Not Met	
KPQ7	<i>How well are we supporting victims of VAWG through our investigations?</i>				
KPI15	Improve overall positive outcomes (OC1-8) and specifically charges for VAWG victims (Domestic Abuse, Rape & Other Sexual Offences)	DA charges	6.8%	6.4%	Not Met
		Rape charges	4.1%	6.0%	Met
		OSO charges	3.3%	8.7%	Met
KPI16	Improve the quality of service we provide to victims of VAWG	Satisfaction	89.6%	81.3%	Not Met
		VCOP	72.9%	73.1%	Met

SERIOUS VIOLENCE				
Key Performance Indicator		Baseline	Mar25 position	Assessment
KPQ8	<i>To what extent are we reducing the threat of serious violence in the county?</i>			
KPI17	Reduce the volume of most serious knife crime	659	561	Met
KPI18	Reduce the overall volume of robbery offences	737	690	Met
KPQ9	<i>To what extent are we preventing future offending?</i>			
KPI19	Reduce repeat perpetrators of knife crime (local definition)	20.9%	21.4%	Not Met
KPI20	Reduce u18 involvement in most serious violence (s18, S20, homicide, attempted murder, robbery, aggravated burglary) - victims, suspects, offenders	450	392	Met



KPQ10	<i>To what extent are we providing a quality investigation and outcome?</i>				
KPI21	Improve overall positive outcome rate, specifically charges, for serious violence offences	PO Rate	16.9%	15.3%	Not Met
		Charge rate	14.7%	14.8%	Met
KPI22	Improve the quality of service we provide to victims of violence	Satisfaction	78.4%	77.1%	Not Met
		VCOP	76.8%	80.0%	Met

SERVICE DELIVERY					
Key Performance Indicator		Baseline	Mar25 position	Assessment	
KPQ11	<i>To what extent are we there for communities when they need us?</i>				
KPI23	Improve accessibility and visibility of policing within the county	SOH Reports	25,848	38,030	Met
		Visibility	62.8%	66.7%	Met
KPI24	Attend G1 incidents promptly and within the SLA	G1 Urban	62.8%	53.7%	Not Met
		G1 Rural	68.1%	62.6%	Not Met
KPQ12	<i>How well are we protecting people from harm?</i>				
KPI25	Reduce repeat victimisation (Crimes excluding Rex)	8.5%	5.4%	Met	
KPI26	Reduce Victim Based Crime levels at a faster rate than peers to achieve a rate of crime per 1000 people in line with the top third of forces nationally	National		Northants	
			-2.3%	-3.3%	Met
		Baseline		Mar25 position	
		Rate per 1k	69.5	63.8	Met
		Position	25	20	Not Met
KPI27	Provide an appropriate service and response to people in need of mental health support (overall assessment)	S136 detentions	493	321	Met
		Op Alloy involvement	77.1%	71.3%	Not Met
KPQ13	<i>To what extent are we providing a quality investigation and outcome?</i>				
KPI28	Improve the outcomes profile for Victim Based Crimes	PO Rate	10.9%	11.3%	Met
		Charge Rate	6.2%	8.5%	Met
KPI29	Improve the quality of service we provide to victims of crime resulting in high levels of victim satisfaction	Satisfaction	75.8%	71.4%	Not Met
		VCOP	86.3%	85.4%	Not Met



His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS)

In February 2024, His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) published their PEEL (Police Effectiveness, Efficiency and Legitimacy) assessment.

HM Inspector's summary was as follows:

"I am pleased with some aspects of Northamptonshire Police's performance in keeping people safe, reducing crime and providing victims with an effective service. But there are areas in which it needs to improve.

Since our last inspection, the force has made a concerted effort to review and improve its performance. In particular, it has improved how it communicates with its communities to identify local problems and gather intelligence. The force has made improvements in most areas and I commend the force for the progress it has made.

But I have concerns about how the force is investigating crime. We were concerned that offenders may not always be brought to justice and that victims weren't always getting the most appropriate outcomes. For example, the force doesn't always follow national policy on issuing community resolutions in cases of intimate partner domestic abuse. We alerted the force about this problem at the time of our inspection, and since then it has started work to address our concerns. We will continue to monitor performance in this area."

Chief Constable Ivan Balhatchet said:

"The Force is continuing to move in the right direction from our last inspection in 2021 and we are a very long way now from the 2019 inspection report which identified some very serious gaps in performance and led to us spending a period in special measures.

We took the findings from the last inspection and have worked hard to improve across a wide range of areas and while there is still work to do, there are a lot of positives to be drawn from this report.

This Force and policing in general have never been under more scrutiny than it has over the past couple of years, so it is especially encouraging to see how well we have been assessed in terms of our legitimacy, the way we use powers and treat the public with fairness and respect."

EXTERNAL FACTORS

National Perspective

One of the PFCC key roles is to lobby central Government on behalf of the public in Northamptonshire. During the year, the PFCC continued to lobby for both a fairer funding settlement from the funding formula review and the opportunity to set a precept level based on local needs and circumstances. PFCCs await information on the potential precept flexibility and grant levels beyond 2025/26 which will need to be considered in terms of affordability for local taxpayers and long term sustainable funding for policing in the future. The spending review announcements in Spring 25 provided some high level information on funding across government departments to assist future planning.

Central Government

The Home Secretary produces the Strategic Policing Requirement, which outlines the resources and capabilities that are required for Northamptonshire to support any national efforts to prevent and deter threats to National Security.

The PFCC has a statutory duty to have regard to this and continues to ensure that Northamptonshire contributes to the national agenda with appropriate levels of resourcing whenever required. This includes lobbying the Government (in particular, the Home Office and Ministry of Justice) for change that will make a difference to the safety of residents in Northamptonshire.

Local Perspective

The public ultimately hold policing to account. At local level taxpayers vote for the PFCC in each policing geographical area as well as paying for the police element of the council tax.

Before deciding on the level of precept, the PFCC undertook as wide a range of consultation as possible to obtain the views of Northamptonshire residents.

The highlights from the consultations informed the PFCC precept proposals and the consultation reports are available on the OPFCC website.



OUTLOOK

Risks and Opportunities

There are some significant areas of uncertainty which include:

The Spending Review (SR)

This is a governmental process carried out by HM Treasury to set firm expenditure limits and, through public service agreements, define the key improvements that the public can expect from these resources. Following the change in government, only one year funding was announced in Dec 24, with a commitment to provide a multi-year announcement in Spring 25. The Chancellor made some high level announcements in June 2025 which gave an indication of funding levels for the Home Office and Policing. These assumptions are being modelled into medium term planning, but there is still considerable uncertainty and the full impact of this will not be determined until the 2026/27 funding settlement is released in December 2025.

Economy

The lasting effects of the conflicts in Gaza and Ukraine, and the pandemic have all had an impact on the national and international economies and cost of living. More recently, the impact of USA import tariffs and other international factors are having an impact on the economic situation worldwide. In the UK, we continue to face higher costs of living and inflation rates than the Bank of England target.

Police Funding Formula

Funding to Police is by way of national police grants and local council tax precept. There are significant differences between force areas in terms of what funding is provided locally and nationally.

The police allocation formula (PAF) is essentially a calculation that uses various data sources (such as population density) to share money between police authorities in England and Wales.

The National Police Funding Formula was “frozen” in 2011/12 and includes population as a key factor in the allocations.

His Majesty’s Inspectorate of Constabulary (HMICFRS) issue annually the Value for Money profiles which reflect that Northamptonshire’s central police grant per head of population is way below the national average.

Changing Demand

Northamptonshire is a very fast-growing county – its population has grown higher than national levels over a number of years. Over the past 10 years, the population in the county grew by 11.4% compared to 5.9% across England. Increasing population and the demographics of those changes bring policing challenges. Together with the issue of more complex and changing demands on the police, it is essential that resources are prioritised to meet these challenges.

HMICFRS

The most recent inspection findings and improvements are outlined earlier in the narrative statement. There has been a great amount of focus by the Force on areas for improvement, and the HMICFRS recognises the progress that has been made.

Medium Term Financial Outlook

Whilst the 2025/26 budget has been balanced, this is predicated on a level of savings and efficiencies and there are further shortfalls identified over the medium term. The force has already begun to identify savings to meet this challenge and work to identify further savings continues.

To ensure continuous investment in the force with uncertain funding streams in the future, the PFCC has set the force an annual 1% efficiency target. The PFCC has committed that efficiencies can be reinvested by the force into new opportunities and demands.

S114 Assessment

A Section 114 notice, issued under the Local Government Finance Act 1988, signifies that a local authority in England anticipates its expenditure will exceed its income, making it unable to balance its budget. This notice essentially declares that the Authority is facing a financial crisis and cannot make new spending commitments, with limited exceptions.

Based on our financial assessment and modelling, we do not consider that a s114 notice will be likely in the foreseeable future.

Enabling Services and Joint Working

Both the Police, Fire and Crime Plan and the Fire and Rescue Plan demonstrate the commitment of the PFCC, the CC and NCFRA to actively seek opportunities to work together to deliver more efficient and effective public services.



THE FINANCIAL STATEMENTS

The accounts are prepared using International Financial Reporting Standards (IFRS). Although these are the same standards that a large company would use in preparing its financial statements, some adjustments to costs are applied where they are not a charge to local taxpayers.

This document contains the accounts of the Chief Constable, which should be read in conjunction with the accounts produced by the OPFCC and are consolidated into the group position.

The key sections are as follows:

Primary Statements

Movement in Reserves Statement (MiRS)

This statement shows the movement in the year on the different reserves held by the PFCC. It shows how the deficit/(surplus) for the year in the Comprehensive Income and Expenditure Statement is adjusted by the costs that are not a charge to local taxpayers.

Comprehensive Income and Expenditure Statement (CIES)

This statement shows the income and expenditure accounting cost in the year of providing services under IFRS.

Balance Sheet

The balance sheet shows the PFCC's assets, liabilities and reserve balances at the financial year end date.

Cash Flow Statement

This statement shows the reason for changes in cash balances during the year and the balance held by the PFCC at the end of the financial year.

Key Disclosures

Notes to the Financial Statements

These include information required by the Code and additional material items of interest to assist the reader's understanding of the reported figures.

Events after the reporting period and authorised for issue date

This summarises any major events that happened between the year-end and the authorised-for-issue date. Events coming to light after the authorised-for-issue date will not be included in the financial statements.

Accounting Policies

These outline the principles used for how we account and prepare our financial statements.

Glossary of financial terms

The nature of this document means that technical words are unavoidable. The glossary is intended to simplify and explain such words.

Statement of Provisions

Provisions are made where an event has taken place that gives the PFCC a legal or constructive obligation that requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. These accounts include a number of provisions, detailed in the Notes to the Financial Statements.

Pensions

The PFCC's staff, Police Staff and Police Officers are offered retirement benefits as part of their terms and conditions of employment. Although these benefits will not actually be payable until employees retire, International Accounting Standard (IAS) 19 requires that the commitment to make future payments is disclosed at the time that employees and officers earn their future entitlement.

The PFCC and Chief Constable participate in two pension schemes:

The Police Pension Scheme (PPS)

This is an unfunded defined benefit final salary scheme for police officers administered by the Chief Constable on behalf of the PFCC. There are no investment assets built up to meet the pension liabilities and cash has to be generated from employee and employer contributions to meet actual pension payments as they fall due. Under the Police Pensions Fund Regulations 2007 if the amounts receivable by the pensions fund for the year is less than amounts payable, the PFCC must annually transfer an amount required to meet the deficit to the pension fund. Subject to parliamentary scrutiny



and approval, up to 100% of this cost is met by central government pension top-up grant. If, however, the pension fund is in surplus for the year, the surplus is required to be transferred from the pension fund to the PFCC, who then must repay the amount to central government.

The Local Government Pension Scheme (LGPS)

This is offered to all staff employed by the PFCC and Chief Constable and is administered locally by West Northamptonshire Council. This is a funded defined benefit final salary scheme, and both employers and employees pay contributions calculated at a level intended to balance the pension liabilities with investment assets.

Material and unusual charges

The accounts conform to proper practice and contain full and frank disclosures of all material sums.

Supplementary Statements

Police Pension Fund Account

The Police Pension Scheme is unfunded and holds no assets. The purpose of this account is to demonstrate the cash-based transactions taking place over the year and to identify the arrangements needed to balance the account.

Annual Governance Statement (AGS)

This statement explains how the PFCC complies with the Code of Corporate Governance. Preparation and publication of the Statement fulfils statutory requirements under the Accounts and Audit Regulations 2011 to conduct a review at least once in each financial year of the effectiveness of the system of internal control and to include a statement reporting on the review with the Statement of Accounts.

SUMMARY AND CONCLUSION

Despite the tight financial climate and future challenges, the PFCC Group continues to demonstrate a strong track record of effective financial management and delivering outturn within the approved budget. However, there is a long-term financial impact of economic uncertainty to consider which will continue to be monitored very closely.

The budgeting process continues to develop with rigorous challenge from both the Chief Constable and the PFCC.

The Chief Constable is committed to ensuring that improvements required as part of recommendations from HMICFRS do not lose momentum and ensure the best services can be delivered for the public of Northamptonshire. As described above, the progress so far is significant, and the building blocks are in place for the Force to become one of the most effective in the country.

The Safe and Sound Plan commits to ensuring investment in policing is focussed in the areas highlighted by the public. The financial outlook remains challenging, but Northamptonshire is already well prepared in meeting these challenges. Fire and Police will continue to actively seek and implement opportunities to work together to deliver more efficient and effective public services.

We are confident that the PFCC, Chief Constable and their respective leadership teams will continue to deliver strong and effective financial management in order to maintain an appropriate level of funding for essential operational services in Northamptonshire.

Vaughan Ashcroft
Chief Finance Officer (s151)
Date: 26/02/2026

Danielle Stone
Northamptonshire Police, Fire and Crime Commissioner
Date: 26/02/2026



STATEMENT OF RESPONSIBILITIES

The PFCC's Responsibilities

The PFCC is responsible for holding the Chief Constable to account to ensure financial management of the Police service is adequate and effective and that a sound system of internal control is in place including arrangements for risk management. The OPFCC must make arrangements for the proper administration of its financial affairs and to ensure that one of its officers, namely the CFO, has the responsibility for that administration.

The PFCC also has a specific responsibility to sign the Statement of Accounts following review by the Joint Independent Audit Committee meetings.

The Chief Finance Officer's Responsibilities

The CFO to the PFCC is responsible for the preparation of the OPFCC's Group Accounts in line with statutory best practice set out in the CIPFA/LASAAC Code of Practice on Local OPFCC Accounting in Great Britain ("The Code") and the Accounts and Audit Regulations 2015.

The accounts are required to present fairly the financial position of the OPFCC at the accounting date and its income and expenditure for the year ended 31 March 2025.

In preparing this Statement of Accounts, the Section 151 (s151) Officer:

- Selected suitable accounting policies and applied them consistently
- Made judgements and estimates that were reasonable and prudent
- Complied with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25
- Kept proper accounting records which are up to date
- Taken reasonable steps for the prevention and detection of fraud and other irregularities

The Role of the Chief Constable

The Chief Constable, assisted and advised by his Chief Finance Officer, is responsible for day-to-day financial management of the Force and for ensuring that the Force stays within its approved revenue and capital budgets, in accordance with the financial framework agreed by the Police, Fire and Crime Commissioner.

Northamptonshire Police Financial Services staff under the supervision of, and with the assistance of the PFCCs Office, carries out the preparation of the accounts and liaises with the external auditors, Grant Thornton UK LLP, during the audit process.

Chief Finance Officer (OPFCC) Certificate

I certify that the Statement of Accounts presents a true and fair view of the financial position of the OPFCC and Northamptonshire Police Force as at 31st March 2025 and the income and expenditure for the year ended 31st March 2025.

Vaughan Ashcroft
Chief Finance Officer (s151)
Date: 26/02/2026

Danielle Stone
Northamptonshire Police, Fire and Crime Commissioner
Date: 26/02/2026



MOVEMENT IN RESERVES STATEMENT (GROUP)

This statement shows the movement in the year on the different reserves held by the OPFCC, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other reserves. The 'Surplus or deficit on the provision of services' line shows the true economic cost of providing the OPFCC's services, more details of which are shown in the Comprehensive Income and Expenditure Statement.

These are different from the statutory amounts required to be charged to the General Fund Balance for council tax setting. The 'Net Increase or Decrease before Transfers to Earmarked Reserves' line shows the statutory General Fund balance before any discretionary transfers to or from earmarked reserves are undertaken.

Group	General Fund Balance	Earmarked General Fund Reserves	Total Usable Reserves	Unusable Reserves	Total Reserves
	£000	£000	£000	£000	£000
Balance at 31 March 2024	(5,300)	(18,515)	(23,815)	992,472	968,657
Movement in reserves during 2024/25					
Surplus/(deficit) on the provision of services	21,648	-	21,648	-	21,648
Other Comprehensive (Income)/Expenditure	-	-	-	(118,736)	(118,736)
Total Comprehensive (Income)/Expenditure	21,648	-	21,648	(118,736)	(97,088)
Adjustments between accounting basis and funding basis under regulations (Note 6)	(21,731)	-	(21,731)	21,731	-
Net (Increase)/Decrease before Transfers to Earmarked Reserves	(83)	-	(83)	(97,005)	(97,088)
Transfers (to)/from Earmarked Reserves	83	(83)	-	-	-
(Increase)/Decrease in 2024/25	-	(83)	(83)	(97,005)	(97,088)
Balance at 31 March 2025	(5,300)	(18,598)	(23,898)	895,467	871,569

Group	General Fund Balance	Earmarked General Fund Reserves	Total Usable Reserves	Unusable Reserves	Total Reserves
	£000	£000	£000	£000	£000
Balance at 31 March 2023	(5,300)	(19,067)	(24,367)	960,287	935,920
Movement in reserves during 2023/24					
Surplus/(deficit) on the provision of services	31,952	-	31,952	-	31,952
Other Comprehensive (Income)/Expenditure	-	-	-	784	784
Total Comprehensive (Income)/Expenditure	31,952	-	31,952	784	32,736
Adjustments between accounting basis and funding basis under regulations (Note 6)	(31,400)	-	(31,400)	31,400	-
Net (Increase)/Decrease before Transfers to Earmarked Reserves	552	-	552	31,184	32,736
Transfers (to)/from Earmarked Reserves	(552)	552	-	-	-
(Increase)/Decrease in 2023/24	-	552	552	32,184	32,736
Balance at 31 March 2024	(5,300)	(18,515)	(23,815)	992,471	968,656



MOVEMENT IN RESERVES STATEMENT (OPFCC)

Office of the Police, Fire & Crime Commissioner	General Fund Balance	Earmarked General Fund Reserves	Total Usable Reserves	Unusable Reserves	Total Reserves
	£000	£000	£000	£000	£000
Balance at 31 March 2024	(5,300)	(18,515)	(23,815)	(65,517)	(89,332)
Movement in reserves during 2024/25					
Surplus/(deficit) on the provision of services	3,321	-	3,321	-	3,321
Other Comprehensive (Income)/Expenditure	-	-	-	2,296	2,296
Total Comprehensive (Income)/Expenditure	3,321	-	3,321	2,296	5,617
Adjustments between accounting basis and funding basis under regulations (Note 6)	(3,404)	-	(3,404)	3,404	-
Net (Increase)/Decrease before Transfers to Earmarked Reserves	(83)	-	(83)	5,700	5,617
Transfers (to)/from Earmarked Reserves	83	(83)	-	-	-
(Increase)/Decrease in 2024/25	-	(83)	(83)	5,700	5,617
Balance at 31 March 2025	(5,300)	(18,598)	(23,898)	(59,817)	(83,715)

Office of the Police, Fire & Crime Commissioner	General Fund Balance	Earmarked General Fund Reserves	Total Usable Reserves	Unusable Reserves	Total Reserves
	£000	£000	£000	£000	£000
Balance at 31 March 2023	(5,300)	(19,067)	(24,367)	(59,497)	(83,864)
Movement in reserves during 2023/24					
Surplus/(deficit) on the provision of services	7,555	-	7,555	-	7,555
Other Comprehensive (Income)/Expenditure	-	-	-	(13,023)	(13,023)
Total Comprehensive (Income)/Expenditure	7,555	-	7,555	(13,023)	(5,468)
Adjustments between accounting basis and funding basis under regulations (Note 6)	(7,033)	-	(7,003)	7,003	-
Net (Increase)/Decrease before Transfers to Earmarked Reserves	552	-	552	(6,020)	(5,468)
Transfers (to)/from Earmarked Reserves	(552)	552	-	-	-
(Increase)/Decrease in 2023/24	-	552	552	(6,020)	(5,468)
Balance at 31 March 2024	(5,300)	(18,515)	(23,815)	(65,517)	(89,332)



COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT (GROUP)

This account summarises the resources that have been generated and consumed in providing services and managing the Group during the last year. It includes all day-to-day expenses and related income on an accruals basis, as well as transactions measuring the value of fixed assets actually consumed and the real projected value of retirement benefits earned by employees in the year.

Joint Associated Non-Entity (Joint Venture) accounting entries are consolidated in the Comprehensive Income and Expenditure service headings. Note 39 to the accounts gives a separate breakdown of these entries.

2023/24 Restated			Group	2024/25		
Expenditure £000	Income £000	Net £000		Expenditure £000	Income £000	Net £000
186,561	(42,530)	144,031	Policing Services	190,009	(48,654)	141,355
8,530	(1,932)	6,598	Police, Fire & Crime Commissioner	9,065	(3,159)	5,906
-	-	-	Commissioning	-	-	-
195,091	(44,462)	150,629	Cost of Services	199,074	(51,813)	147,261
1,321	(651)	670	Other Operating Expenditure (Note 7)	259	-	259
47,351	(681)	46,670	Financing and Investment Income and Expenditure (Note 8)	48,811	(856)	47,955
-	(166,017)	(166,017)	Taxation and Non-Specific Grant Income (Note 9)	-	(173,827)	(173,827)
243,763	(211,811)	31,952	(Surplus)/Deficit on Provision of Services	248,144	(226,496)	21,648
		(12,318)	(Surplus)/Deficit on Revaluation of Non-Current Assets			2,197
		13,102	Actuarial (Gains)/Losses on Pension Schemes			(120,933)
		784	Other Comprehensive (Income) and Expenditure			(118,736)
		32,736	Total Comprehensive (Income) and Expenditure			(97,088)

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT (OPFCC)

2023/24 Restated			Office of the Police, Fire & Crime Commissioner	2024/25		
Expenditure £000	Income £000	Net £000		Expenditure £000	Income £000	Net £000
6,169	(1,339)	4,830	Policing Services	6,829	(1,285)	5,544
8,530	(1,932)	6,598	Police, Fire & Crime Commissioner	9,065	(3,159)	5,906
-	-	-	Commissioning	-	-	-
14,699	(3,271)	11,428	Cost of Services	15,894	(4,444)	11,450
160,922	-	160,922	Intra-Organisational Adjustment	165,024	-	165,024
1,321	(651)	670	Other Operating Expenditure (Note 7)	259	-	259
552	-	552	Financing and Investment Income and Expenditure (Note 8)	415	-	415
-	(166,017)	(166,017)	Taxation and Non-Specific Grant Income (Note 9)	-	(173,827)	(173,827)
177,494	(169,939)	7,555	(Surplus)/Deficit on Provision of Services	181,592	(178,271)	3,321
		(12,318)	(Surplus)/Deficit on Revaluation of Non-Current Assets			2,197
		(706)	Actuarial (Gains)/Losses on Pension Schemes			99
		(13,024)	Other Comprehensive (Income) and Expenditure			2,296
		(5,469)	Total Comprehensive (Income) and Expenditure			5,617



BALANCE SHEET (OPFCC & GROUP)

This account shows the overall financial position of the Group at 31 March 2025. It therefore differs from the other financial accounts shown in this statement in that it deals with the position of the OPFCC at the end of the 2024/25 financial year instead of dealing with day-to-day transactions within that financial year.

OPFCC 31/03/2024 £000	Group 31/03/2024 £000		Note	OPFCC 31/03/2025 £000	Group 31/03/2025 £000
98,271	98,271	Property, Plant and Equipment	18	89,164	89,164
1,471	1,471	Intangible Assets	23	2,023	2,023
-	-	Right of use assets	22	6,048	6,048
22	22	Long Term Investments		-	-
99,764	99,764	Long Term Assets		97,235	97,235
-	-	Short Term Investments		-	-
-	-	Assets Held for Sale	20	-	-
655	655	Inventories	27	447	447
27,576	27,576	Short Term Debtors	26	27,881	27,881
4,029	4,029	Cash and Cash Equivalents	33	6,791	6,791
32,260	32,260	Current Assets		35,119	35,119
(17,514)	(20,483)	Short Term Creditors	29	(23,220)	(24,874)
-	-	Short Term Borrowing	42	(505)	(505)
-	-	Short Term Lease Liabilities	29	(293)	(293)
(2,235)	(2,235)	Provisions	28	(1,819)	(1,819)
(19,749)	(22,718)	Current Liabilities		(25,837)	(27,491)
(22,943)	(22,943)	Long Term Borrowing	42	(22,235)	(22,235)
-	-	Long Term Lease Liabilities	43	(567)	(567)
-	(1,055,020)	Other Long Term Liabilities	43	-	(953,630)
(22,943)	(1,077,963)	Long Term Liabilities		(22,802)	(976,432)
89,332	(968,657)	Net Assets		83,715	(871,569)
(23,815)	(23,815)	Usable Reserves	16	(23,898)	(23,898)
(65,517)	992,472	Unusable Reserves	17	(59,817)	895,467
(89,332)	968,657	Total Reserves		(83,715)	871,569

Signed:

Vaughan Ashcroft
Chief Finance Officer (s151)
Date: 26/02/2026

Danielle Stone
Northamptonshire Police, Fire and Crime Commissioner
Date: 26/02/2026



CASH FLOW STATEMENT (OPFCC & GROUP)

This statement shows a summary of the cash flowing in and out of the Group arising from transactions with third parties for revenue and capital purposes. Cash is defined for this statement as cash in hand and deposits repayable on demand.

2023/24			2024/25	
OPFCC £000	Group £000		OPFCC £000	Group £000
7,555	31,952	Net (Surplus)/Deficit on Provision of Services	3,321	21,648
(13,512)	(37,909)	Adjustments to net surplus/deficit on the provision of services for non cash movements (Note 34)	(11,624)	(29,951)
-	-	Adjustments for items included in the net surplus/deficit on the provision of services that are investing and financing activities (Note 34)	-	-
(5,957)	(5,957)	Net cash flows from Operating Activities	(8,303)	(8,303)
7,876	7,876	Investing Activities (Note 35)	5,360	5,360
166	166	Financing Activities (Note 35)	181	181
2,085	2,085	Net (increase) or decrease in cash & cash equivalents	(2,762)	(2,762)
6,114	6,114	Cash & cash equivalents at the beginning of the reporting period (Note 33)	4,029	4,029
4,029	4,029	Cash & cash equivalents at the end of the reporting period (Note 33)	6,791	6,791



NOTES TO THE ACCOUNTS

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Expenditure and Funding Analysis (Group)

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices.

2023/24			Group	2024/25		
Net Expenditure Chargeable to CIES	Adjustments	Net Expenditure as per CIES		Net Expenditure Chargeable to CIES	Adjustments	Net Expenditure as per CIES
£000	£000	£000		£000	£000	£000
114,906	24,547	139,453	Policing Services	117,398	18,308	135,706
4,323	6,853	11,176	OPFCC & Commissioning	8,132	3,423	11,555
-	-	-	Non-Distributed Costs	-	-	-
118,827	31,802	150,629	Cost of Services	125,530	21,731	147,261
(118,677)	-	(118,677)	Other Income and Expenditure	(125,613)	-	(125,613)
150	31,802	31,952	(Surplus)/Deficit on the Provision of Services	(83)	21,731	21,648
(24,367)			Opening Combined General Fund Balance	(23,815)		
552			(Surplus)/Deficit on the General Fund	(83)		
(23,815)			Closing Combined General Fund	(23,898)		

Expenditure and Funding Analysis (OPFCC)

2023/24			Office of the Police, Fire & Crime Commissioner	2024/25		
Net Expenditure chargeable to CIES	Adjustments	Net Expenditure as per CIES		Net Expenditure chargeable to CIES	Adjustments	Net Expenditure as per CIES
£000	£000	£000		£000	£000	£000
102	150	252	Policing Services	(86)	(19)	(105)
4,323	6,853	11,176	OPFCC & Commissioning	8,132	3,423	11,555
-	-	-	Non-Distributed Costs	-	-	-
4,425	7,003	11,428	Cost Of Services	8,046	3,404	11,450
160,922	-	160,922	Intra-Organisational Adjustment	165,024	-	165,024
(164,795)	-	(164,795)	Other Income and Expenditure	(173,153)	-	(173,153)
552	7,003	7,555	(Surplus)/Deficit on the Provision of Services	(83)	3,404	3,321
(24,367)			Opening Combined General Fund Balance	(23,815)		
552			(Surplus)/Deficit on the General Fund	(83)		
(23,815)			Closing Combined General Fund	(23,898)		



Note 1 - Critical Judgements in Applying Accounting Policies

In applying its accounting policies, the Authority has made judgements about complex transactions and those involving uncertainty about future events. These judgements are significant in understanding the financial statements and are set out below.

Classification of Joint Operations

Following a review of the governance and operational arrangements, the Authority has concluded that joint venture activities should be recognised within the accounts of the Office of the Police, Fire and Crime Commissioner (OPFCC), rather than those of the Chief Constable. This treatment more accurately reflects the substance and control of the arrangement.

The Authority has reviewed the governance and operational arrangements relating to joint venture activities. Following this review, it has been determined that these activities should be recognised within the accounts of the Office of the Police, Fire and Crime Commissioner (OPFCC), rather than in the accounts of the Chief Constable. This treatment best reflects the substance of the arrangement and the extent to which the OPFCC exercises control.

Management considers participation in regional joint ventures to be a strategic commissioning decision. The commissioning responsibility for such arrangements rests with the Police, Fire and Crime Commissioner (PFCC), not the Chief Constable. As a result, the OPFCC is the appropriate entity to recognise and account for the associated transactions.

In addition, the legal and governance framework underpinning the joint venture requires PFCC approval for participation. The Chief Constable does not hold delegated authority to independently enter into such arrangements. This demonstrates that the OPFCC holds overarching control and therefore should account for the joint operations.

Use of OPFCC Assets and Scope of IFRS 16

Management has exercised judgement in determining whether the Chief Constable's use of OPFCC-owned assets gives rise to a lease within the scope of IFRS 16. Although OPFCC assets are used operationally by the Chief Constable, there is no enforceable contract or agreement that conveys a legally enforceable right to use specifically identified assets.

In the absence of such an arrangement, management has concluded that the Chief Constable does not obtain the right to control the use of OPFCC assets within the meaning of IFRS 16. Consequently, no lease is recognised in the Chief Constable's financial statements. The assets continue to be recognised by the OPFCC as the legal and accounting owner.

Note 2 - Assumptions Made about the Future and Other Major Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the OPFCC about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, as balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the OPFCC's Balance Sheet as at 31 March 2025 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Property	Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in	If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls.



	<p>relation to individual assets. The current economic climate makes it uncertain that the Authority will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.</p> <p>The property valuations were provided by external valuer Wilks Head & Eve as at 31st March 2025.</p>	<p>It is estimated that the annual depreciation charge for buildings would increase £0.065m for every year that useful lives had to be reduced.</p> <p>It is estimated that the annual depreciation charge for vehicles would increase by £1.063m for every year that useful lives had to be reduced.</p>
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. Two firms of consulting actuaries are engaged to provide the OPFCC with expert advice on the assumptions to be applied. For the Local Government Pension Scheme (LGPS), the recognised position may also be affected by the asset ceiling adjustment. This adjustment is required when the calculated surplus on the OPFCC's share of the LGPS cannot be recognised in full because the organisation does not have an unconditional right to realise that surplus as an economic benefit. The level of the adjustment is influenced by long-term actuarial funding assumptions and future service contribution expectations.</p>	<p>The assumptions interact in complex ways. During 2024/25, the OPFCC's actuaries advised that the net pension liability had changed as a result of updated estimates. The asset ceiling adjustment for 2024/25 was £2.919m, reflecting the difference between the calculated LGPS surplus and the amount that can be recognised under IAS 19. Changes in underlying assumptions—such as return expectations, contribution requirements or regulations governing the recovery of surpluses—could materially increase or decrease this adjustment. If laws or regulations governing the Police Pension Scheme were to change, the maximum additional liability the OPFCC could face would be the total pension liability recorded on the balance sheet.</p>



Note 3 - Events After the Balance Sheet Date

The statement of accounts was authorised for issue by the Chief Finance Officer on 27th June 2025 and no post balance sheet event had been reported at this date.

Note 4 - Officers' Remuneration

Employee Remuneration

In accordance with the Code of Practice, the number of employees whose remuneration was paid in year, excluding pension contributions, exceeded £50,000 or more in the year, were as follows:

2023/24			2024/25			
OPFCC Total	Group Total	£'s	OPFCC Staff	Group Officers	Group Staff	Group Total
4	263	50,000 to 54,999	3	239	59	301
2	131	55,000 to 59,999	-	147	20	167
1	99	60,000 to 64,999	2	104	22	128
1	37	65,000 to 69,999	2	71	7	80
-	7	70,000 to 74,999	2	15	4	21
1	4	75,000 to 79,999	-	5	3	8
1	7	80,000 to 84,999	-	4	2	6
-	4	85,000 to 89,999	-	2	1	3
1	7	90,000 to 94,999	-	3	1	4
-	2	95,000 to 99,999	1	5	3	9
1	4	100,000 to 104,999	-	2	-	2
-	-	105,000 to 109,999	-	-	-	-
-	-	110,000 to 114,999	2	1	-	3
-	-	115,000 to 119,999	-	-	-	-
-	1	120,000 to 124,999	-	1	-	1
-	1	125,000 to 129,999	-	-	-	-
-	-	130,000 to 134,999	-	-	1	1
-	-	135,000 to 139,999	-	-	-	-
-	1	140,000 to 144,999	-	1	-	1
-	-	145,000 to 149,999	-	-	-	-
-	-	150,000 to 154,999	-	-	-	-
-	1	170,000 to 174,999	-	-	-	-
-	-	175,000 to 179,999	-	1	-	1
12	569		12	601	123	736

The disclosure above includes senior officers and requires the outlining of total taxable pay, including personal Additional Voluntary Contributions, whereas the Senior Officers table overleaf outlines the entire remunerations by post. Therefore, the two tables are not completely comparable which will result in differing bandings if the two are compared.



Senior Officers of the organisation requiring disclosure by post or name were:

2024/25 Post Holder Information	Start Date	Leaving Date	Salary £	Expenses Allowances (1) £	Loss of office £	Other (2) £	Total Excluding Pension £	Employers Contribution £	Total Including Pension £
Police, Fire and Crime Commissioner									
Stephen Mold - Police, Fire and Crime Commissioner	12/05/16	08/05/24	7,699	513	-	-	8,212	1,544	9,756
Danielle Stone - Police, Fire and Crime Commissioner	09/05/24		68,301	62	-	-	68,363	13,182	81,545
Deputy Police and Crime Commissioner	17/07/24		38,884	83	-	-	38,967	7,505	46,472
Office of the Police, Fire and Crime Commissioner									
Director for Delivery	21/11/16		96,659	-	-	-	96,659	-	96,659
Chief Finance Officer ⁽³⁾	22/12/23		113,048	-	-	-	113,048	21,734	134,782
Chief Executive Officer (Monitoring Officer)	02/01/24		113,054	211	-	-	113,265	21,818	135,083
Chief Executive Officer VOICE	01/08/17		72,482	-	-	-	72,482	13,989	86,471
Chief Constable									
Nick Adderley - Chief Constable ⁽⁴⁾	01/04/23	21/06/24	42,361	-	-	-	42,361	-	42,361
Ivan Balhatchet - Chief Constable ⁽⁵⁾	17/10/23		171,622	-	-	4,784	176,406	51,735	228,141
Deputy Chief Constable	10/06/24		139,406	416	-	4,139	143,961	46,747	190,708
Assistant Chief Constable	10/06/24		95,646	122	-	3,465	99,233	35,313	134,546
Assistant Chief Officer	01/12/20		131,101	-	-	7,677	138,778	25,302	164,080
Assistant Chief Constable	10/06/24		117,085	69	-	3,758	120,912	37,881	158,793
Chief Superintendent	01/10/18	06/05/24	10,392	-	-	368	10,760	3,625	14,385
Chief Superintendent	17/09/21		110,662	86	-	-	110,748	38,066	148,814
Chief People Officer	03/04/23		92,408	-	-	-	92,408	17,835	110,243
Chief Finance Officer (CC) ⁽⁶⁾	22/12/23		96,545	-	-	-	96,545	18,648	115,193

⁽¹⁾ Expenses Allowances include taxable and non-taxable expenses.

⁽²⁾ Other includes Rent Allowance, Housing Allowance, Car Allowance, Relocation Allowances.

⁽³⁾ The Chief Finance Officer (OPFCC) began in this role on an interim basis on 22nd December 2023, transitioning to a permanent appointment on 28th October 2024.

⁽⁴⁾ Nick Adderley, who served as Chief Constable from 6th August 2018, temporarily retired from Northamptonshire Police in February 2023, returning in April 2023. This brief break was necessitated by pension regulations affecting officers with 30 years of service, which would have otherwise made continued employment financially unviable.

⁽⁵⁾ The Current Chief Constable was Acting Chief Constable from 17th October 2023 until he was confirmed in post on the 1st February 2025, following the dismissal of the previous postholder in June 2024.

⁽⁶⁾ The Chief Finance Officer (CC) began in this role on an interim basis on 22nd December 2023, transitioning to a permanent appointment on 11th November 2024.



2023/24 Post Holder Information	Start Date	Leaving Date	Salary £	Expense Allowances (1) £	Loss of office £	Other (2) £	Total Excluding Pension £	Employers Contribution £	Total Including Pension £
Police, Fire and Crime Commissioner									
Stephen Mold - Police, Fire and Crime Commissioner	12/05/16	08/05/24	76,100	428	-	-	76,528	15,107	91,635
Office of the Police, Fire and Crime Commissioner									
Director for Delivery	21/11/16		91,450	16	-	-	91,466	-	91,466
Chief Finance Officer	09/11/17	21/12/23	82,156	131	-	-	82,287	15,929	98,216
Interim Chief Finance Officer	22/12/23		35,764	20	-	-	35,784	7,081	42,865
Director & Monitoring Officer	17/12/18	23/07/23	100,706	614	-	-	101,320	6,980	108,300
Interim Monitoring Officer	24/07/23	01/01/24	46,963	864	-	-	47,826	-	47,826
Chief Executive Officer (Monitoring Officer)	02/01/24		27,204	-	-	-	27,204	5,386	32,590
Chief Executive Officer VOICE	01/08/17		68,370	-	-	-	68,370	13,537	81,907
Chief Constable									
Nick Adderley - Chief Constable ⁽³⁾	01/04/23		170,821	-	-	-	170,821	-	170,821
Ivan Balhatchet - Acting Chief Constable ⁽⁴⁾	17/10/23		80,411	-	-	2,514	82,925	24,927	107,852
Deputy Chief Constable	19/12/22	16/10/23	62,022	-	-	3,946	65,968	14,812	80,780
T/ Assistant Chief Constable	31/03/20		118,262	446	-	6,521	125,229	34,214	159,443
Assistant Chief Officer	01/12/20		124,089	-	-	7,010	131,099	24,570	155,669
Chief Superintendent	30/03/23		95,325	39	-	4,299	99,663	29,426	129,089
Chief Superintendent	01/10/18		99,302	406	-	5,274	104,982	30,766	135,748
Chief Superintendent	17/09/21		98,348	341	-	2,639	101,328	30,460	131,788
Chief People Officer	03/04/23		80,178	-	-	-	80,178	15,875	96,053
Chief Finance Officer	21/05/18	21/12/23	59,799	-	-	-	59,799	11,840	71,639
Interim Chief Finance Officer	22/12/23		25,585	-	-	-	25,585	5,066	30,651

⁽¹⁾ Expenses Allowances include taxable and non-taxable expenses

⁽²⁾ Other includes Rent Allowance, Housing Allowance, Car Allowance, Relocation Allowances.

⁽³⁾ Nick Adderley, who served as Chief Constable from 6th August 2018, temporarily retired from Northamptonshire Police in February 2023, returning in April 2023. This brief break was necessitated by pension regulations affecting officers with 30 years of service, which would have otherwise made continued employment financially unviable.

⁽⁴⁾ The Deputy Chief Constable became Acting Chief Constable from 17th October 2023 for the rest of the year when the substantive Chief Constable was suspended from duty.



Note 5A - Note to the Expenditure and Funding Analysis

2024/25 - OPFCC	Net Capital Statutory Adjustments £000	Net Pensions Statutory Adjustments £000	Other Statutory Adjustments £000	Total Adjustments £000
Policing Services	(2,607)	99	(879)	(3,387)
OPFCC & Commissioning	-	-	-	-
Net Cost of Services	(2,607)	99	(879)	(3,387)
Joint Venture & Associates	-	-	(17)	(17)
Other Income and Expenditure	-	-	-	-
Exceptional Item	-	-	-	-
Difference between the Statutory Charge and the (Surplus) or Deficit in the Comprehensive Income and Expenditure Statement	(2,607)	99	(896)	(3,404)

2023/24 - OPFCC	Net Capital Statutory Adjustments £000	Net Pensions Statutory Adjustments £000	Other Statutory Adjustments £000	Total Adjustments £000
Policing Services	(7,897)	(242)	1,285	(6,853)
OPFCC & Commissioning	-	-	-	-
Net Cost of Services	(7,897)	(242)	1,285	(6,853)
Joint Venture & Associates	125	(259)	(16)	(150)
Other Income and Expenditure	-	-	-	-
Exceptional Item	-	-	-	-
Difference between the Statutory Charge and the (Surplus) or Deficit in the Comprehensive Income and Expenditure Statement	(7,772)	(501)	1,269	(7,003)

2024/25 - Group	Net Capital Statutory Adjustments £000	Net Pensions Statutory Adjustments £000	Other Statutory Adjustments £000	Total Adjustments £000
Policing Services	(2,607)	(19,543)	436	(21,714)
OPFCC & Commissioning	-	-	-	-
Net Cost of Services	(2,607)	(19,543)	436	(21,714)
Joint Venture & Associates	-	-	(17)	(17)
Other Income and Expenditure	-	-	-	-
Exceptional Item	-	-	-	-
Difference between the Statutory Charge and the (Surplus) Deficit in the Comprehensive Income and Expenditure Statement	(2,607)	(19,543)	419	(21,731)

2023/24 - Group	Net Capital Statutory Adjustments £000	Net Pensions Statutory Adjustments £000	Other Statutory Adjustments £000	Total Adjustments £000
Policing Services	(7,897)	(23,113)	(241)	(31,250)
OPFCC & Commissioning	-	-	-	-
Net Cost of Services	(7,897)	(23,113)	(241)	(31,250)
Joint Venture & Associates	125	(259)	(16)	(150)
Other Income and Expenditure	-	-	-	-
Exceptional Item	-	-	-	-
Difference between the Statutory Charge and the (Surplus) or Deficit in the Comprehensive Income and Expenditure Statement	(7,772)	(23,372)	(257)	(31,400)



Note 5B - Segmental Analysis of Income and Expenditure

2024/25 - OPFCC	Revenues from External Customers £000	Interest Revenue £000	Interest Expense £000	Depreciation and Amortisation £000
Policing Services	-	-	-	-
OPFCC & Commissioning	(9,565)	-	415	6,273
Total	(9,565)	-	415	6,273

2023/24 - OPFCC	Revenues from External Customers £000	Interest Revenue £000	Interest Expense £000	Depreciation and Amortisation £000
Policing Services	(7,278)	-	-	-
OPFCC & Commissioning	(9,174)	-	543	11,015
Total	(16,452)	-	543	11,015

2024/25 - Group	Revenues from External Customers £000	Interest Revenue £000	Interest Expense £000	Depreciation and Amortisation £000
Policing Services	(17,961)	(856)	-	-
OPFCC & Commissioning	(9,565)	-	415	6,273
Total	(27,526)	(856)	415	6,273

2023/24 - Group	Revenues from External Customers £000	Interest Revenue £000	Interest Expense £000	Depreciation and Amortisation £000
Policing Services	(22,870)	(681)	-	-
OPFCC & Commissioning	(9,174)	-	543	11,015
Total	(32,044)	(681)	543	11,015



Note 5C - Expenditure and Income Analysed by Nature

2023/24 Restated		Nature of Expenditure or Income	2024/25	
OPFCC £000	Group £000		OPFCC £000	Group £000
Expenditure				
2,900	138,799	Employee Benefit Expenses	6,152	150,361
784	45,277	Other Services Expenses	3,469	42,440
11,015	11,015	Depreciation, amortisation, Impairment	6,273	6,273
552	47,351	Interest Payments	415	48,811
-	-	Precepts and Levies	-	-
670	670	(Gains)/losses on the Disposal of Non-Current Assets	259	259
15,921	243,112	Total Expenditure	16,568	248,144
160,922	-	Intra Company Adjustment (Expenditure)	165,024	-
176,843	243,112	Total Expenditure (Including Intra Company)	181,592	248,144
Income				
(1,874)	(17,466)	Fees, Charges and Other Service Income	(860)	(18,821)
-	(681)	Interest and Investment Income	-	(856)
(76,156)	(76,156)	Income from Council Tax & Non-Domestic Rates	(80,374)	(80,374)
(91,258)	(116,857)	Government Grants and Contributions	(97,037)	(126,445)
(169,288)	(211,160)	Total Income	(178,271)	(226,496)
-	-	Intra Company Adjustment (Income)	-	-
(169,288)	(211,660)	Total Income (Including Intra Company)	(178,271)	(226,496)
7,555	31,952	(Surplus) or Deficit on the Provision of Services	3,321	21,648



Note 6 - 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 the resources that are specified by statutory provisions as being available to the OPFCC, to meet future capital and revenue expenditure.

2024/25	OPFCC		Group	
	General Fund Balance £000	Movement in Unusable Reserves £000	General Fund Balance £000	Movement in Unusable Reserves £000
Adjustment 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	-	-	-	-
Pension Cost (transferred to (or from) the pensions reserve)	99	(99)	(19,543)	19,543
Profit/Loss on Disposal	(259)	259	(259)	259
Council Tax and NDR (transfers to or from the collection Fund)	(765)	765	(765)	765
Holiday Pay (transferred to the Accumulated Absences Reserve)	(131)	131	1,184	(1,184)
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	(6,272)	6,272	(6,272)	6,272
Total Adjustments to Revenue Resources	(7,328)	7,328	(25,655)	25,655
Adjustments between Revenue and Capital Resources				
Statutory Provision for the repayment of debt (transfer to the Capital Adjustment Account)	1,772	(1,772)	1,772	(1,772)
Capital Expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	2,152	(2,152)	2,152	(2,152)
Total Adjustments between Revenue and Capital Resources	3,924	(3,924)	3,924	(3,924)
Other Adjustments	-	-	-	-
Total Adjustments	(3,404)	3,404	(21,731)	21,731



2023/24	OPFCC		Group	
	General Fund Balance £000	Movement in Unusable Reserves £000	General Fund Balance £000	Movement in Unusable Reserves £000
Adjustment 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	-	-	-	-
Pension Cost (transferred to (or from) the pensions reserve)	(501)	501	(23,372)	23,372
Profit/Loss on Disposal	-	-	-	-
Council Tax and NDR (transfers to or from the collection Fund)	1,232	(1,232)	1,232	(1,232)
Holiday Pay (transferred to the Accumulated Absences Reserve)	37	(37)	(1,489)	1,489
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	(5,835)	5,835	(5,835)	5,835
Total Adjustments to Revenue Resources)	(5,067)	5,067	(29,464)	29,464
Adjustments between Revenue and Capital Resources				
Statutory Provision for the repayment of debt (transfer to the Capital Adjustment Account)	1,178	(1,178)	1,178	(1,178)
Capital Expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	1,874	(1,874)	1,874	(1,874)
Total Adjustments between Revenue and Capital Resources	3,052	(3,052)	3,052	(3,052)
Other Adjustments	(4,989)	4,989	(4,989)	4,989
Total Adjustments	(7,003)	7,003	(31,400)	31,400

Note 7 - Other Operating Expenditure

Other Operating Expenditure includes:

2023/24		2024/25	
OPFCC £000	Group £000	OPFCC £000	Group £000
-	-	-	-
670	670	259	259
-	-	-	-
670	670	259	259

Note 8 - Financing and Investment Income and Expenditure

2023/24		2024/25	
OPFCC £000	Group £000	OPFCC £000	Group £000
543	543	452	452
9	46,808	(37)	48,359
-	(681)	-	(856)
552	46,670	415	47,955



Note 9 - Taxation and Non-Specific Grant Income

2023/24			2024/25		
OPFCC £000	Group £000		OPFCC £000	Group £000	
(76,156)	(76,156)	Council tax income	(80,374)	(80,374)	
(89,861)	(89,861)	Non-ringfenced government grants	(93,453)	(93,453)	
(166,017)	(166,017)	Total	(173,827)	(173,827)	

Note 10 - Material Items of Income and Expense

Where items are not disclosed on the face of the Comprehensive Income and Expenditure Statement or within Notes 5-9, such as the disposals of Fixed Assets and Investments or reversals of provisions, the nature of these material amounts are set out below:

2023/24			2024/25		
OPFCC £000	Group £000		OPFCC £000	Group £000	
(2,235)	(2,235)	Insurance Provision	(1,819)	(1,819)	
(2,235)	(2,235)	Total	(1,819)	(1,819)	

Note 11 - Trading Operations

The Group does not have any trading operations. All commercial activities have been outsourced.

Note 12 - Members' Allowances

Payments to members of the Joint Independent Assurance Committee (JIAC) were as follows:

2023/24			2024/25		
OPFCC £000	Group £000		OPFCC £000	Group £000	
14	14	Allowances and Re-imburements	17	17	
14	14	Total	17	17	

Note 13 - External Audit Costs

During the year the group incurred direct external audit fees. The planned audit fees of £165k in 2024/25 and £150k in 2023/24 relate to the audit work for the Statement of Accounts, which is a statutory requirement.

2023/24			2024/25		
OPFCC £000	Group £000		OPFCC £000	Group £000	
102	150	Scale fees payable to external auditors with regard to external audit services carried out by the appointed auditor for the year	111	165	
102	150	Total	111	165	



Note 14 - Grant Income

The OPFCC credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement.

Grant Income Credited to Taxation and Non-Specific Grant Income and Expenditure

2023/24			2024/25	
OPFCC £000	Group £000		OPFCC £000	Group £000
(83,216)	(83,216)	Revenue Support Grant	(86,809)	(86,809)
(6,644)	(6,644)	Council Tax Legacy Grant	(6,644)	(6,644)
-	-	Capital Grants and Contributions	-	-
-	-	Section 31 Grants	-	-
(89,860)	(89,860)	Total	(93,453)	(93,453)

Credited to Services

2023/24			2024/25	
OPFCC £000	Group £000		OPFCC £000	Group £000
-	(15,973)	Pension Top Up Grant	-	(16,635)
-	(1,273)	Pensions Grant	-	(4,547)
-	(2,623)	Uplift Grant	-	(3,934)
-	(3,148)	Pay Award Grant	-	(1,561)
-	(1,309)	ACPO (TAM)	-	(1,421)
(1,382)	(1,382)	Ministry of Justice - Victims Grant	(1,567)	(1,567)
-	(1,185)	Additional Uplift Grant	-	(1,008)
-	-	ABS Hotspot Grant	(747)	(747)
(333)	(333)	Serious Violence Duty Grant	(578)	(578)
(300)	(300)	Safer Streets Grant	(355)	(355)
(209)	(209)	Immediate Justice Grant	(309)	(309)
-	-	Special Grant (Op Cobb)	-	(240)
(77)	(77)	NHS Sexual Violence Prevention Grant	-	-
(197)	(285)	Other Grants	(28)	(90)
(2,498)	(28,097)	Total	(3,584)	(32,993)



Note 15 - Related Parties

IPSAS20 Related Party Disclosures, based on IAS24, requires the OPFCC to disclose material transactions and outstanding balances with related parties – bodies or individuals that have the potential to control or influence the OPFCC or to be controlled or influenced by the OPFCC.

Central Government has effective control over the general operations of the OPFCC. It is responsible for providing the statutory framework within which the OPFCC operates and provides the majority of funding in the form of general or specific grants. Details of government grants are set out in Note 14.

The OPFCC has direct control over the OPFCC's financial and operating policies. Chief Officers might also be in a position to significantly influence the policies of the OPFCC.

The Chief Executive (and Monitoring Officer) and Chief Finance Officer of the OPFCC also undertake these roles in NCFRA (Fire), and all OPFCC Directors and OPFCC staff support the governance of NCFRA. There is also a joint Communications Team for OPFCC and Fire. The costs are reviewed annually as part of the budget setting process and in 2024/25, the sum of £0.396m was charged to NCFRA for this support.

NCFRA (Fire) and Northamptonshire Police work together on a number of collaboration and other activities or where one organisation provides services for another. Shared support services teams are in place for a number of services and shared accommodation in Darby House. During 2024/25, net charges of £3.578m were charged by Police to NCFRA.

A separate collaboration agreement is in place which sets out the governance arrangements for existing and future collaborative activities between OPFCC, the Chief Constable (CC) and NCFRA. This agreement was reviewed and updated in April 2025.

Both the OPFCC and the Police maintain a register of business interests, and the OPFCC has a Business Interest Policy which sets out the criteria for deciding whether the Business Interest is compatible with the individual's role within the organisation.

Key members of staff in the OPFCC, JIAC and Police are required, at the end of each year, to declare whether they, or any member of their immediate family have any related party transactions (i.e. significant financial dealings) with the OPFCC during the financial year. All returns and disclosures were received and reviewed by both s151 officers.

Northamptonshire Police and the PFCC work closely with Regional and National and other public sector partners in the course of their business (see Note 39).

A review of accounts payable and receivable transactions has been undertaken which confirms that no payments have been made to or from employees of the organisations other than in line with contracts of employment.



Note 16 - Transfers to/from Earmarked Reserves

This note sets out the Group amounts set aside from the General Fund and Earmarked Reserves to provide financing for future expenditure plans and the amounts posted back from Earmarked Reserves to meet the General Fund requirements in 2025/26 onwards.

The adequacy of reserves is assessed as part of the annual budget process where the strategic, operational and financial risks facing the OPFCC are considered. The Reserves Strategy is published annually in the Budget Report where the rationale for each Reserve is clearly stated.

On 31st March 2025, the total Earmarked Reserves balance stood at £23.898m (£23.815m in 2023/24). This includes a General Fund balance of £5.300m (£5.300m in 2023/24).

OPFCC/ Group	Balance at 31 March 2023 £000	Transfers in 2023/24 £000	Transfers out 2023/24 £000	Balance at 31 March 2024 £000	Intra- Reserve Transfers £000	Transfers in 2024/25 £000	Transfers out 2024/25 £000	Balance at 31 March 2025 £000
Insurance	-	-	1,747	(2,006)	-	-	100	(1,906)
Operational Equipment	-	(47)	-	(547)	-	-	197	(350)
Earmarked Funding	(678)	-	1,164	(374)	(19)	-	117	(276)
Victims	-	-	420	478	(478)	-	-	-
Pensions	-	-	-	(215)	-	-	-	(215)
S106 Reserve	-	-	301	-	-	-	-	-
Initiatives Fund	-	-	308	(4,114)	(25)	(90)	166	(4,063)
Invest to Save	-	(542)	-	(3,351)	522	-	124	(2,705)
Safer Roads	-	(86)	-	(664)	-	(167)	-	(831)
Additionality Reserve	678	-	-	-	-	-	-	-
Capital	-	-	99	(78)	-	-	(330)	(408)
Collaboration	-	-	103	(472)	-	(87)	-	(559)
Smoothing	-	(1,305)	-	(3,810)	-	(2,276)	(30)	(6,116)
Neighbourhood	-	(1,610)	-	(3,362)	-	-	2,193	(1,169)
Total Earmarked Reserves	-	(3,590)	4,142	(18,515)	-	(2,620)	2,537	(18,598)
General Fund	-	-	-	(5,300)	-	-	-	(5,300)
Total Reserves	-	(3,590)	4,142	(23,815)	-	(2,620)	2,537	(23,898)

The key purposes of these reserves are as follows:

Insurance

To cover the potential and contingent liabilities of uninsured risks as assessed annually by our insurers based on claims outstanding.

Operational Equipment

To smooth the impact of operational equipment purchases on the revenue budget such as replacement body armour and bodyworn video equipment.

Earmarked Funding

To cover specific areas of potential future financial impact, using budgets earmarked from prior years.

Victims

To fund specific programmes or schemes to support victims services. This was subsumed into the Initiatives Fund during the year.

Pensions

To meet the costs of any ill-health or injury retirements which are unbudgeted and any significant overspend on the employer pension contributions account.

Developer Contributions

This holds developer contributions, received when the legal conditions have been met, but they are held until the OPFCC can allocate them against an appropriate purpose.



Initiatives Fund

To deliver funding for specific initiatives and innovative solutions in order to deliver against the Police, Fire and Crime Plan.

Transformation

To fund transformative activities and opportunities, and meet initial and upfront costs of enabling services projects.

Safer Roads

For surpluses of fines and speed awareness course income that is to be reinvested in replacement equipment and road safety initiatives.

Capital

The reserve was set up to fund the future capital spending to ensure the OPFCC can continue to fund its capital programme at the planned levels. Historic balances were used to reduce external borrowing by funding the capital programme. The balance will be used to fund appropriate short life assets.

Collaboration

Transfers in relate to our share of underspends on regional collaboration. Transfers out represent contributions towards costs arising from regional decisions.

Smoothing

This reserve is intended to smooth the impact of funding changes which can be volatile between years as they are dependant on the collection rates of the billing authorities. This reserve will therefore reduce the need to make one year savings when the funding reductions are expected to be transient in nature.

Neighbourhood

To earmark underspends in the Police Officers and PCSO budgets to be used towards prioritising those resources for neighbourhood policing or other associated requirements.

General Fund

This is held for exceptional circumstances to maintain a degree of in-year financial flexibility, to deal with unforeseen circumstances and incidents, and to provide an operational contingency at service level. It is maintained at recommended levels and reviewed annually to ensure it doesn't fall below 2.5% of net budget requirement.



Note 17 - Unusable Reserves

2023/24			2024/25	
OPFCC £000	Group £000		OPFCC £000	Group £000
(55,986)	(55,986)	Revaluation Reserve	(53,789)	(53,789)
(7,680)	(7,680)	Capital Adjustment Account	(5,724)	(5,724)
(1,260)	(1,260)	Collection Fund Adjustment Account	(495)	(495)
-	1,055,020	Pension Reserve	-	953,630
(651)	(651)	Deferred Capital Receipt Reserve	-	-
60	3,029	Accumulated Absences Account	191	1,845
(65,517)	992,472	Balance 31 March	(59,817)	895,467

Revaluation Reserve

2023/24			2024/25	
OPFCC £000	Group £000		OPFCC £000	Group £000
(43,668)	(43,668)	Balance 1 April	(55,986)	(55,986)
(7,802)	(7,802)	Upward revaluation of assets	(1,251)	(1,251)
807	807	(Upward)/Downward revaluation of assets and impairment losses not charged to the Surplus or Deficit on the Provision of Services	3,448	3,448
(6,995)	(6,995)	(Surplus)/deficit on revaluation of non-current assets not charged to the Surplus or Deficit on the Provision of Services	2,197	2,197
(5,323)	(5,323)	Written off to CAA	-	-
-	-	Amount written off to the Capital Adjustment Account	-	-
-	-	Other movements to the Surplus or Deficit on Provision of Services	-	-
-	-	Other movements to Other Comprehensive Income and Expenditure	-	-
(55,986)	(55,986)	Balance 31 March	(53,789)	(53,789)

The Revaluation Reserve contains the gains made by the OPFCC and 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
- Used in the provision of services and the gains are consumed through depreciation
- Disposed of and the gains are realised

Capital Adjustment Account

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 enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations 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 OPFCC as finance for the costs of acquisition, construction and enhancement.



2023/24			2024/25	
OPFCC £000	Group £000		OPFCC £000	Group £000
(15,205)	(15,205)	Balance 1 April	(7,680)	(7,680)
4,287	4,287	Charges for depreciation and impairment of non-current assets	5,233	5,233
1,098	1,098	Revaluation (gain)/losses on non-current assets	400	400
308	308	Amortisation of intangible assets	604	604
-	-	Revaluation Reserve written out	-	-
1,321	1,321	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	258	258
7,014	7,014	Reversal of Items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement	6,495	6,495
5,323	5,323	Adjusting Amounts written out of the Revaluation Reserve	-	-
12,337	12,337	Net written out amount of the cost of non-current assets consumed in the year	6,495	6,495
(301)	(301)	Capital Grants, Contributions and Receipts credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	(651)	(651)
(1,178)	(1,178)	Statutory provision for the financing of capital investment charged against the General Fund	(1,772)	(1,772)
(3,207)	(3,207)	Capital expenditure charged against the General Fund	(2,116)	(2,116)
(4,686)	(4,686)	Capital financing applied in year:	(4,539)	(4,539)
(126)	(126)	Other movements	-	-
(7,680)	(7,680)	Balance 31 March	(5,724)	(5,724)

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 5 & 6 provides details of the source of all the transactions posted to the Capital Adjustment Account, apart from those involving the Revaluation Reserve, which is directly transferred between the two reserves.

Pensions Reserve

The Pensions 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 OPFCC accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, 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 OPFCC makes employer's contributions to pension funds or eventually pay any pensions for which it is directly responsible. The debit balance on the Pensions Reserve, therefore, shows a substantial shortfall in the benefits earned by past and current employees and the resources the OPFCC 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.

2023/24			2024/25	
OPFCC £000	Group £000		OPFCC £000	Group £000
205	1,018,546	Balance 1 April	-	1,055,020
71	13,879	Re-measurements of the net defined benefit (liability)/asset	100	(120,932)
711	64,517	Reversal of items relating to retirement benefits debited or credited to the (Surplus)/ Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	714	66,197
(987)	(41,922)	Employer's pensions contributions and direct payments to pensioners payable in the year	(814)	(46,655)
-	1,055,020	Balance 31 March	-	953,630



Collection Fund Adjustment Account

The Collection Fund Adjustment Account manages the differences arising from the recognition of council tax income in the Comprehensive Income and Expenditure Statement as it falls due from Council Taxpayers compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

2023/24			2024/25	
OPFCC £000	Group £000		OPFCC £000	Group £000
(27)	(27)	Balance 1 April	(1,260)	(1,260)
(1,233)	(1,233)	Amount by which council tax and non-domestic rates income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	765	765
(1,260)	(1,260)	Balance 31 March	(495)	(495)

Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year. For example, annual leave entitlements carried forward as at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

2023/24			2024/25	
OPFCC £000	Group £000		OPFCC £000	Group £000
98	1,541	Balance 1 April	60	3,029
(98)	(1,541)	Settlement or cancellation of accrual made at the end of the preceding year	(60)	(3,029)
60	3,029	Amounts accrued at the end of the current year	191	1,845
60	3,029	Balance 31 March	191	1,845

Deferred Capital Receipts Account

2023/24			2024/25	
OPFCC £000	Group £000		OPFCC £000	Group £000
(900)	(900)	Balance 1 April	(651)	(651)
(651)	(651)	Transfer of deferred sale proceeds credited as part of the gain/ loss on disposal to the Comprehensive Income and Expenditure Statement	-	-
900	900	Transfer to the capital receipts reserve upon receipt of cash	651	651
(651)	(651)	Balance 31 March	-	-



Note 18 - Property, Plant and Equipment

Movements to 31 March 2025	Land & Buildings	Vehicles, Plant & Equipment	Assets Under Construction	Total Property, Plant and Equipment
	£000	£000	£000	£000
Cost or Valuation				
at 1 April 2024	75,648	33,460	196	109,304
				-
Additions	734	3,568	838	5,140
Revaluation increases/(decreases) recognised in the Revaluation Reserve	1,251	-	-	1,251
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	(132)	-	-	(132)
Derecognition – disposals	-	(4,422)	-	(4,422)
Depreciation Eliminated on Revaluation	(2,329)	-	-	(2,329)
Reclassifications and transfers	-	181	(181)	-
Reclassifications to Intangible Assets	-	(936)	-	(936)
at 31 March 2025	75,172	31,852	853	107,876
Accumulated Depreciation and Impairment				
at 1 April 2024	(298)	(19,674)	-	(19,972)
				-
Depreciation charge	(2,329)	(3,202)	-	(5,531)
Depreciation Eliminated on Revaluation	2,627	-	-	2,627
Reversal of Depreciation on transfer to AHFS	-	-	-	-
Derecognition – disposals	-	4,163	-	4,163
at 31 March 2025	-	(18,713)	-	(18,713)
Net Book Value				
at 31 March 2025	75,172	13,139	853	89,164
at 31 March 2024	75,350	13,786	196	89,332



Movements to 31 March 2024	Land & Buildings	Vehicles, Plant & Equipment	Assets Under Construction	Total Property, Plant and Equipment
	£000	£000	£000	£000
Cost or Valuation				
at 1 April 2023	80,505	26,457	540	107,502
Additions	260	6,889	182	7,331
Revaluation increases/(decreases) recognised in the Revaluation Reserve	12,319	-	-	12,319
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	(6,421)	-	-	(6,421)
Derecognition – disposals	(71)	(412)	-	(483)
Depreciation Eliminated on Revaluation	(2,005)	-	-	(2,005)
Reclassifications and transfers	-	526	(526)	-
Reclassifications to Assets Held for Sale	-	-	-	-
at 31 March 2024	84,587	33,460	196	118,243
Accumulated Depreciation and Impairment				
at 1 April 2023	(298)	(17,804)	-	(18,102)
Depreciation charge	(2,005)	(2,282)	-	(4,287)
Depreciation Eliminated on Revaluation	2,005	-	-	2,005
Reversal of Depreciation on transfer to AHFS	-	-	-	-
Derecognition – disposals	-	412	-	412
at 31 March 2024	(298)	(19,674)	-	(19,972)
Net Book Value				
at 31 March 2024	84,289	13,786	196	98,271
at 31 March 2023	80,207	8,653	540	89,400

The figures contained within this note are represented by the OPFCC assets, as well as Joint Venture Assets. The revaluation of OPFCC assets was carried out by external valuers Wilks Head & Eve LLP, with an effective date of 31 March 2025.

Note 19 - Impairment Losses

There were no true impairment losses in 2024/25.

Note 20 - Assets Held for Sale

As at 31 March 2025 there are no Assets Held for Sale at the balance sheet date.

2023/24			2024/25	
OPFCC £000	Group £000		OPFCC £000	Group £000
1,250	1,250	Balance at Start of Year	-	-
(1,250)	(1,250)	Assets disposed of in year	-	-
-	-	Total	-	-



Note 21 - Investment Properties

The OPFCC does not hold any investment property interests that could be classified and accounted for as investment properties, so no adjustments or disclosures are required.

Note 22 - Leases

IFRS 16 Leases has been adopted by the authority with effect from 1 April 2024. The authority applied the transitional provisions of the standard on initial implementation, including the use of available practical expedients. At the transition date, lease liabilities were measured at the present value of the remaining lease payments, discounted using the authority's incremental borrowing rates as at 1 April 2024. Right-of-use assets were recognised at an amount equal to the corresponding lease liability, adjusted for any lease prepayments or accrued lease expenses recognised immediately before the date of transition.

	Amount £000
Operating lease commitments at 31 March 2024	853
Include Asset life modification	165
Exclude short-term leases	-
Exclude low-value leases	(6)
Exclude leases reassessed and determined not a lease	(47)
Exclude leases terminated early	(19)
Lease liability at 1 April 2024 under IFRS 16	946

Right of Use Assets

This table shows the change in the value of right-of-use assets held under leases by the authority.

	Land and Buildings £000	Vehicles £000	Total £000
Opening Balance 01/04/24	10,071	-	10,071
Additions	121	51	171
Revaluations	(3,448)	-	(3,448)
Depreciation	(747)	-	(747)
Disposals	-	-	-
Balance as at 31/03/25	5,997	51	6,048

The authority incurred the following expenses in relation to leases:

	Land and Buildings £000	Vehicles £000	Total £000
Interest expense on lease liabilities	41	3	44



Maturity analysis of right of use lease liabilities

The analysis below shows the timing of future undiscounted lease payments by maturity band.

2024/25	Future Years Committed Expenditure			Total £000
	Land and buildings £000	Equipment £000		
Less than 1 year	278	14		293
1 to 5 years	437	36		474
More than 5 years	94	-		94
Total	810	51		860

Operating Leases

The authority has applied the practical expedients to leases where the underlying asset is of low value or short-term. For these leases, payments are recognised as an expense on a straight-line basis over the lease term and no right-of-use asset or lease liability is recognised. The totals for these leases are shown in the tables below:

2024/25	Future Years Committed Expenditure			
	Land £000	Buildings £000	Equipment £000	Total £000
Leases expiring in 2025/26	-	-	-	-
Leases expiring between 2026/27 and 2029/30	-	-	24	24
Leases expiring 2030/31 and after	-	-	-	-
Total	0	0	24	24

Note 23 - Intangible Assets

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

All software is given a finite useful life, based on assessments of the period in which the software is expected to be of use to the Group.

The carrying amount of intangible assets is amortised on a straight-line basis over three years or where appropriate over the asset life. Amortisation of £0.604m was charged to revenue in 2024/25 (£0.308m in 2023/24).



The movement on Intangible Asset balances during the year is as follows:

31 March 2024			31 March 2025		
OPFCC	Group		OPFCC	Group	
Total	Total		Total	Total	
£000	£000		£000	£000	
Balance at start of year					
1,540	1,540	Gross carrying amounts	2,086	2,086	
(307)	(307)	Accumulated amortisation	(615)	(615)	
1,233	1,233	Net carrying amount at start of year	1,471	1,471	
547	547	Additions	220	220	
(1)	(1)	Disposals	-	-	
	-	Reclassifications and transfers	936	936	
(308)	(308)	Amortisation for the period	(604)	(604)	
-	-	Amortisation written off on disposal	-	-	
1,471	1,471	Net carrying amount at end of year	2,023	2,023	
Balance at end of year					
2,086	2,086	Gross carrying amounts	3,242	3,242	
(615)	(615)	Accumulated amortisation	(1,219)	(1,219)	
1,471	1,471	Total	2,023	2,023	

Due to the nature of some of the key operational equipment within Intangible Assets, all lines above the (Surplus)/Deficit on the Provision of Services line from Local to National Policing include elements of amortisation of Intangible Assets.



Note 24 - Capital Expenditure and Capital Financing

The capital financing requirement measures the OPFCC's need to borrow for a capital purpose. The following statement shows the effect of the OPFCC's capital investment decisions on the capital financing requirement. The minimum revenue provision is now £1.172m, which ensures that all capital expenditure is fully funded over the natural lifecycle of the asset.

31 Mar 2024 OPFCC £000	31 Mar 2024 Group £000		31 Mar 2025 OPFCC £000	31 Mar 2025 Group £000
33,467	33,467	Opening Capital Financing Requirement	36,076	36,076
		<u>Capital Investment</u>		
7,331	7,331	Property, Plant and Equipment	5,140	5,140
547	547	Intangible Assets	220	220
-	-	Assets Held for Sale	-	-
-	-	Revenue Expenditure Funded from Capital Under Statute	-	-
-	-	Other Capital Expenditure	-	-
7,878	7,878	Total Capital Spending	5,360	5,360
		<u>Sources of Finance</u>		
(1,333)	(1,333)	Capital receipts	(651)	(651)
(301)	(301)	Government Grants and other contributions	-	-
		<u>Sums set aside from revenue</u>		
(2,457)	(2,457)	Direct revenue contributions	(2,152)	(2,152)
(1,178)	(1,178)	Minimum revenue provision	(1,772)	(1,772)
(5,269)	(5,269)	Total Sources of Finance	(4,575)	(4,575)
36,076	36,076	Closing Capital Financing Requirement	36,861	36,861

Note 25 - Construction Contracts

The OPFCC Group discloses all material capital commitments and after a review of all approved contracts has not identified any material capital commitments.

Note 26 - Debtors

These amounts represent sums falling due within one year to the OPFCC from various sources, together with bad debt provision and prepayments.

Total 31 March 2024 £000	OPFCC and Group	Total 31 March 2025 £000
3,706	Council Tax	4,812
2,379	System Debtors	5,060
15,506	Income Accruals	12,828
5,116	Prepayments	3,845
892	VAT	1,351
(23)	Bad Debt Adjustment	(15)
27,576	Total Debtors	27,881



Note 27 - Inventories

The following stocks were held as available for issue as at 31 March 2025:

Group	Vehicle Fuel		Operational		Uniforms		Total	
	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25
	£000	£000	£000	£000	£000	£000	£000	£000
Balance outstanding at start of year	187	109	72	66	401	480	660	655
Purchases	109	80	66	67	480	301	655	447
Recognised as an expense in the year	(187)	(109)	(72)	(66)	(401)	(480)	(660)	(655)
Balance Outstanding at Year End	109	80	66	67	480	301	655	447

Each total represents both Group and OPFCC balances.



Note 28 - Provisions

An independent evaluation of the Insurance Provision as at 31 March 2025 has identified a requirement of £1.819m for future year's potential claims, a decrease of £0.416m.

OPFCC and Group	Insurance Provision	Total
2024/25	£000	£000
Opening Balance	(2,235)	(2,235)
Increase in provision during year	(1,819)	(1,819)
Utilised during year	2,235	2,235
Unused in Year	-	-
Closing Balance	(1,819)	(1,819)

OPFCC and Group	Insurance Provision	Total
2023/24	£000	£000
Opening Balance	(377)	(377)
Increase in provision during year	(2,235)	(2,235)
Utilised during year	377	377
Unused in Year	-	-
Closing Balance	(2,235)	(2,235)

The Insurance provision provides financial resources for Motor, Property, Public and Employers Liability claims. Costs outside of the known and expected provision will be met by the Force's legal revenue budget or reserves.

The main assumptions and methodologies are:

This report uses the Chain Ladder actuarial method for forecasting ultimate mature loss levels from the last available data point for a given risk and year. The Chain Ladder method has been applied to the progression of incurred losses, plotted at annual intervals. This assumes that the development profile of historic mature underwriting (policy) years will be repeated as the more immature years' run-off. However, in applying the development factors, any anomalies are first excluded before calculating average development factors. If the assumptions underlying the Chain Ladder method are not borne out then the future development of claims will differ from the predictions in this report, but we believe this forecasting method is robust, evidenced by the fact that it is used extensively by insurance companies.

The recommended fund injection for future losses is based on the projected ultimate claims under the Chain Ladder Method with a margin added for prudence.



Note 29 - Creditors

These amounts represent sums owed by the Group to various sources, together with receipts in advance.

31 March 2024			31 March 2025		
OPFCC	Group	Creditors	OPFCC	Group	
£000	£000		£000	£000	
(5,354)	(5,354)	System Creditors	(9,184)	(9,184)	
(10,229)	(10,229)	Expenditure Accruals	(10,393)	(10,393)	
(1,884)	(1,884)	Receipts in Advance	(3,425)	(3,425)	
-	-	VAT Creditors	(27)	(27)	
(47)	(3,016)	Payroll Creditors	(191)	(1,845)	
(17,514)	(20,483)	Total Creditors	(23,220)	(24,874)	

Note 30 - Capitalisation of Borrowing Costs

The OPFCC elected not to capitalise its new borrowing costs.

Note 31 - Contingent Liabilities

The OPFCC have no contingent liabilities for 2024/25.

Note 32 - Contingent Assets

The OPFCC have no contingent assets for 2024/25.

Note 33 - Cash and Cash Equivalents

The balance of Cash and Cash Equivalents is made up of the following elements, which includes £0.941m within Note 39:

2023/24			2024/25		
OPFCC	Group		OPFCC	Group	
£000	£000		£000	£000	
4,029	4,029	Cash and Bank Balances	6,791	6,791	
4,029	4,029	Total	6,791	6,791	

Note 34 - Cash Flow from Operating Activities

The cash flows for operating activities include the following items:

2023/24			2024/25		
OPFCC	Group		OPFCC	Group	
£000	£000		£000	£000	
-	(681)	Interest received	-	(856)	
543	543	Interest paid	452	452	
543	(138)	Total	452	(404)	



The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:

2023/24			2024/25	
OPFCC £000	Group £000		OPFCC £000	Group £000
(4,287)	(4,287)	Depreciation	(6,278)	(6,278)
(6,420)	(6,420)	Increase/(decrease) in asset valuations	165	165
(307)	(307)	Amortisation	(604)	(604)
2,810	1,284	(Increase)/decrease in creditors	(5,290)	(3,975)
(3,481)	(3,481)	Increase/(decrease) in debtors	305	305
(4)	(4)	Increase/(decrease) in inventories	(208)	(208)
(501)	(23,372)	Movement in pension liability	99	(19,543)
(1,321)	(1,321)	Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised	(258)	(258)
-	-	Other non-cash movements charged to the surplus or deficit on provision of services	445	445
(13,511)	(37,908)	Total	(11,624)	(29,951)

Note 35 - Cash Flow from Financing and Investing Activities

The cash flows for investing activities include the following items:

2023/24			2024/25	
OPFCC £000	Group £000		OPFCC £000	Group £000
7,876	7,876	Purchase of property, plant and equipment, investment property and intangible assets	5,360	5,360
-	-	Purchase of short-term and long-term investments	-	-
-	-	Other receipts from investing activities	-	-
7,876	7,876	Net cash flows from investing activities	5,360	5,360

The cash flows for financing activities include the following items:

2023/24			2024/25	
OPFCC £000	Group £000		OPFCC £000	Group £000
166	166	Repayments of short and long-term borrowing	181	181
166	166	Net cash flows from financing activities	181	181



Note 36 - Termination Benefits

Exit Package Cost Band (including Special Payments)	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25
	Number of Compulsory Redundancies FTE		Number of Other Departures Agreed FTE		Total Number of Exit Packages by Cost Band FTE		Total cost of Exit Packages in each Band £000	
£0 - £20,000	-	-	2	3	2	3	32	19
£20,001 - £40,000	-	-	1	1	1	1	34	30
£40,001 - £60,000	-	-	-	-	-	-	-	-
Total	-	-	3	4	3	4	66	49

The above termination benefit note relates to both OPFCC and OCC termination benefits. The details for OCC only are available in the published OCC accounts.

Note 37 - Pension Schemes Accounted for as Defined Contribution Schemes

a) Participation in Pension Schemes

As part of the terms and conditions of employment of its officers and other employees, the OPFCC offers retirement benefits. Although these benefits will not actually be payable until the employees retire, the OPFCC has a commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement.

The Group participates in pension schemes for both Police Staff and Police Officers, as follows:

- The Local Government Pension Scheme for Police Staff, administered by West Northamptonshire Council. This is a funded scheme, meaning that the OPFCC, OCC and Voice for Victims and Witnesses employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets. The Actuary to the fund is Hymans Robertson LLP. These schemes are all pooled under one LGPS pension group
- The Police Pension Scheme for Police Officers includes the following pension schemes; the Police Pension Scheme (PPS), the New Police Pension Scheme (NPPS) and Police Pension Scheme 2015 (PPS). All schemes are administered by XPS on behalf of the Group. These are unfunded, meaning that there are no investment assets built-up to meet the pension's liabilities, and cash has to be generated to meet actual pension's payments as they eventually fall due. These are defined benefit schemes (lump sum payments and periodic pension). New funding arrangements commenced on 1 April 2006 that required a police pension fund account to be created. This account is credited with employer contributions, and any shortfall over retirements benefits paid is met by a contribution by the OPFCC, which is in turn met by Home Office Pensions Top Up Grant. If there is a surplus, it is paid to the OPFCC in the first instance before being recouped by the Home Office. The levels of pension contribution rates are set nationally by the Home Office, following review by the Government Actuary's Department (GAD)
- The Local Government Pension Scheme contributions payable by employers are determined by the actuary to the Pension Fund based on triennial valuations, the most recent of which was at 31st March 2023 which has changed the level of contributions from 2023/24. The level of contributions payable during the year reduced in alignment to the valuation by 0.5% from 2024/25

(b) Transactions Relating to Retirement Benefits

Under IAS19, the cost of retirement benefits is recognised in the Comprehensive Income and Expenditure Account when employees earn them, rather than when the benefits are actually paid as pensions. However, the charge



that is required to be made against the precept is based on the cash payable in the year, by reversing the real cost of retirement benefits out of the Statement of Movement in Reserves in the General Fund Balance.

Pensions liabilities and future considerations

The current service costs contained in the table, below, are within the following values contained within the Comprehensive Income and Expenditure Statement.

- Local Government Pension Scheme: within Police Staff Pay and Allowances
- Police Pension Scheme: within Police Officer Pay and Allowances

Group Pensions Revenue Items

Comprehensive Income and Expenditure	Local Government Pension Scheme				Police Pension Scheme		TOTAL			
	2023/24		2024/25		2023/24	2024/25	2023/24		2024/25	
	OPFCC £000	Group £000	OPFCC £000	Group £000	Group £000	Group £000	OPFCC £000	Group £000	OPFCC £000	Group £000
Net Cost of Services										
Current service cost	(702)	(7,880)	(696)	(7,977)	(9,750)	(9,680)	(702)	(17,630)	(696)	(17,657)
Unfunded	-	-	-	-	-	-	-	-	-	-
Past service cost/Transfers in	-	(39)	(55)	(181)	(40)	-	-	(79)	(55)	(181)
Net Operating Expenditure										
Interest Costs**	(385)	(10,192)	(431)	(10,689)	(46,880)	(49,450)	(385)	(57,072)	(431)	(60,139)
Expected return on employer's assets**	376	10,264	468	11,780	-	-	376	10,264	468	11,780
Net Charge to the Income and Expenditure Account	(711)	(7,847)	(714)	(7,067)	(56,670)	(59,130)	(711)	(64,517)	(714)	(66,197)
Return on plan assets (excluding the amount included in the net interest expense)	433	11,847	(298)	(7,512)	-	-	433	11,847	(298)	(7,512)
Actuarial gains and losses arising on changes in demographic assumptions	47	1,264	15	382	-	1,580	47	1,264	15	1,962
Actuarial gains and losses arising on changes in financial assumptions	723	14,796	2,274	40,742	21,760	121,380	723	36,556	2,274	162,122
Other	(274)	(7,201)	87	2,108	(33,850)	(360)	(274)	(41,051)	87	1,748
Total remeasurements recognised in Other Comprehensive Income (OCI)	929	20,706	2,078	35,720	(12,090)	122,600	929	8,616	2,078	158,320
Movement In Reserves										
Movement on Pensions Reserve (Reversal of net charges made for retirement benefits in accordance with IAS 19)	1,205	20,911	(2,178)	(37,388)	(34,890)	(101,390)	1,205	(13,979)	(2,178)	(138,778)
Actual amount charged against Council Tax (General Fund Balance) for pensions										
Contributions to the Scheme	728	7,793	814	8,735	(24,500)	37,920	728	(16,707)	814	46,655



** The net of interest costs and return on assets reconciles to the amount included within financing and investment income and expenditure on the face of the CIES.

In addition to the recognised gains and losses included in the CIES, actuarial gain of £120.932m (loss of £13.102m in 2023/24) were included within other Comprehensive Income & Expenditure.

The estimated 2024/25 pension scheme contributions for employees were £7.870m for the Police Pension Scheme and £2.956m for the Local Government Pension Scheme, and for the employer were £20.598m for the Police Pension Scheme and £8.707m for the Local Government Pension Scheme.

In accordance with the Code of Practice and the Police Service Expenditure Analysis the items within the table above are credited / debited to the CIES in the following ways:

- Current Service Costs & Employers contributions to the scheme and additional contributions to the Police Pensions Fund Account are all apportioned across the Local Policing to National Policing headings by officer numbers
- Past Service Costs are wholly included within the heading Policing Services
- Interest Costs and Expected Return on Employers Assets are included within Financing & Investment Income & Expenditure

Assets and Liabilities in relation to Retirement Benefits

Reconciliation of the Present Value of the Schemes Liabilities:

	Funded Liabilities Local Government Pension Scheme				Unfunded Liabilities Police Pension Scheme	
	OPFCC	Group	OPFCC	Group	Group	Group
	31 Mar 24	31 Mar 24	31 Mar 25	31 Mar 25	31 Mar 24	31 Mar 25
	£000	£000	£000	£000	£000	£000
Opening Defined Benefit Obligation 1st April	(6,490)	(211,189)	(8,406)	(218,113)	(1,020,130)	(1,055,020)
Current Service Cost (net up for employee contributions)	(702)	(7,880)	(696)	(7,977)	(9,750)	(9,680)
Interest Cost	(385)	(10,192)	(431)	(10,689)	(46,880)	(49,450)
Contributions by Scheme Participants	(243)	(2,551)	(273)	(2,956)	(7,380)	(7,870)
Actuarial Gains/ (Losses)	496	8,859	2,376	43,232	(12,090)	122,600
Past Service (Costs)/ Gains	-	(39)	(55)	(181)	(40)	-
(Losses)/ Gains on Curtailments	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Estimated Unfunded Benefits Paid	-	3	-	3	-	-
Estimated Benefits Paid	127	6,085	51	6,215	41,250	45,790
Effect of business combinations and disposals	(1,209)	(1,209)	-	-	-	-
Closing Defined Benefit Obligation 31st March	(8,406)	(218,113)	(7,434)	(190,466)	(1,055,020)	(953,630)



Reconciliation of the Fair Value of the Scheme Assets

Pension Asset – Local Government Pension Scheme Only

	OPFCC 31 Mar 24 £000	Group 31 Mar 24 £000	OPFCC 31 Mar 25 £000	Group 31 Mar 25 £000
Pensions Asset 1st April	6,026	212,514	8,406	218,113
Expected Return on Assets	376	10,264	468	11,780
Contributions by Members	243	2,551	273	2,956
Employers Contributions (Incl Injuries) - excluding Top-Up Grant	728	7,790	814	8,732
Pension Fund Asset Split (Group to Single Entity)	-	-	-	-
Contributions in Respect of Unfunded Benefits	-	(3)	-	(3)
Actuarial Gains	433	11,847	(298)	(7,512)
Estimated Unfunded Benefits paid	-	3	-	3
Estimated Benefits Paid	(127)	(6,085)	(51)	(6,215)
Effect of business combinations and disposals	1,468	1,468	-	-
Effect of Asset Ceiling Calculations	(741)	(22,236)	(2,178)	(37,388)
Fair Value of Pensions Asset 31 March	8,406	218,113	7,434	190,466

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Balance Sheet date. Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets. The estimated return on scheme assets in the year was £11.780m (£10.264m in 2023/24).

The liabilities show the underlying commitments that the OPFCC has in the long run to pay retirement benefits. The total liability has a substantial impact on the net worth of the OPFCC as recorded in the balance sheet, resulting in a negative overall balance. However, statutory arrangements for funding the deficit mean that the financial position of the OPFCC remains healthy.

- Local Government Pension Scheme (LGPS)
The local government scheme has an expected surplus as per the actuary report. However, the OPFCC is not able to include this amount within the statement of accounts as the asset ceiling calculations work out that it will not be possible to realise any part of this surplus for the benefit of the OPFCC, as assessed by the scheme actuary
- Police Pension Schemes
Finance is only required to be raised to cover police pensions when the pensions are actually paid. Any deficit on the Pensions Fund Account for the year is funded by the OPFCC with Home Office Top-Up Grant payable to cover the OPFCC's contribution

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. The Police Pension Scheme liabilities are assessed by the Government Actuary's Department (GAD) and the Local Government Pension Scheme by Hymans Robertson LLP, an independent firm of actuaries. The main assumptions used in their calculations are as follows. Assumptions are the same for both OPFCC & Group:



		2023/24	2024/25	2023/24	2024/25
		Local Government Pension Scheme		Police Pension Scheme	
		%	%	%	%
Mortality Assumptions					
Longevity at 65 for current pensioners		yrs	yrs	yrs	yrs
	Men	20.90	21.30	21.90	21.90
	Women	23.70	24.00	23.60	23.90
Longevity at 65 for future pensioners					
	Men	21.70	23.00	23.60	23.30
	Women	25.50	25.70	25.10	25.20
Financial Assumptions					
Rate of Inflation		%	%	%	%
Rate of Increase in Salaries		2.75	2.70	2.60	2.70
Actual Return on Assets		3.25	3.20	3.85	3.45
Rate for Discounting Scheme Liabilities (Gross)		10.20	1.80	n/a	n/a
Rate of Revaluation for CARE Pensions		4.85	5.85	4.75	5.65
Take up Option to Convert annual Pension into retirement Lump Sum (LGPS)		n/a	n/a	3.85	3.95
Take up Option to Convert annual Pension into retirement Lump Sum (1987)		55	55	n/a	n/a
Take up Option to Convert annual Pension into retirement Lump Sum (2006)				25	25
Take up Option to Convert annual Pension into retirement Lump Sum (2015)				n/a	n/a
Take up Option to Convert annual Pension into retirement Lump Sum (Mixed 1987 & 2015)				20	20
Take up Option to Convert annual Pension into retirement Lump Sum (Mixed 2006 & 2015)				25/12	25/12
				0/20	0/20

Changes to the Local Government Pension Scheme permit employees retiring on or after 6 April 2006 to take an increase in their lump sum payment on retirement in exchange for a reduction in their future annual pension. On the advice of our actuaries, we have assumed that 55% of employees retiring will take advantage of this. The actuaries have advised that this will reduce the value of the OPFCC's pension liabilities, and this has been included within Non-Distributed Costs on the face of the Income and Expenditure Account.

The sensitivity analysis below has 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 changes while all the other 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 of the 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.

Impact on Defined Benefit Obligation Increase/Decrease in assumption	2023/24		2023/24		2024/25		2024/25	
	Local Government Pension Scheme		Police Pension Scheme		Local Government Pension Scheme		Police Pension Scheme	
	OPFCC	Group	OPFCC	Group	OPFCC	Group	OPFCC	Group
	%	%	%	%	%	%	%	%
Longevity (increase in 1 year)	4%	4%	0%	2.5%	4%	4%	0%	2.5%
Rate of increase in salaries (0.1% increase)	0%	0%	0%	0.2%	0%	0%	0%	0.1%
Rate of increase in pensions (0.1% increase)	3%	2.5%	0%	1.5%	3%	2.5%	0%	1.5%
Rate for discounting scheme liabilities (0.1% decrease)	3%	2.5%	0%	-1.6%	3%	2.5%	0%	-1.5%



The Police Pension Scheme has no assets to cover its liabilities. Assets in the Local Government Pension Fund are valued at fair value, principally market value for investment, and consist of the following categories by proportion of the total assets held by the Fund:

Fair value of plan assets	31-Mar-24				31-Mar-25			
	OPFCC		Group		OPFCC		Group	
	Total £000	Percent %	Total £000	Percent %	Total £000	Percent %	Total £000	Percent %
Equity Securities								
Consumer	96.6	1%	2,537.8	1%	107.4	1%	2,594.2	1%
Manufacturing	85.2	1%	2,238.4	1%	97.3	1%	2,351.3	1%
Energy and Utilities	39.5	0%	1,038.7	0%	43.3	0%	1,047.0	0%
Financial Institutions	82.4	1%	2,165.8	1%	106.0	1%	2,561.5	1%
Health and Care	64.3	1%	1,689.5	1%	64.5	1%	1,558.3	1%
Information Technology	164.7	2%	4,326.7	2%	229.5	2%	5,544.4	2%
Other	16.5	0%	432.8	0%	24.3	0%	586.7	0%
Debt Securities								
Corporate Bonds (investment grade)	-	0%	-	0%	-	0%	-	0%
Corporate Bonds (non- investment grade)	-	0%	-	0%	-	0%	-	0%
UK Government	1,340.5	15%	35,223.2	15%	1,361.1	13%	32,879.8	13%
Other	-	0%	-	0%	-	0%	-	0%
Private Equity								
All	679.9	7%	17,864.8	7%	786.0	8%	18,986.3	8%
Real Estate								
UK Property	485.3	5%	12,751.9	5%	914.7	9%	22,096.0	9%
Overseas Property	66.6	1%	1,750.2	1%	72.8	1%	1,759.5	1%
Investment Funds and Unit Trusts								
Equities	3,950.3	43%	103,799.6	43%	3,962.2	38%	95,711.7	38%
Bonds	1,332.2	15%	35,004.1	15%	1,532.3	15%	37,014.0	15%
Hedge Funds	-	0%	-	0%	-	0%	-	0%
Commodities	-	0%	-	0%	-	0%	-	0%
Infrastructure	570.8	6%	14,999.4	6%	626.6	6%	15,136.5	6%
Other	-	0%	-	0%	-	0%	-	0%
Derivatives								
Inflation	-	0%	-	0%	-	0%	-	0%
Interest Rate	-	0%	-	0%	-	0%	-	0%
Foreign Exchange	-	0%	1.1	0%	(0.1)	0%	1.8	0%
Other	-	0%	-	0%	-	0%	-	0%
Cash and Cash Equivalents								
All	172.2	2%	4,525.0	2%	425.1	4%	10,264.6	4%
Totals	9,147.0	100%	240,349.0	100%	10,353.0	100%	250,090.0	100%

Impact on the Authority's cash flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible, and therefore funding levels are monitored on an annual basis. The next triennial valuation is due to be completed on 31 March 2026.

The scheme will need to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the Act, the Local Government Pension Scheme in England and Wales and the other main existing public service schemes may not provide benefits in relation to service after 31 March 2014 (or service after 31 March 2015 for other main existing public service pension schemes in England and Wales). The Act provides for scheme regulations to be made within a common framework, to establish new Career Average Revalued Earnings (CARE) schemes to pay pensions and other benefits to certain public servants.

The authority anticipated to pay £29.573m expected contributions to the scheme in 2024/25.



Virgin Media Section 37 Case – Summary Disclosure

On 25 July 2024, the Court of Appeal upheld the High Court’s ruling in Virgin Media Ltd v NTL Pension Trustees II Ltd, confirming that amendments to contracted-out defined benefit schemes made between 1997 and 2016 are void if the required actuarial confirmation under Section 37 was not obtained.

HM Treasury is reviewing the implications for all public service pension schemes, including the Police Pension Schemes. No scheme-specific guidance is currently available. The Authority is monitoring developments, but no reliable estimate of any potential impact can yet be made, and therefore no adjustments have been included in the 2024/25 accounts.

Note 38 - Financial Instruments

Financial instruments are recognised on the Balance Sheet when the Authority becomes party to the contractual provisions of a financial instrument. They are initially measured at fair value.

Financial Liabilities

Financial liabilities are subsequently measured at amortised cost. For the Authority’s borrowing this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest).

Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument.

Financial Assets

Financial assets are classified as below:

- 1) Financial assets held at amortised cost. These represent loans and loan-type arrangements where repayments of interest and principal take place on set dates and at specified amounts. The amount presented in the Balance Sheet represents the outstanding principal received plus accrued interest. Interest credited to the CIES is the amount receivable as per the loan agreement.
- 2) Fair Value Through Profit and Loss (FVTPL). These assets are measured and carried at fair value. All gains and losses due to changes in fair value (both realised and unrealised) are recognised in the CIES as they occur.

Allowances for impairment losses have been calculated for amortised cost assets, applying the expected credit losses model. Changes in loss allowances (including balances outstanding at the date of derecognition of an asset) are debited/credited to the Financing and Investment Income and Expenditure line in the CIES.

Changes in the value of assets carried at fair value are debited/credited to the Financing and Investment Income and Expenditure line in the CIES as they arise.



Financial Instrument Balances

The balances of debtors and creditors reported in the balance sheet and Notes 26 and 29 also include balances which do not meet the definition of a financial instrument, such as statutory obligations including tax-based debtors and creditors.

OPFCC & Group	2023/24 Restated		2024/25	
	Long Term	Current	Long Term	Current
	£000	£000	£000	£000
Financial Liabilities at Amortised cost				
Borrowing	22,943	-	22,235	505
Creditors	-	11,428	-	13,399
Financial Assets at Amortised Cost				
Debtors and Prepayments	-	8,398	-	15,654
Cash in Hand	-	4,029	-	6,791
Money Market Investments	-	-	-	-
Joint Venture Cash Balance	-	595	-	929

The value of debtors and creditors reported in the tables below are solely those amounts meeting the definition of a financial instrument.

Group Income, Expense, Gains and Losses Statement

	2023/24		2024/25	
	Assets and Liabilities at Fair Value through Profit and Loss	Total	Assets and Liabilities at Fair Value through Profit and Loss	Total
	£000	£000	£000	£000
Interest expense	543	543	452	452
Total expense in Surplus or Deficit on the Provision of Services	543	543	452	452
Interest income	(681)	(681)	(856)	(856)
Total income in Surplus or Deficit on the Provision of Services	(138)	(138)	(404)	(404)
Surplus/deficit arising on revaluation of financial assets in Other CIES	-	-	-	-
Net gain/(loss) for the year	(138)	(138)	(404)	(404)



Non-financial Instruments

The definition of a financial instrument is 'any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity'. Therefore, the following items are the difference between Table 38.1 and notes 26 and 29 as they do not meet the definition of financial instruments.

OPFCC & Group	2023/24 Restated		2024/25	
	Long Term	Current	Long Term	Current
	£000	£000	£000	£000
Non Financial Instrument Liabilities at Amortised cost				
Receipts in Advance (Creditor)	-	1,884	-	3,425
Statutory obligations	-	5,636	-	6,204
Employee benefits	-	1,557	-	1,845
Non Financial Instrument Assets at Amortised Cost				
Statutory obligations	-	14,052	-	8,381
Payments in advance	-	5,126	-	3,845
Cash in Hand	-	-	-	-

Fair Value Hierarchy

The Authority measures fair value using the IFRS 13 hierarchy adopted by the CIPFA Code, which prioritises observable inputs. Level 1 uses quoted prices in active markets for identical items, Level 2 relies on other observable inputs such as market interest rates, and Level 3 involves significant unobservable inputs requiring management judgement. Valuation techniques maximise observable data and minimise reliance on unobservable inputs.

Level in hierarchy		2023/24		2024/25	
		Carrying amount	Fair Value	Carrying amount	Fair Value
		£000	£000	£000	£000
	Financial Assets at Fair Value				
2	Debtors and Prepayments	8,398	8,398	15,654	15,654
1	Cash in Hand	4,029	4,029	6,791	6,791
1	Joint Venture Cash Balance	595	595	929	929
	Financial Liabilities at Fair Value				
2	Loans	22,943	19,112	22,740	18,171
2	Creditors	11,428	11,428	13,399	13,399

Borrowing breakdown

	2023/24		2024/25	
	Carrying amount	Fair Value	Carrying amount	Fair Value
	£000	£000	£000	£000
Loans	22,943	19,112	22,740	18,171



Note 39 - Joint Operations & Associate Entities

The Group participates in collaborative arrangements with other regional forces within the East Midlands. The police officers involved are seconded from the individual forces and all costs are borne in agreed proportions. Details of the member forces are set out in the table below including the lead force responsible for providing the accountancy information used within this statement of accounts

The table below sets out the net income and expenditure associated with the Authority's joint ventures. It distinguishes between the amounts attributable to the Authority and those relating to the other partners. The table also presents the overall surplus or deficit for each joint venture as reported in the Comprehensive Income and Expenditure Statement (CIES). This disclosure provides transparency over the Authority's share of joint venture activity and how this is reflected in the primary financial statements.

2024/25		Entity Reported Expenditure	Of Which: Related to OPFCC Income	Of Which: Non OPFCC Expenditure	Entity Reported Income	Of Which: OPFCC Funding	Of Which: Non OPFCC Income	(Surplus) /Deficit
%	£000	£000	£000	£000	£000	£000	£000	£000
EM Legal Services	14.80%	384	44	340	(382)	(380)	(2)	2
EM Major Crime	14.80%	132	-	132	(132)	(132)	-	(1)
EM Serious Organised Crime	14.80%	5,629	1,470	4,159	(5,716)	(4,538)	(1,178)	(87)
EM Forensics	14.80%	1,930	-	1,930	(1,950)	(1,852)	(98)	(20)
EM Learning & Development	17.11%	282	14	268	(281)	(275)	(6)	1
ESN	n/a	-	-	-	-	-	-	-
Voice*	n/a	-	-	-	-	-	-	-
Total		8,357	1,528	6,829	(8,461)	(7,177)	(1,284)	(105)

2023/24		Entity Reported Expenditure	Of Which: Related to OPFCC Income	Of Which: Non OPFCC Expenditure	Entity Reported Income	Of Which: OPFCC Funding	Of Which: Non OPFCC Income	(Surplus) /Deficit
%	£000	£000	£000	£000	£000	£000	£000	£000
EM Legal Services	14.80%	337	28	309	(343)	(330)	(13)	(6)
EM Major Crime	14.80%	123	-	123	(123)	(123)	-	-
EM Serious Organised Crime	14.80%	4,781	1,320	3,461	(4,781)	(4,243)	(538)	-
EM Forensics	14.80%	1,768	13	1,755	(1,762)	(986)	(958)	6
EM Learning & Development	17.11%	265	-	265	(266)	(257)	(9)	(1)
ESN	16.10%	3	-	3	(3)	-	(3)	-
Voice*	100.00%	253	-	253	-	-	-	253
Total		7,530	1,361	6,169	(7,278)	(5,939)	(1,339)	252



*Subsidiary - Voice for Victims and Witnesses

The OPFCC previously had involvement with Voice for Victims and Witnesses, a company set up by guarantee in 2017/18. Employees of the company transferred employment to the OPFCC on the 31st March 2023. This company was dissolved on 6th February 2024 with all assets and liabilities being transferred to the OPFCC.

Jointly Controlled Operation	Service Provided	Member Forces	Ownership	Lead Force
EM Legal Services	Legal Services	Northamptonshire, Leicestershire, Derbyshire, Nottinghamshire and Lincolnshire	14.80%	Derbyshire
EM Major Crime	Major Crime Support	Northamptonshire, Leicestershire, Derbyshire, Nottinghamshire and Lincolnshire	14.80%	Leicestershire
EM Serious Organised Crime	Serious Organised Crime Support	Northamptonshire, Leicestershire, Derbyshire, Nottinghamshire and Lincolnshire	14.80%	Leicestershire
EM Forensics	Forensic Support	Northamptonshire, Leicestershire, Derbyshire, Nottinghamshire and Lincolnshire	14.80%	Derbyshire
EM Learning & Development	Learning and Development Support	Northamptonshire, Leicestershire, Derbyshire and Nottinghamshire	17.11%	Leicestershire

Joint Operations and Associate entities balances (below) are brought together and then amalgamated into the Group Accounts through all main statements.

Joint Operations – Movement in Reserves

2024/25	General Fund Balance £000	Earmarked General Fund Reserves £000	Total Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
Balance at 31 March 2024	(473)	-	(473)	(1,518)	(1,991)
Movement in reserves during 2024/25					
(Surplus)/deficit on the provision of services	(105)	-	(105)	-	(105)
Other Comprehensive (Income)/Expenditure	-	-	-	(136)	(136)
Total Comprehensive (Income)/Expenditure	(105)	-	(105)	(136)	(241)
Adjustments between accounting basis and funding basis under regulations	18	-	18	(18)	-
Net (Increase)/Decrease before Transfers to Earmarked Reserves	(87)	-	(87)	(154)	(241)
Transfers (to)/from Earmarked Reserves	-	-	-	-	-
(Increase)/Decrease in 2024/25	(87)	-	(87)	(154)	(241)
Balance at 31 March 2025	(560)	-	(560)	(1,672)	(2,232)

2023/24	General Fund Balance £000	Earmarked General Fund Reserves £000	Total Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
Balance at 31 March 2023	(575)	-	(575)	(1,668)	(2,243)
Movement in reserves during 2023/24					
(Surplus) or deficit on the provision of services	252	-	252	-	252
Other Comprehensive (Income)/Expenditure	-	-	-	-	-
Total Comprehensive (Income)/Expenditure	252	-	252	-	252
Adjustments between accounting basis and funding basis under regulations	(150)	-	(150)	150	-
Net (Increase)/Decrease before Transfers to Earmarked Reserves	102	-	102	150	252
Transfers (to)/from Earmarked Reserves	-	-	-	-	-
(Increase)/Decrease in 2023/24	102	-	102	150	252
Balance at 31 March 2024	(473)	-	(473)	(1,518)	(1,991)



Joint Operations – Comprehensive Income and Expenditure Statement

2023/24			Joint Ventures	2024/25		
Expenditure £000	Income £000	Net £000		Expenditure £000	Income £000	Net £000
7,530	(7,278)	252	Policing Services	8,357	(8,462)	(105)
7,530	(7,278)	252	Cost of Services	8,357	(8,462)	(105)
-	-	-	Other Operating Expenditure	-	-	-
-	-	-	Financing and Investment Income and Expenditure	-	-	-
-	-	-	Taxation and Non-Specific Grant Income	-	-	-
7,530	(7,278)	252	(Surplus)Deficit on Provision of Services	8,357	(8,462)	(105)
-	-	-	(Surplus)Deficit on Revaluation of Non-Current Assets	-	-	(136)
-	-	-	Actuarial Gains/Losses on Pension Schemes	-	-	-
-	-	-	Other Comprehensive (Income) and Expenditure	-	-	(136)
252	-	-	Total Comprehensive (Income) and Expenditure	-	-	(241)

Joint Operations – Balance Sheet

31 March 2024 £000		31 March 2025 £000	
1,630	Property, Plant and Equipment	1,662	
2	Intangible Assets	1	
-	Long Term Investments	-	
1,632	Long Term Assets	1,663	
-	Assets Held for Sale	-	
-	Inventories	-	
372	Short Term Debtors	494	
595	Cash and Cash Equivalents	929	
967	Current Assets	1,423	
(608)	Short Term Creditors	(854)	
-	Short-term Borrowing	-	
-	Provisions	-	
(608)	Current Liabilities	(854)	
-	Other Long Term Liabilities	-	
-	Long Term Liabilities	-	
1,991	Net Assets	2,232	
(473)	Usable Reserves	(560)	
(1,518)	Unusable Reserves	(1,672)	
(1,991)	Total Reserves	(2,232)	

Note 40 - Accounting Standards Issued, Not Adopted

Under The Code of Practice on Local Authority Accounting disclosure of the impact of accounting standards issued but not yet adopted is required. Following a review of the relevant standards it has been determined that there would be no material changes to the accounts if these were to have been adopted. The relevant standards being introduced for 2024/25 are:

- IFRS 17 Insurance Contracts issued in May 2017
- IAS 21 The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability) issued in August 2023
- The changes to the measurement of non-investment assets within the 2025/26 Code include adaptations and interpretations of IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets



Note 41 - Restatements

There are 2 prior year adjustments in 24-25.

1) Financial instruments

Items that are not financial instruments were incorrectly included in the 2023/24 financial instruments note. These included statutory non- contractual transactions and VAT. This has been adjusted to ensure compliance with CIPFA Code requirements for IFRS 9 classification. The below tables show the impact on the financial instruments disclosure.

Note 38.1 - Financial instruments at Amortised value

OPFCC & Group	Original 2023/24			Adjusted 2023/24	
	Long Term £000	Current £000	Adjustment £000	Long Term £000	Current £000
Financial Liabilities at Amortised cost					
Borrowing	22,943	-	-	22,943	-
Creditors		20,483	9,055		11,428
Financial Assets at Amortised Cost					
Debtors and Prepayments		27,576	19,178	-	8,398
Cash in Hand		4,029	-	-	4,029
Money Market Investments		-	-	-	-
Joint Venture Cash Balance		595	-	-	595

Note 38.3 - Non financial instruments at Amortised value (this table was not included in the 2023/24 accounts due to the full value being included in Note 38.1)

OPFCC & Group	Original 2023/24			Adjusted 2023/24	
	Long Term £000	Current £000	Adjustment £000	Long Term £000	Current £000
Non Financial Instrument Liabilities at Amortised cost					
Receipts in Advance (Creditor)	-	-	(1,884)	-	1,884
Statutory obligations	-	-	(5,636)	-	5,636
Employee benefits	-	-	(1,557)	-	1,557
Non Financial Instrument Assets at Amortised Cost					
Statutory obligations	-	-	(14,052)	-	14,052
Payments in advance	-	-	(5,126)	-	5,126
Cash in Hand	-	-	-	-	-

There was no impact on any other financial statements or notes to the accounts.

2) Joint Operations

A prior-year adjustment has been made in respect of the presentation of the Joint Operations in the 2023/24 financial statements to ensure the presentation is consistent with the requirements of the CIPFA Code. Intra group transactions have been removed. The 2023/24 comparatives have therefore been restated.



Impact on CIES

Office of The Police, Fire & Crime Commissioner	2023/24 Original			Adjustment			2023/24 Restated		
	Exp. £000	Income £000	Net £000	Exp. £000	Income £000	Net £000	Exp. £000	Income £000	Net £000
Policing Services	7,530	(7,278)	252	(1,361)	5,940	4,578	6,169	(1,339)	4,830
Police, Fire & Crime Commissioner Commissioning	14,469	(3,293)	11,176	(5,940)	1,361	(4,578)	8,530	(1,932)	6,598
	-	-	-	-	-	-	-	-	-
Cost of Services	21,999	(10,571)	11,428	7,300	(7,300)	-	14,699	(3,271)	11,428
Intra-Organisational Adjustment	160,922	-	160,922	-	-	-	160,922	-	160,922
Other Operating Expenditure (Note 7)	1,321	(651)	670	-	-	-	1,321	(651)	670
Financing and Investment Income and Expenditure (Note 8)	552	-	552	-	-	-	552	-	552
Taxation and Non-Specific Grant Income (Note 9)	-	(166,017)	(166,017)	-	-	-	-	(166,017)	(166,017)
(Surplus)/Deficit on Provision of Services	184,794	(177,239)	7,555	7,300	(7,300)	-	177,494	(169,939)	7,555
(Surplus)/Deficit on Revaluation of Non-Current Assets			(12,318)			-			(12,318)
Actuarial (Gains)/Losses on Pension Schemes			(706)			-			(706)
Other Comprehensive (Income) and Expenditure			(13,024)			-			(13,024)
Total Comprehensive (Income) and Expenditure			(5,469)			-			(5,469)



This change also impacted the figures for the Group working and the presentation of Note 39 and Note 5C as shown below:

Nature of Expenditure or Income	Original 2023/24		Adjustment		Restated 2023/24	
	OPFCC	Group	OPFCC	Group	OPFCC	Group
	£000	£000	£000	£000	£000	£000
Expenditure						
Employee Benefit Expenses	5,622	141,521	(2,722)	(2,722)	2,900	138,799
Other Services Expenses	5,362	49,855	(4,578)	(4,578)	784	45,277
Depreciation, amortisation, Impairment	11,015	11,015	-	-	11,015	11,015
Interest Payments	552	47,351	-	-	552	47,351
Precepts and Levies	-	-	-	-	-	-
(Gains)/losses on the Disposal of Non-Current Assets	670	670	-	-	670	670
Total Expenditure	23,221	250,412	(7,300)	(7,300)	15,921	243,112
Intra Company Adjustment (Expenditure)	160,922	-	-	-	160,922	-
Total Expenditure (Including Intra Company)	184,143	250,412			176,843	243,112
Income						
Fees, Charges and Other Service Income	(9,174)	(24,766)	7,300	7300	(1,874)	(32,066)
Interest and Investment Income	-	(681)	-	-	-	(681)
Income from Council Tax & Non-Domestic Rates	(76,156)	(76,156)	-	-	(76,156)	(76,156)
Government Grants and Contributions	(91,258)	(116,857)	-	-	(91,258)	(116,857)
Total Income	(176,588)	(218,460)	7,300	7,300	(169,288)	(225,760)
Intra Company Adjustment (Income)	-	-	-	-	-	-
Total Income (Including Intra Company)	(176,588)	(218,460)	7,300	7,300	(169,288)	(225,760)
(Surplus) or Deficit on the Provision of Services	7,555	31,952	-	-	7,555	31,952

Note 42 - Borrowing

The Authority currently has 5 PWLB loans outstanding at the balance sheet date, with one due for full repayment in the next 12 months. Loan reference PW490086 is an EIP (Equal Instalments of Principal) loan so £200k of the principal will be repaid each year until the loan is repaid in full.

2023/24						2024/25	2024/25	2024/25
	Loan Reference	Maturity date	Interest Rate	Loan Type	Repayment method	Long Term	Current	Total
£000						£000	£000	£000
300	PW484984	< 1 year	4.63%	Fixed	Maturity	-	300	300
400	PW486409	< 2 years	4.88%	Fixed	Maturity	400	-	400
600	PW481471	< 35 years	4.88%	Fixed	Maturity	600	-	600
12,000	PW321381	< 10 years	1.71%	Fixed	Maturity	12,000	-	12,000
9,600	PW490086	< 50 years	2.38%	Fixed	EIP	9,200	200	9,400
43	Accrued interest					35	5	40
22,943	Total Borrowing					22,235	505	22,740



Note 43 - Other Long Term Liabilities

The Authority has other long term liabilities as below, which relate to pension liabilities estimated to fall due over the longer term.

31 March 2024 £000		31 March 2025 £000
(1,055,020)	Pension Liabilities	(953,630)
-	- Long term Lease Liabilities	(568)
(1,055,020)	Total Long Term Liabilities	(954,198)



Police Pension Fund Account

This statement shows movements of funds related to police officer pensions. The Group and OCC are required to operate a Police Officer Pension Fund from 1 April 2006, under the Police Pension Fund Regulations 2008. The regulations specify the transactions that are paid into and out of the fund.

The Pensions Fund combines the accounting transaction of four pension schemes. These are the Police Pensions Scheme which was set up in 1987, 2006 Police Pensions Scheme, which was created under the Police Pension Regulations 2006, which applies to new recruits from 1 April 2006 and the 2015 Police Pension Scheme, which was created on 1 April 2015 and involved transfers in from the 1987 and 2006 schemes, based on length of service. The fourth scheme is the injury award scheme.

Following the Sargeant and McCloud High Court ruling to ensure that there is no further possibility of age discrimination within the pension arrangements, from 1st April 2015 all members will be moved to the 2015 scheme.

The Police Officer Pension Schemes are unfunded, which means there are no investment assets. Under these arrangements the Pension Fund Revenue Account balances to nil at the year-end by receiving a grant directly from the Home Office under the Top Up Grant arrangements. There are certain exceptions to these arrangements such as injury awards, which will continue to be charged directly to the OCC's and Group's Income and Expenditure Account.

	Police Pension Scheme	
	2023/24	2024/25
Contributions Receivable		
Group		
From Employer		
Normal	(17,121)	(20,605)
Early Retirements	-	-
Ill Health	-	-
From Members	(7,379)	(7,889)
Transfers In		
Individual Transfers in from other schemes	(38)	-
Benefits Payable		
Pensions including ill health	34,971	37,682
Commutations and lump sums retirement benefits	5,198	7,164
Other	342	351
Payments to and on account of leavers		
Individual Transfer Out from other schemes	-	-
Net amount payable for the year	15,973	16,703
Top up grant receivable from Central Government	(15,973)	(16,703)

Details of the long-term pension obligation can be found within Note 17.



Net Asset Statement

There were no unpaid pensions due or recoverable overpayments of pensions as at 31 March 2025.

Notes to the Police Pension Fund Account

A. Employer and Officer Contributions to the Pension Fund

These are based on percentages of pensionable pay set nationally by the Home Office and subject to a three yearly review by the Government's Actuary's Department. The current percentages of pensionable pay are:

		Annual Pensionable Earnings			2023/24			2024/25			
			1987	2006	2015	1987	2006	2015	1987	2006	2015
Employer Contributions:			31.00%	31.00%	31.00%	35.30%	35.30%	35.30%			
Employee Contributions:	Tier 1	£27,000 or less	14.25%	11.00%	12.44%	14.25%	11.00%	12.44%			
	Tier 2	more than £27,000 but less than £60,000	14.25%	12.05%	13.44%	14.25%	12.05%	13.44%			
	Tier 3	£60,000 or more	15.05%	12.75%	13.78%	15.05%	12.75%	13.78%			

B. Transfer Values

These are received or paid in respect of officers changing employer and taking or bringing their accrued pension benefits with them.

C. Pensions Fund Liabilities

The Pension Fund does not take account of liabilities to pay pensions and other benefits after the period end. There are no IAS19 adjustments in this statement; they are part of the Group and CC Core Financial Statements and can be referred to in note 37.

D. Accounting Policies

Accounting Policies conform to those in the Statement of Accounts.

E. Home Office Pensions Top-Up Grant

The Home Office Grant is received by the Group and CC to cover the Group and CC's deficit contribution to the Pension Fund Account. On the other hand, if the Pension Fund Account was in surplus, resulting in a contribution being made to the Group and CC, an equivalent amount is recouped by the Home Office.

The funding arrangements for the police pension scheme in England and Wales changed on 1 April 2006. Before then the scheme did not have a percentage of pensionable pay type of employer's contribution; rather each OPFCC was responsible for paying pensions on a pay-as-you-go basis.

Under the current arrangements the scheme remains unfunded but is no longer on a pay-as-you-go basis as far as individual Police Officers are concerned. The Group and CC's no longer meet the pension liability directly. Instead, the Force pays an employer's contribution based on a percentage of pay into the Pension Fund. Each OPFCC is required by legislation to operate a pension fund and the amounts that must be paid into and paid out of the pension fund are specified by regulation.

At the end of the financial year the pension fund is balanced to nil by a financial transfer from or to the police fund, made by the Secretary of State. Any payment from or to the Secretary of State in relation to the transfer is paid into or out of the police fund.



ACCOUNTING POLICIES

1) Introduction

The financial statements have been prepared in accordance with the Code of Practice (the Code) on Local Authority Accounting in the United Kingdom issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Accounts and Audit Regulations 2015. The accounting policies contained in the Code apply International Financial Reporting Standards (IFRS) as adapted for the public sector by the International Public Sector Accounting Standards (IPSAS). Where the CIPFA Code of Practice on Local Authority Accounting permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of the Authority for the purpose of presenting fairly the position of the Authority is selected. Any exceptions are disclosed below.

In applying the accounting policies, we have had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

- Influences on-going concern status, such as future levels of funding for central government departments
- Possible impairment of investments
- Whether other entities with which the Authority has a relationship are subsidiaries, associates or jointly controlled entities
- The potential outcome of legal claims by or against the Authority
- The condition of the local and national housing/industrial building market
- The economic standing of significant debtors and creditors

2) Accounting Convention

These Accounts have been prepared under the historical cost convention, modified to account for the revaluation of property, plant and equipment, intangible assets and inventories. Where appropriate, financial assets and liabilities have been impaired or discounted to bring them to fair value.

3) Going Concern

These accounts have been prepared on a going concern basis. The concept of a going concern assumes that the functions of the Authority will continue in operational existence for the foreseeable future. The provisions in the Code (Code of Practice on Local Authority Accounting in the United Kingdom 2024/25) in respect of going concern reporting requirements reflect the economic and statutory environment in which public section organisations operate.

These provisions confirm that, as the OPFCC, OCC or NCFRA cannot be created or dissolved without statutory prescription, they must prepare their financial statements on a going concern basis of accounting.

The entities carry out functions essential to the local community and are themselves revenue-raising bodies (with limits on their revenue-raising powers arising only at the discretion of central government). If an OPFCC, OCC or NCFRA were in financial difficulty, the prospects are thus that alternative arrangements might be made by central government either for the continuation of the functions it provides or for assistance with the recovery of a deficit over more than one financial year. As a result of this, it would not therefore be appropriate for the financial statements to be provided on anything other than a going concern basis. Accounts drawn up under the Code therefore assume that the Authority and group will continue to operate for the foreseeable future.



4) Recognition of Income and Expenditure

The Authorities comply with IFRS 9 by recognising creditor liabilities only when goods have been received or services rendered. Debtors are initially measured at historical cost, with subsequent adjustments to fair value through a bad debt provision.

Both revenue and capital transactions are recorded on an accruals basis. This means that income and expenditure is accounted for in the financial year in which it becomes due regardless of whether cash has actually been received or paid in the financial year.

In particular:

- Fees, charges and rents due from the customers are accounted for as income at the date the Authority provides the relevant goods or services
- The costs of supplies and services are accrued in that accounting period during which they were consumed or received, except for works which are charged as expenditure when they are completed, before which they are carried as works in progress on the balance sheet
- Interest payable and receivable on borrowings is accounted for in the year to which it relates; on a basis that it reflects the overall effect of the loan or investment
- 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 the income and expenditure account for the income that might not be collected
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made

De Minimis Threshold for Accruals

The Authority applies a de minimis threshold of £1,000 for the recognition of creditors within the accruals process. Creditors below this value will only be raised through the GRNI (Goods Received Not Invoiced) process where the amount is considered subjectively material to the financial statements. Amounts below the threshold that do not materially affect the financial position or performance of the Authority may be excluded from accruals, consistent with the principles of materiality and the efficient preparation of accounts.

5) Financial Instruments

Financial instruments are recognised on the Balance Sheet when the Authority becomes party to the contractual provisions of a financial instrument. They are initially measured at fair value, plus transaction costs where applicable.

Financial Assets

Financial assets are recognised when the Authority becomes a party to the contractual provisions of the instrument, or in the case of trade receivables, when goods or services have been delivered. Financial assets are derecognised when the contractual rights to cash flows expire, or the asset is transferred.

Under IFRS 9, financial assets are classified into the following categories:

Amortised Cost

Fair Value through Other Comprehensive Income (FVOCI)

Fair Value through Profit or Loss (FVPL)



Classification is based on the Authority's business model for managing the asset and the contractual cash flow characteristics. Assets measured at fair value have changes in value recognised either in the Comprehensive Income and Expenditure Statement (CIES) for FVPL or in Other Comprehensive Income for FVOCI.

Trade receivables and other financial assets measured at amortised cost are subject to impairment under the expected credit loss (ECL) model, with provisions recorded to reflect credit risk.

Financial Liabilities

Financial liabilities are recognised in the Balance Sheet when the Authority becomes a party to the contractual provisions of the instrument, or in the case of trade payables, when goods or services have been received. Financial liabilities are derecognised when the obligation is discharged, cancelled, or expires. They are initially measured at fair value and subsequently at amortised cost unless designated at fair value through profit or loss.

6) Financial Assets at Amortised Cost

Financial assets classified at amortised cost are non-derivative instruments that meet the following conditions:

The asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and

The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial recognition at fair value plus transaction costs, these assets are measured at amortised cost using the effective interest method. Interest income is recognised using the same method over the expected life of the asset.

Fair Value Measurement

Fair value is determined by reference to quoted market prices, where available, or, if not, by using valuation techniques based on observable market data and comparable arm's-length transactions.

Effective Interest Rate

The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset to its gross carrying amount.

Impairment

At each reporting date, the Authority assesses financial assets measured at amortised cost for impairment using the expected credit loss (ECL) model. ECLs are recognised in the Comprehensive Income and Expenditure Statement and reflect forward-looking estimates of credit risk.

The impairment loss is measured as the difference between the asset's carrying amount and the present value of expected future cash flows discounted at the original effective interest rate. Losses are recognised by reducing the carrying amount of the asset directly.

If, in a subsequent period, the amount of the impairment loss decreases and the reduction can be objectively related to an event occurring after the impairment was recognised, the previously recognised loss is reversed through income, provided the carrying amount does not exceed what the amortised cost would have been had no impairment been recognised.

7) Government Grants and Contributions

Revenue grants and contributions are credited to the CIES in the same period as the expenditure to which they relate. Capital grants are credited to income once any conditions of the grant have been satisfied. Assets purchased from government grants are valued, Depreciated and Impaired as described for purchased assets.



8) Intangible Fixed Assets

Intangible assets include software licences and agreements that are capitalised at cost. These are amortised on a straight-line basis over their estimated useful life, unless the asset is assessed as having an indefinite useful life. Assets with indefinite useful lives are not amortised but are tested annually for impairment, in accordance with IAS 38.

As the amortisation charge is not an allowable charge against council tax, it is neutralised by an adjustment between 'Accounting Basis and Funding Basis under Regulation', with the corresponding entry in the Capital Adjustments Account.

Internally generated intangible assets are measured at cost during their development phase (including project staff, physical equipment, and associated costs necessary to bring the asset into use). When the asset becomes operational, it is assessed for impairment based on its recoverable amount or service potential.

Additions to intangible assets are added to the carrying amount and amortised over the remaining useful economic life, where the recognition criteria are met.

In accordance with IAS 38, intangible assets that are Authority-specific or for which no active market exists are measured at cost less accumulated amortisation and impairment. The useful life of each asset is reviewed annually, and if an asset is determined to have an indefinite useful life, it will not be amortised but will be subject to annual impairment testing.

9) Tangible Fixed Assets Recognition

All expenditure (subject to a de minimis of £10k) on the acquisition, creation or enhancement of fixed assets is capitalised in accordance with IAS 16 (Recognition, Revaluation & Measurement of Tangible Fixed Assets). Subsequent capital expenditure is capitalised where it provides an enhancement of the economic benefits of the asset in excess of those previously assessed.

Where assets are bought into fixed assets from 'assets under construction', these will be valued using the appropriate methodology, including componentisation as applicable. The Accounting Basis and Funding Basis under Regulations will be used, with the corresponding entry to the Capital Adjustment Account.

Donated assets are recognised at their value and are defined in the CIPFA Code of Practice on Local Government Accounting as those assets that are transferred at nil value or acquired at less than Current Value. Donated assets that are from other public bodies are accounted for as a government grant (as required by IAS 20).

Valuation

All property, plant and equipment are measured initially at cost, representing the cost attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets are measured subsequently at current value.

Land and buildings used by the Authority are stated in the Balance Sheet at their re-valued amounts, being the current value at the date of valuation. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Current values are determined as follows:

- Operational Buildings – Depreciated replacement cost
- Land and non-specialised buildings – Current value for existing use
- Vehicles, plant and equipment – Historic cost less accumulated depreciation (as a proxy for current replacement cost)



Properties in the course of construction are carried at cost, less any impairment loss. Costs include professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at current value. Assets are revalued and depreciation commences when they are brought into use. An increase arising on revaluation is taken to the Revaluation Reserve except when it reverses an impairment previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease is recognised as an impairment charged to the Revaluation Reserve to the extent that there is a balance on the Reserve for the asset, and, thereafter, to expenditure. Gains and losses recognised in the Revaluation Reserve are reported as other comprehensive income in the CIES.

The Authority undertakes an annual review of the useful economic life assumptions applied to all categories of property, plant and equipment to ensure they remain appropriate and reflect the expected pattern of economic benefit consumption. Adjustments are made where necessary.

Disposals

The gain or loss on disposal is the amount by which the disposal proceeds are more or less than the carrying amount (net book value) of the fixed asset. The CIES recognise this gain or loss.

In order that this gain or loss is excluded from the charge to council tax, it is neutralised in the Accounting Adjustments between Accounting Basis and Funding Basis under Regulation.

If, however, the asset is carried at current value, in addition to the entries above, the balance on the revaluation reserve in respect of asset disposals is written off to the Capital Adjustment Account. In most cases the asset will be revalued to its carrying value at the point of disposal so there will be no profit or loss, unless there is an unamortised grant attached to the asset, which will be released to the CIES in full, resulting in a profit on disposal.

The Authority undertakes regular reviews of all its assets to verify that they still are in use and will provide an economic benefit to the Authority. A non-property asset that is due to last 5 years will incur depreciation for each of those five years and have a £0 balance at the end of the 5 years but will still be recorded in the asset register after these five years if it still exists and provides an economic benefit to the authority. If the economic benefit remaining is material, then the asset will be revalued and its useful life adjusted to reflect the expected economic benefit to the authority.

Componentisation

Where an item of Property, Plant and Equipment has major components with cost and lifespan significantly different from the rest, the components are depreciated separately.

The criteria for componentisation are as follows:

- A de-minimis level on implementation is set at £600,000 on the net book value of any asset
- Any single component must exceed £100,000 in value.

Provided that both of these criteria are met the asset will be split into the appropriate components based on its type.

10) Depreciation and impairments

Depreciation is charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their useful economic lives on a straight-line basis. The Useful Economic Life (UEL) of an asset is the period over which the Authority expects to obtain economic benefits or service potential from the asset. This is specific to the Authority and may be shorter than the physical life of the asset



itself. The UEL and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis.

The approximate average useful lives (depreciation periods) are categorised below:

- Buildings – 30-60 years
- Vehicles – Fire Appliances 15 years
- Vehicles – Non-operational cars, lorries and vans 7 years
- Vehicles – All other vehicles 3-5 years
- Equipment – 2-25 years

Assets acquired under finance leases are depreciated over the term of the lease (or the life of the asset if this is lower than the term of the lease) on a straight-line basis.

At each reporting period end, the Authority checks whether there is any indication that any of its non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount.

If there has been an impairment loss, the asset is written down to its recoverable amount, with the loss charged to the Revaluation Reserve to the extent that there is a balance on the Reserve for the asset and, thereafter, to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the Revaluation Reserve.

The Authority undertakes regular reviews of all its assets to verify that they still are in use and will provide an economic benefit to the Authority. A non-property asset that is due to last 5 years will incur depreciation for each of those five years and have a £0 balance at the end of the 5 years but will still be recorded in the asset register after these five years if it still exists and provides an economic benefit to the authority. If the remaining economic benefit is still significant, the asset will be revalued and its useful life adjusted to reflect the benefit expected by the authority, with depreciation applied on a straight-line basis.

The Authority is not required to raise council tax to cover Depreciation and Impairment, however it is required to make an annual provision from its revenue budget to contribute towards the reduction in its overall borrowing requirement, the Minimum Revenue Provision (MRP).

11) Leases

From 1 April 2024, the Authority has adopted IFRS 16 Leases, which replaces IAS 17 and related interpretations. IFRS 16 introduces a single lessee accounting model, requiring recognition of most leases on the Balance Sheet.

The Authority as Lessee

At the inception of a contract, the Authority assesses whether the arrangement contains a lease by determining if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Under IFRS 16, the Authority recognises a right-of-use (ROU) asset and a corresponding lease liability for all leases, except for:

- Short-term leases (lease term of 12 months or less), and
- Low-value assets (below the Authority's de minimis threshold)

Payments for these exempt leases are recognised as an expense on a straight-line basis in the Comprehensive Income and Expenditure Statement (CIES).



Initial Measurement of Lease Liability

Lease liabilities are initially measured at the present value of lease payments, which include:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments based on an index or rate (initially measured using the index/rate at commencement)
- Amounts expected under residual value guarantees
- Exercise price of purchase options if reasonably certain to be exercised
- Penalties for early termination if the lease term reflects exercising that option

Lease payments are discounted using the Authority's incremental borrowing rate, based on Public Works Loan Board (PWLB) rates for similar terms and conditions.

Subsequent Measurement

Lease liabilities are increased by interest and reduced by lease payments. They are remeasured when future lease payments change due to index/rate adjustments or modifications. Corresponding adjustments are made to the ROU asset.

Right-of-Use Assets

ROU assets are initially measured at cost, comprising:

- The initial lease liability amount
- Lease payments made at or before commencement, less incentives received
- Initial direct costs
- Estimated restoration costs

ROU assets are depreciated on a straight-line basis over the shorter of the lease term or the asset's useful life. If a purchase option is reasonably certain to be exercised, depreciation is over the underlying asset's useful life.

Peppercorn and Nil Consideration Leases

For leases granted at peppercorn or nil consideration, the ROU asset is measured at fair value on initial recognition, with a corresponding credit to income (grant income) in the CIES. The Authority uses professional valuations to determine fair value.

The Authority as Lessor

Where the Authority acts as lessor, leases are classified as operating leases unless substantially all risks and rewards of ownership transfer to the lessee. For operating leases:

- The underlying asset remains on the Balance Sheet
- Rental income is recognised on a straight-line basis over the lease term in the CIES
- Initial direct costs are added to the carrying amount of the asset and expensed over the lease term

12) Inventories

Inventories are valued at the lower of cost and Net Realisable Value using the average cost method. This is considered to be a reasonable approximation to Fair Value.

13) 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 that are readily convertible to or 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 Authority's cash management.

14) Investments

Short term investments relate to a bank account which is used to relate interest on funds and has a maturity date of over 24 hours but less than 365 days.

15) Provisions

Provisions are recognised when the Authority has a present legal or constructive obligation as a result of a past event, it is probable that the Authority will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties.

16) Reserves

Reserves are maintained to finance expenditure on projects that will be carried out in future years and to protect the Authority against unexpected events. Certain reserves/accounts are kept in order to manage the accounting process for tangible fixed assets (Revaluation Reserve, Capital Adjustment Account) and retirement benefits (Pensions Reserve IAS 19). These do not represent usable resources for the Authority. A Reserves Strategy is in place with regards to the usable reserves and is reviewed at least twice a year.

17) Joint Arrangements

The Authority has interests in a number of Joint Arrangements. All of these collaborations are governed by formal Section 22a Agreements, and the shares are fully incorporated in the CIES, Balance Sheet, Movement in Reserves Statement and the Cash Flow Statement, as required by the Code. Note 39 provides further details.

18) Value Added Tax

VAT is included in the accounts of the Authority, whether of a capital or revenue nature, only to the extent that it is not recoverable.

19) Contingent Assets and Contingent Liabilities

These are not recognised in the accounting statements but disclosed in the Notes to the Accounts.

20) Exceptional Items and Prior Period Adjustments

Exceptional items are included in the cost of the service to which they relate or on the face of the CIES if that degree of prominence is necessary in order to give a fair presentation of the Accounts.

Extraordinary items are disclosed and described on the CIES after dealing with all items within the ordinary activities of the Authority.



Material adjustments applicable to prior years, arising from changes in accounting policies or from the correction of fundamental errors, are accounted for by restating the comparative figures for the preceding period in the Statement of Account and Notes, and adjusting the opening balance of reserves for the cumulative effect. The cumulative effect of the adjustments is at the foot of the statement of total movements in gains and losses of the current period.

21) Events After the Balance Sheet Date

Events after the balance sheet date are reflected up to the date when the Statement of Accounts is authorised for issue. The date when the Statement of Accounts was authorised for issue and who gave that authorisation is disclosed in the notes to the Statement of Accounts, including confirmation that this is the date up to which events after the balance sheet date have been considered.

22) Estimation Techniques Used

The Code distinguishes between accounting concepts and estimation techniques that have been used, when required. The techniques below describe the steps taken to arrive at key monetary values in the Statement of Accounts:

- Payroll Creditors i.e. overtime – average overtime rates
- IAS19 Valuation – actuarial valuations of future pension liabilities are provided by independent actuaries
- Bad Debts are valued at the receivable value. Therefore, the cost of collection of debt assessed as recoverable are deducted from the outstanding value
- Property assets are valued at Market Value (MV) and Depreciated Replacement Cost (DRC) but held in fixed assets at the depreciated cost assessed as MV/DRC less the cumulative depreciation over the Useful Economic Life of that asset

23) Comparison with Previous Years

Comparative figures for the previous financial year are shown in the Accounts. The same items are treated alike from one year to the next, except where notes explain otherwise.

24) Revenue Expenditure Funded from Capital Under Statute

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the CIES in the year. Where the Authority has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses-out the amounts charged so that there is no impact on the level of council tax.

25) Actuarial Gains and Losses

Changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions are debited to Other Comprehensive Income and Expenditure in the CIES.



26) Opening balances

Where the conclusion of an audit on prior year balances has not yet been concluded, opening balances will be based upon the last published financial statements and any change to this will be included within the re-statement note.

27) Employee Benefits

Benefits Payable during Employment

Short-term employee benefits are those expected to be settled within 12 months of the end of the reporting period. These include salaries, paid annual leave, flexitime, bonuses, and non-monetary benefits (e.g., cars) for current employees. They are recognised as an expense in the period in which employees render service to the Authority.

Under the CIPFA Code of Practice on Local Authority Accounting, the Authority is required to recognise the cost of untaken annual leave at 31 March as a liability in the Balance Sheet. This includes both vesting entitlements (which employees are entitled to carry forward and receive payment for if employment ends) and non-vesting entitlements (which lapse if not taken but still represent a benefit earned during the reporting period).

To ensure consistency, annual leave costs are reflected in the year in which the leave should have been taken, with an adjustment made between the Accounting Basis and Funding Basis under Regulation, and the corresponding entry posted to the Accumulated Absences Account.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an individual's employment before the normal retirement date or of an employee's decision to accept voluntary redundancy in exchange for those benefits. These are charged on an accrual basis to the CIES at the earlier of when the Authority can no longer withdraw the offer of those benefits or when the Authority recognises costs for a restructuring.

When termination benefits involve the enhancement of pensions, statutory provisions require the General Fund Balance to be charged with the amount payable by the Authority 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 pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners, and any such amounts payable but unpaid at the year-end.

28) Transactions relating to Retirement Benefits

As part of the terms and conditions of employment of its officers and other employees, the OPFCC and OCC offer retirement benefits. These benefits will not actually be payable until employees retire, but the Authority discloses the value of the payments that would need to be paid at the time that employees earn their future entitlement. Depending on their employer and role, opted-in employees will be members of the following pensions schemes:

The Police Pension Scheme for Police Officers

The Police Pension Scheme (PPS) is an unfunded defined benefit scheme administered by XPS on behalf of OPFCC and is governed by:

- The Police Pension Regulations 1987 (as amended) and related regulations that are made under the Police Pensions Act 1976
- The new Police Pensions Scheme (NPPS) is governed by the Police Pensions Act 1976 (as amended by the Police Pension Regulations 2006)



- The latest Pension Scheme (2015) is governed by the Police Pensions Act 1976 (as amended by the Police Pension Regulations 2015)

The 1987 and 2006 schemes have now been closed to new entrants and payments from or to those pension schemes are only being made under the national pension remedy review.

All three pensions are unfunded which means there are no investment assets built up to meet pension's liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due.

The funding arrangements for police officer pensions changed on 1 April 2006, when an employer's contribution rate was set by the Home Office, which is charged to the Comprehensive Income and Expenditure Statement. Also, from 1 April 2006, each OPFCC was required by legislation to operate a Pension Fund Account. The amounts that must be paid into and out of the account are specified by regulation. Officer's contributions and the employer's contribution are paid into the pension account from which pension payments are made. Under the Police Pension Fund Regulations 2007, if the amounts receivable by the pensions fund for the year are less than amounts payable, the OPFCC must annually transfer an amount required to meet the deficit to the pension fund. Subject to parliamentary scrutiny and approval, up to 100% of this cost is met by central government pension top-up grant. If, however, the pension fund is in surplus for the year, the surplus is required to be transferred from the pension fund to the OPFCC, which then must repay the amount to central government.

The Local Government Pension Scheme for civilian employees

The Local Government Pension Scheme for civilian employees, administered locally by West Northamptonshire Council, is a funded defined benefit final salary scheme, meaning that the OPFCC and employees pay contributions into a fund, calculated at a level intended to balance the pension's liabilities with investment assets.

Actuarial valuations of the fund are undertaken every three years to determine the contributions rates needed to meet its liabilities.

The accounts show the full implementation of IAS 19 (Retirement Benefits). IAS 19 requires organisations to recognise retirement benefits in the Comprehensive Income and Expenditure Statement when they are earned, even though the benefits will not be payable until employees retire. However, as statutory procedures require the charge against Council Tax to be based on the amounts payable by the OPFCC to the pension fund during the year, an appropriation is made with the pension's reserve which equals the net change in the pension's liability, recognised in the Comprehensive Income and Expenditure Statement. The neutralising entry is within Adjustments made between Accounting Basis and Funding Basis under Regulations.

The Balance Sheet discloses the OPFCC's net liability in relation to retirement benefits. The figures are based on the actuary's latest estimate.

Note 37 to the Core Financial Statements provide further information about the pension schemes.

The above schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees work for the Authority. They are accounted for in accordance with the requirements for Defined Benefits Schemes, based on the principle that an organisation should account for retirement benefits when it is committed to give them, even though this may be many years into the future.

A pensions asset or liability is recognised in the Balance Sheet, made up of the net position of retirement liabilities and pension scheme assets. Retirement liabilities are measured on an actuarial basis using the projected unit method, by assessing the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates and projections of earnings for current employees. Pension scheme assets (LGPS only) attributable to the Authority are included at their Fair Value. The Authority currently has a net pensions liability, and this is matched in the Balance Sheet by a Pensions Reserve.



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

Service Cost, comprising:

- Current service cost – the increase in Liabilities as a result of service earned by employees in the current year. This is charged to services within the CIES
- Past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to service earned in earlier years. This is part of the services line in the CIES
- Net interest on the net defined benefit liability – the change during the period in the net defined benefit liability that arises from the passage of time. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability at the end of the period, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. This is charged to the Financing and Investment Income and Expenditure line within the CIES

Remeasurements, comprising:

- The return on plan assets (LGPS only) – this excludes amounts included in net interest on the net defined benefit liability and is charged to the Pensions Reserve as ‘Other Comprehensive Income and Expenditure’
- Actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions. This is charged to the Pensions Reserve as ‘Other Comprehensive Income and Expenditure’
- Contributions paid / benefits paid – cash paid as employer’s contribution by the Authority either to LGPS or directly to pensioners to reduce the scheme liabilities

Statutory provisions require that the amount charged to the General Fund Balance is that payable by the Authority to pensions funds or directly to pensioners during the year rather than that calculated under accounting standards. This means that an appropriation to or from the Pensions Reserve is done within the Movement in Reserves Statement to replace the notional sums for retirement benefits with the actual pensions costs. The negative balance on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

29) Interest in Companies and Other Entities

The Authority is required to produce Group Accounts alongside its own financial statements where it has material interests in subsidiaries, associates and/or joint ventures. The OPFCC previously had involvement with Voice for Victims and Witnesses, a company set up by guarantee in 2017/18 and concluded that the requirement to produce Group Accounts applies in relation to it. Employees of Voice for Victims and Witnesses transferred employment to the OPFCC on the 31st March 2023. This company was dissolved on 6th February 2024 with all assets and liabilities being transferred to the OPFCC from this day onwards. The company is therefore no longer included separately (as a Joint Venture or otherwise) in this set of Accounts.

30) Borrowing

Recognition and Measurement

Borrowings are recognised as financial liabilities in the Balance Sheet when the Authority becomes a party to the contractual provisions of the instrument. They are initially measured at fair value, net of directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest method, unless designated at fair value through profit or loss.



Effective Interest Method

The effective interest method allocates interest expense over the expected life of the borrowing and calculates the amortised cost of the liability. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the instrument to its initial carrying amount.

Interest and Finance Costs

Interest payable on borrowings is recognised in the Comprehensive Income and Expenditure Statement (CIES) on an accrual basis. As finance costs are not an allowable charge against council tax, they are neutralised by an adjustment between the Accounting Basis and Funding Basis under Regulation, with the corresponding entry in the Financial Instruments Adjustment Account.

Derecognition

Borrowings are derecognised when the contractual obligation is discharged, cancelled, or expires. Any difference between the carrying amount of the liability and the consideration paid is recognised in the CIES.

Fair Value Disclosure

The fair value of borrowings is disclosed in the notes to the financial statements and is determined by reference to quoted market prices where available, or by discounting contractual cash flows using current market interest rates for similar instruments.

Modifications and Refinancing

Where borrowings are refinanced or terms are modified, the Authority assesses whether the modification is substantial. If substantial, the original liability is derecognised and a new liability recognised; otherwise, the carrying amount is adjusted for the revised cash flows and the adjustment recognised in the CIES.

31) Redemption of Debt

Outstanding loan debt relating to police services was transferred to Northamptonshire Police from Northamptonshire County Council on 1 April 1995. Instalments of principal are charged to revenue in accordance with the statutory Minimum Revenue Provision. This is calculated at 4% of the Capital Financing Requirement at the beginning of the year and is charged to the Capital Adjustment Account with a corresponding adjustment in Accounting Basis and Funding Basis under Regulations.

Valuation is based upon amortised cost, with fair value based upon the cash flow over the remaining term of the debt.

32) Intra-group transactions and balances

Under the Police Reform and Social Responsibility Act 2011, the OPFCC receives all income, holds all bank accounts and owns all assets, while the Chief Constable is responsible for the direction and control of officers and staff. No cash transfers occur between the two bodies; instead, the Chief Constable records an income transfer from the OPFCC to reflect the resources consumed in delivering operational policing. The Chief Constable also recognises all employment-related liabilities, including the full pension liability and related pension funding.



ANNUAL GOVERNANCE STATEMENT (OPFCC)

Executive Summary

Following a review of the organisation’s governance arrangements, it is the opinion of the PFCC that the current framework is appropriate, effective, and fit for purpose in the context of public sector standards and expectations. The governance structure provides clear accountability, transparency, and oversight, ensuring that public resources are managed responsibly and in line with statutory, regulatory, and policy requirements. However, there are always ways to improve further, and some specific actions are identified later in this document.

The roles and responsibilities of the governing body, executive leadership, and supporting committees are well-defined, with appropriate reporting lines and decision-making processes in place. Risk management, financial stewardship, and performance monitoring are embedded within governance processes, supporting the delivery of public value and safeguarding the public interest.

The organisation demonstrates a strong commitment to integrity, openness, and continuous improvement, with regular reviews ensuring governance arrangements remain effective and responsive to changing demands and priorities. In the past financial year, the two corporations sole have maintained the governance arrangements and strategies in place and driven forward performance improvements.

As the PFCC also undertakes governance of Northamptonshire Commissioner Fire and Rescue Authority (NCFRA), there continues to be shared and consistent strategic management and close working arrangements across both the policing and fire entities. Throughout the year, NCFRA have remained a separate corporation sole to the PFCC and CC and with separate legislative responsibilities.

Governance Framework

The organisational powers and arrangements in place within the police service, relating to governance, are unique and any governance framework needs to take this into account. This is clearly recognised in the Chartered Institute of Public Finance and Accounting (CIPFA) document - *“Delivering good governance – Guidance notes for policing bodies in England and Wales, 2016”*.

In 2007, CIPFA developed with the Society of Local Authority Chief Executives (Solace) a framework – *“Delivering good governance in local government”*. This was subsequently reviewed with an updated edition was published in April 2016, and most recently an addendum published May 2025.

This framework recognises that no two organisations are the same and as such allows an organisation to test its governance structures against a set of principles which are:

- Principle A: Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law
- Principle B: Ensuring openness and comprehensive stakeholder engagement
- Principle C: Defining outcomes in terms of sustainable, economic, social and environmental outcomes
- Principle D: Determining the interventions necessary to optimise the achievement of intended outcomes
- Principle E: Developing Capacity and Capability
- Principle F: Managing Risks and Performance
- Principle G: Implementing good practices in transparency, reporting and accountability



What is Governance?

Governance as defined in the 2016 framework is:

“Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and delivered.”

Good governance is not only about rules, policies and procedures but should also incorporate a spirit of good governance as an integral part of the culture of the organisation, its values and the expected behaviours.

Senior leaders have a significant responsibility not only to ensure that good governance arrangements are properly codified and documented but also that the proper culture exists so that the concept of good governance, including transparency and openness, is effectively conveyed throughout their organisation.

This statement explains how the Police, Fire and Crime Commissioner (PFCC) and Chief Constable has complied with the CIPFA/SOLACE framework and also meets the requirements of the Accounts and Audit Regulations in relation to the publication of an Annual Governance Statement.

The Annual Governance Statement

It is a requirement on each public body to prepare an annual governance statement. This is intended to provide an assessment of how effectively it has complied with its own governance arrangements and the principles set out in the framework.

This governance statement provides a high-level overview. It comments on the effectiveness of governance arrangements over the past year and makes proposals to improve processes, or mitigate issues or risks identified.

The Purpose of the Governance Framework

The Corporate Governance Framework comprises the systems and processes, and culture and values, by which the OPFCC is directed and controlled and its activities through which it accounts to, engages with, and leads the community. It enables the OPFCC to monitor that the achievement of its strategic objectives have led to the delivery of appropriate, value-for-money services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the PFCC's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The PFCC, CC and NCFRA Joint Corporate Governance Framework was reviewed during the year and an updated version was published in March 2025, incorporating changes required to ensure compliance with new procurement legislation.

The Governance Framework

Both the PFCC and CC continued to seek confirmation that appropriate management and reporting arrangements were in place to gain assurance that the approach to corporate governance was both adequate and effective in practice. These arrangements included:



- An Accountability Board forward plan seeking timely updates and assurances at appropriate times during the year. Minutes are publicly available on the PFCC's website
- Regular dialogue between the PFCC and Chief Constable, and meetings held between key officers of the Force and Office of the Police, Fire and Crime Commissioner (OPFCC)
- A Risk Management Strategy, with regular OPFCC reviews by the Directors and PFCC
- An Annual Governance Statement produced by both the OPFCC and the OCC
- A CIPFA Value for Money Assessment against the framework completed by the two S151 officers
- A Regional Annual Governance Statement for East Midlands Special Operations Unit (EMSOU) activities
- An effective Joint Independent Audit Committee (JIAC)
- Ensuring that there is an effective Internal Audit function
- Attendance by the OPFCC Directors, JIAC Chair and/or members at key meetings and briefings

In addition to the arrangements above, the system includes:

- Updates to Police, Fire and Crime Panel meetings on OPFCC strategic plans and delivery
- A focus on achieving the objectives set out in the Plan
- Regular financial reporting for both the OPFCC and the OCC
- Engagement in Value for Money benchmarking such as is conducted by HMICFRS
- A Joint Assistant Chief Officer leads on Enabling Services and provides strategic leadership of support services across Fire and Policing
- A collaboration agreement is in place in line with the Home Office Financial Management Code of Practice. The agreement was reviewed during the year and an updated version approved in April 2025
- A Force meeting governance structure including Force Executive Meeting, Strategic Planning Board, Force Assurance Boards and capital and estates delivery meetings, attended by key officers/staff

In the full year to 31 March 2025, the PFCC and CC have sought to ensure that appropriate management and reporting arrangements are in place to enable them to be satisfied that the approach to corporate governance was both adequate and effective in practice.

The system of internal control is based on a system of financial, contractual, management and administrative controls and is reviewed by both internal and external audit.

Compliance with the Seven Principles set out in the CIPFA/SOLACE Framework

Principle A: Behaving with Integrity, Demonstrating Strong Commitment to Ethical Values and Respecting the Rule of Law

The Joint Corporate Governance Framework provides guidance on expected behaviours to ensure integrity, transparency and excellent standards of ethical behaviour. This includes an agreement to adhere to the College of Policing (CoP) Code of Ethics as the basis for how the organisation and staff behave. The Force internal and external ethics committee is in place and values have been included as a fundamental element of the Police, Fire and Crime Plan.

The Force Professional Standards Department (PSD) investigates all instances of fraud, corruption and whistleblowing and the Chief Finance Officers for both the CC and the PFCC and the Monitoring Officer have specific responsibility in legislation for ensuring legality, for investigating any suspected instances of failure to comply with legal requirements and for reporting any such instances to the PFCC, CC, JIAC or Police, Fire and Crime Panel. The OPFCC has its own whistleblowing policy and associated policies in relation to complaints.



The OPFCC has a well-resourced Customer Service Team to deal with complaints and other issues with a remit to identify and report any unethical behaviours.

Vetting standards have been reviewed and investment made into ensuring all relevant people are vetted thoroughly to the most appropriate levels, with urgent action taken for any flagged issues.

For 2024/25, related party disclosures have been undertaken for all key staff in the OPFCC, OCC and JIAC members. Additionally, the PFCC and all members of OPFCC staff complete a declaration of business interests which were received and reviewed by the two s151 officers and any disclosures required included within the Statement of Accounts.

Principle B: Ensuring Openness and Comprehensive Stakeholder Engagement

The Commissioner's purpose is set out in statute. The vision for Northamptonshire policing is set out in the Police, Fire and Crime Plan, which we call 'Safe and Sound' and sets out the strategic direction of the PFCC's activities. It was informed by 'the Big Conversation', a significant programme of consultation and engagement in the heart of communities and strongly supported by partners. It works in synergy with both police and fire operational plans, and the PFCC provides an update at each Police, Fire and Crime Panel meeting.

The OPFCC and OCC have both invested in fit-for-purpose communications and engagement resources, with additional capacity built in for the Commissioner from 2025/26. Newsletters and press releases are produced regularly to ensure the work of the OPFCC and OCC are clearly understood by the public, and to encourage feedback and engagement.

The OPFCC website is used to publish a wide range of policy and information on the PFCC and the Office, making this easily accessible to the public. All agendas, unrestricted papers and meetings of the JIAC are open to the public and unrestricted papers are available online. The minutes of the Accountability Board are also published to transparently demonstrate the PFCC holding the Chief Constable to account in line with the PFCC's statutory role.

Decisions made by the PFCC are published on the website, together with consultations and details of future public events and public surveys. The OPFCC undertakes regular council taxpayer, customer and victim survey activities, ensuring that these can be used to inform council tax levels, service delivery by the Force and to evaluate commissioned services. The PFCC undertakes public consultation to inform setting the Policing precept, with results shared by the Police, Fire and Crime Panel and the full report published on the OPFCC website.

Principle C: Defining Outcomes in Terms of Sustainable, Economic, Social and Environmental Outcomes

For the budget and precept, the Police, Fire and Crime Plan was informed by the strategic policing requirement and used to direct the resources for the OPFCC and the Chief Constable through the Revenue and Capital budgets. It informs where resources are most needed and targets investment to priority areas. This clearly lays out expectations to deliver on social value and sustainability priorities, with strategies, policies and procurement tailored with this in mind.

As in previous years, budgets were prepared on zero-based budget principles, the Chief Constable was fully involved in the preparation of the budgets. The budget, council tax levels and Medium Term Financial Plan (MTFP), alongside the Reserves, Capital and Treasury Management Strategies were considered by the PFCC in proposing and setting the level of precept.

Grants for financial support were advertised on the PFCC website and administered via the OPFCC. Allocations are given in line with the objectives of the Police, Fire and Crime Plan. An internal audit was focussed on these arrangements and provided a 'Substantial' audit assurance opinion.



The Force and PFCC support a number of collaborative arrangements, in the East Midlands, cross-region and nationally, aimed at better delivering positive outcomes. The PFCC has a statutory responsibility to consider the national strategic policing requirement, and collaborative working enables a response in an efficient and cost-effective manner. The Regional Governance Team continued to support the Regional Commissioners to drive and develop collaboration.

In the context of resource constraints, Regional Commissioners and Chief Constables continue to review the most appropriate balance of local and regional resource delivery.

The General Reserves was maintained at a sustainable level of £5.3m during the year which is in keeping with the Reserves Strategy.

Principle D: Determining the Interventions Necessary to Optimise the Achievement of Intended Outcomes

A detailed Medium Term Financial Plan (MTFP) is regularly reviewed and includes scenarios to reflect the uncertainties we face in terms of funding and the local/national factors. Budgets are monitored throughout the year to give clear indications of pressures and opportunities, directly feeding decision-making. Robust internal controls ensure that data quality is high and there is assurance around the reliability of reporting and forecasting, supported by the internal audit regime.

Monitoring of the police officer establishment has taken place over the year and the local and national increase of police officers under the national “uplift programme” has further outlined the importance of accurate and robust staffing information. A strong focus continued in this area to ensure that local and national staffing recruitment levels were monitored regularly, and that reliance could be placed on the information and decisions made as a consequence. Northamptonshire met and exceeded the 1,501 full time equivalent (FTE) police officer target as at 31st March 2025, enabling additional Home Office grants to be drawn down. Whilst this was more challenging than ever, regular monitoring was affective in determining necessary interventions to optimise delivery against targets.

Accountability Boards and Problem-Solving Boards take place with Chief Officers and the Commissioner, focussing on key areas not only to hold the Chief Constable to account but also to recognise good practice and to determine actions intended to address emerging issues.

Sufficient resources are made available to ensure effective monitoring and forecasting of demand, so that operational resources are allocated in the best possible way to achieve outcomes and best serve the public.

Principle E: Developing Capacity and Capability

The OPFCC, OCC and Fire are all supported by the Human Resources Department in Enabling Services, ensuring there is consistency and parity across organisations, that effective policies/procedures are in place and that recruitment, training and wellbeing arrangements are optimised. A People and Culture Board provides effective oversight.

Throughout 2024/25, the Monitoring Officer continued in their role in the OPFCC. The Chief Finance Officer post had been undertaken on an interim basis since December 2023 and permanently appointed in October 2024.

Ivan Balhatchet had been undertaking the role of Acting Chief Constable from 17th October 2023 and continued to take forward the operational delivery arrangements within the Force under the Force Strategic Plan. A rigorous recruitment process took place during the year and Mr Balhatchet was appointed on a permanent basis in February 2025. There were also Deputy and Assistant Chief Constables in post during this time.



The OPFCC continued with the commitment to Victims, Early Intervention and Youth Work, continuing to appoint into these roles, with investment in additional Domestic Violence and Sexual Abuse support for the County, utilising both base budget and government grants.

The commitment to police officer recruitment continued throughout the year. The local and national establishment target of 1,501 FTE was maintained. This establishment along with additionality enabled by the new neighbourhood policing grant for 2025/26 gives the OPFCC and the Chief Constable resources needed in neighbourhoods, a key priority set out within the Police, Fire and Crime Plan.

Enhanced training budgets have been provided to further increase capability and ensure the workforce is consistently equipped with essential skills.

The Joint Commercial Team is working across Fire and Police and a commercial strategy is in place which is intended to consider all opportunities available to both services.

Principle F: Managing Risk and Monitoring Performance

During 2024/25, the OPFCC continued to demonstrate a commitment to transparency, sharing information and briefings with the Force, the Police, Fire and Crime Panel and the JIAC. The PFCC meets regularly with the CC, the Chair and Vice Chair of the Panel and holds regular briefings for councillors and attends numerous engagement events.

Performance forms a significant part of the Accountability Board and a representative of the OPFCC attends the regular performance meetings to discuss performance at a more operational level and identify the issues and challenges. The OPFCC employs an analyst who collates key information for the Senior Leadership Team to consider, and highlights areas for further scrutiny.

The OPFCC and OCC have similar risk management policies and manage and record risks in the same manner, through the same system.

The OCC has the Force Assurance Board in place to oversee all risk management and feeds into high level boards to ensure the Chief Constable is fully sighted. Risks are reviewed regularly as part of this and also considered at JIAC meetings.

During 2024/25, Forvis Mazars continued as internal auditors for the Region. Regular review and planning meetings took place with Force and OPFCC officers (both locally and regionally) to update on progress. Mazars attended each JIAC meeting to routinely report and give assurance on the adequacy and effectiveness of internal control. In addition, they contribute to the JIAC forward plan and agenda setting to inform and highlight national and regional themes, considerations and practices.

The Joint Independent Audit Committee (JIAC) have responsibility for reviewing the risk, control and governance processes to ensure internal control systems are effective and that policies and practices are appropriate. The Chair and four members continued in their roles during the year. JIAC members were offered and some attended CIPFA, Public Sector Audit Appointments (PSAA) or other events. Additionally, audit and other circulars are shared with JIAC members and senior officers where provided.

Principle G: Implementing Good Practices in Transparency, Reporting and Accountability

The Police, Fire and Crime Plan was developed following significant amounts of engagement and thorough consultations with local communities. OPFCC staff are in place to lead on each area of priority.



External governance is managed through a system of assurance that relies on appropriate attendance at meetings and forums by OPFCC staff to fully understand activities and associated risks. There is a robust, formal Accountability Board meeting regularly between the PFCC and CC and this is supported by regular informal meetings between them. The Commissioner provides regular updates to the Police, Fire and Crime Panel as well as to elected Members, officials and members of the local community. This includes an annual report by the Joint Independent Audit Committee (JIAC) that sets out their terms of reference, the work completed over the year and their opinion on the controls in place.

The OPFCC website contains a substantial amount of information to an appropriate level of transparency for the public to access information about the OPFCC, OCC and its activity. This includes timely publishing of key decisions, grants issued and papers for the Joint Independent Audit Committee (JIAC).

In line with the Accounts and Audit Regulations, the Statements of Accounts for the OPFCC, Group and OCC were placed on the OPFCC website by the required deadline. All previously outstanding financial statements were published in line with the audit backstop with associated external audit reports.

Internal Audit and Internal Audit Review of Effectiveness

The OPFCC and OCC have a responsibility for conducting, at least annually, a review of the effectiveness of the governance framework, including the system of internal control. The review of effectiveness is informed by the work of the JIAC and the senior managers within the OPFCC and OCC who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report and also by comments made by the external auditors and other review agencies and inspectorates.

The OPFCC and OCC continued to invest in an Internal Audit programme in 2024/25. Following a thorough procurement exercise, the contract for internal audit was awarded with Forvis Mazars in 2023/24 for all ten P(F)CC and CCs within the East Midlands region and Northamptonshire Commissioner Fire and Rescue Authority. Having the same internal auditors for Fire and Policing enables a comprehensive and holistic internal audit plan to be delivered across all services which will also provide efficiencies for both Fire and Police.

The Chief Constable produces an annual update for the PFCC on the progress of recommendations and the PFCC asks for updates on specific audits as appropriate.

The agreed audit plan was approved by the PFCC and considered by the JIAC in March 2024. The plan covered areas of risk and internal control. At the date of the reviewing the draft annual internal auditor report in June 2025, one audit report remained in draft form with the final version imminent. The assessment of internal controls for this audit and overall is not expected to change when they are finalised.



Forvis Mazars determine one of the following assurance levels on conclusion of each audit:

Substantial Assurance	The framework of governance, risk management and control is adequate and effective.
Moderate Assurance	Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
Limited Assurance	There are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective.
Unsatisfactory Assurance	There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.

The 2024/25 assurance received shows a good internal control environment and ratings for each audit is as follows:

Audit Area	Assurance Rating	
	2023/24	2024/25
Head of Internal Audit Annual Report	Moderate	Moderate
Core Financials*	Moderate	Moderate
Payroll	Moderate	
Fleet Management	Moderate	
Released Under Investigation	Moderate	
Reasonable Adjustments	Moderate	
Firearms Licensing	Moderate	
IT Asset Management*	Moderate	
IT Identity Access Management*	Limited	
Vetting	Moderate	
Procurement		Moderate
Workforce Planning		Moderate
Governance*		Moderate
Medium Term Financial Plan		Substantial
Business Continuity & Emergency Planning**	Limited	Improved
OPFCC Grants		Substantial
Asset Management*		Moderate
Estates Management*		Moderate
IT Governance*		Moderate

* Denote joint audits with NCFRA (Fire)

** A 'follow up' audit was undertaken to review progress on previous recommendation and noted a much improved position for Business Continuity & Emergency Planning.



The draft Internal Audit Annual Report for 2024/25 was produced and will be considered by the JIAC at their meeting in July 2025. The results of the report are summarised as follows:

“On the basis of our audit work, our opinion on the framework of governance, risk management, and control is Moderate in its overall adequacy and effectiveness. This opinion is provided on the basis that some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control. Certain weaknesses and exceptions were highlighted by our internal audit work and detailed in our individual reports. These matters have been discussed with management, to whom we have made recommendations, several of which are categorised as ‘Medium’. All of these have been, or are in the process of being addressed, as detailed in our individual reports...”

Following a thorough procurement exercise, the contract for internal audit was awarded with Mazars in 2023/24 for all ten P(F)CC and CCs within the East Midlands region and Northamptonshire Commissioner Fire and Rescue Authority. Having the same internal auditors for Fire and Policing enables a comprehensive and holistic internal audit plan to be delivered across all services which will also provide efficiencies for both Fire and Police.

CIPFA Financial Management Code

The CIPFA Financial Management Code translates the principles of good financial management into a series of financial standards that comprise of: leadership and accountability, governance and financial management, medium term financial planning to inform and ensure financial resilience, and monitoring financial performance to address emerging issues through to financial reporting. Taken together, these financial management standards underpin the effective governance of the use and control of resources utilised by the OPFCC and OCC in pursuance of their stated objectives.

The s151 Officers, together with the Joint Finance Team and Joint Assistant Chief Officer for Enabling Services have considered a self-assessment against this framework. This review highlighted that compliance has mainly been achieved in all significant areas of the framework and a small number of areas have been highlighted for further consideration in 2025/26, and this is captured in the Annual Governance Statement (AGS) action plan as a recommendation.

Review of Effectiveness

There were four JIAC meetings during the year, and workshops to go through all the draft 2023/24 Statement of Accounts in detail. The four meetings considered the following across Fire and Police:

JIAC Meeting	Areas Covered	Fire	Police
July 2024	Meeting of members with auditors without officers present	Y	Y
	Annual Report of the JIAC and Terms of Reference Review	Y	Y
	External Audit Update	Y	Y
	Internal Audit Annual Report 2023/24	Y	Y
	Internal Audit Progress Report 2024/25	Y	Y
	Internal Audit progress against recommendations update	Y	-
	HMICFRS Update	Y	Y



	Disaster Recovery Update	Y	Y
	System Implementation Update	Y	Y
	NFRS Audit Update – Restricted	Y	-
October 2024	External Audit Update	Y	Y
	Internal Audit Progress Report 2024/25	Y	Y
	Internal Audit progress against recommendations update	-	Y
	HMICFRS Update	-	Y
	Anti-Fraud and Corruption Processes	Y	-
	2025/26 Budget and MTFP Processes, Plan and Timetable	Y	Y
	OPFCC Risk Register Update	-	Y
December 2024	External Audit Update	Y	Y
	Internal Audit Progress Report 2024/25	Y	Y
	Internal Audit progress against recommendations update	Y	-
	HMICFRS Update	Y	-
	Risk Register Update	-	Y
	Anti-Fraud and Corruption Processes	-	Y
	Complaints Procedure	Y	Y
	Chief Constable Recruitment Update	-	Y
	Disaster Recovery and Cyber Update	Y	Y
March 2025	External Audit Update	Y	Y
	Internal Audit Progress Report 2024/25	Y	Y
	Internal Audit Plan 2025/26	Y	Y
	Internal Audit progress against recommendations update	-	Y
	HMICFRS Update	-	Y
	Risk Register Update	Y	-
	2025/26 Treasury Management Strategy	Y	Y

During 2023/24 Northamptonshire Police were subject to a Police Effectiveness, Legitimacy and Efficiency (PEEL) Inspection. The inspection results were published in February 2024, as summarised in the narrative statement earlier in these accounts.

The CC put in place an action plan and the PFCC has been holding the CC to account for progress by requiring regular monitoring reports to the Accountability Board. An update on HMICFRS improvement action is also considered by JIAC during the year.

Significant Governance Issues

In the period between publishing these accounts in draft and the conclusion of external audit, a governance concern arose following a Court of Appeal finding that the Chief Constable of Northamptonshire Police was in contempt of court. The contempt judgment stemmed from the Force's failure to disclose critical body-worn video footage relating to the 2021 arrest of Nadine Buzzard-Quashie. The Court found that statements made on behalf of the force were false, and the Chief Constable was subsequently held accountable in law. In imposing a £50,000 fine, the Court emphasised the gravity of systemic governance and transparency failures, with sanctioning explicitly justified by the seriousness and duration of the non-compliance.

These events have triggered an immediate and comprehensive review by the Police, Fire and Crime Commissioner's office to reinforce our compliance frameworks, ensure full transparency in judicial and regulatory engagements, and confirm that governance structures – particularly oversight of legal and disclosure obligations



– are both robust and consistently enforced. The organisation remains fully committed to upholding the highest standards of accountability, and these measures will ensure similar failures are prevented in future.

The Police, Fire and Crime Panel called an extraordinary meeting to gain transparent oversight of the matter and have been appraised of the terms of reference for the review. They will continue to be engaged and informed.

Other than the matter arising above, there were no other formal reports issued by the Chief Finance Officer or Monitoring Officer during the year, outcomes of Monitoring Officer Investigations, objections from local electors or ombudsman referrals.

The financial settlement for 2025/26 enabled the PFCC to set a balanced budget with an agreed realistic efficiency plan which will be kept under close review.

Fixed Asset Strategies, Reserves, Treasury Management Strategies and a Capital Programme are in place, and the Capital Programme is regularly reviewed to ensure deliverability and affordability. It remains essential that opportunities to build resilience and capacity and maximise efficiencies continue to be taken forward. The internal control framework continues to develop, and it is important that this momentum is maintained.

Actions

Good progress has been made on implementing the recommendations to date identified in the governance statements for previous years as follows:

Progress on 2024/25 Internal Control Action Plan		
Principle D: Determining the interventions necessary to optimise the achievement of intended outcomes.	Recommendation 1: To undertake a review of the collaboration agreement between Police and Fire to ensure that governance arrangements are relevant and up to date.	Complete A refreshed collaboration agreement has been signed off by all parties.
Principle G: Implementing good practices in transparency, reporting and accountability.	Recommendation 2: To improve the consistent application of governance principles to option appraisals and investment decisions, ensuring business cases are robust and go through all the appropriate channels for well-informed decision-making.	Ongoing Whilst there has been progress, there is still work to do with a project underway to review governance and documentation in relation to business cases/appraisals.
Principle G: Implementing good practices in transparency, reporting and accountability	Recommendation 3: The Commercial Team are embedded and have Value-for-Money at the core of all activities. However, there are improvements to be made with regard to ICT contracts and ensuring full and timely involvement of commercial specialists.	Ongoing Departmental changes have been made to improve grip on this area. Whilst there has been progress, there is still work to do to be fully on top of the ICT pipeline.
Principle G: Implementing good practices in transparency, reporting and accountability	Recommendation 4: Take forward the actions identified from the self-assessment of the CIPFA Financial Management Code.	Ongoing Improvements continue. No new areas of improvement have been identified for the coming year.



Actions for 2025/26

Following the assessment of internal controls, the following areas have been recommended to improve internal controls for 2025/26:

2025/26 Internal Control Action Plan	
Principle G: Implementing good practices in transparency, reporting and accountability.	Recommendation 1: To improve the consistent application of governance principles to option appraisals and investment decisions, ensuring business cases are robust and go through all the appropriate channels for well-informed decision-making.
Principle G: Implementing good practices in transparency, reporting and accountability	Recommendation 2: The Commercial Team are embedded and have Value-for-Money at the core of all activities. However, there are improvements to be made with regard to ICT contracts and ensuring full and timely involvement of commercial specialists.
Principle G: Implementing good practices in transparency, reporting and accountability	Recommendation 3: Take forward the actions Identified from the self-assessment of the CIPFA Financial Management Code.
Principle E: Developing Capacity and Capability	Recommendation 4: Following a review into vetting arrangements, the Force should ensure vetting standards are upheld and the team has sufficient capacity to manage their workload.

Conclusion

We propose over the coming year to take steps to address the above matters to progress the actions and further enhance our governance arrangements.

Looking ahead, there is a clear commitment to continuous improvement, adapting governance arrangements to remain agile, inclusive, and resilient in the face of evolving public expectations, policy developments, and operational pressures. Regular review and enhancement of governance processes will help ensure the organisation continues to deliver public value, maintains trust, and upholds the highest standards of public accountability.

Signed:

Vaughan Ashcroft
Chief Finance Officer (s151)
Date: 26/02/2026

Danielle Stone
Northamptonshire Police, Fire and Crime Commissioner
Date: 26/02/2026



ANNUAL GOVERNANCE STATEMENT (COLLABORATION)



ANNUAL GOVERNANCE STATEMENT FOR REGIONAL COLLABORATION 2024/25

I confirm that the relevant controls and procedures are in place to manage the following issues within the East Midlands Special Operations Unit, which includes the Regional Organised Crime Unit, Major Crime, Forensic Services, Counter Terrorism Policing East Midlands, and Legal Services.

1. The monitoring processes by which performance against operational, financial and other strategic plans are considered and key issues identified and tasked.

ACC (East Midlands) monitors performance. Exceptions are reported to the East Midlands Police & Crime Commissioners and Chief Constables' (EMPCC/CC) Board on a quarterly basis, with full performance reports reported twice a year.

2. Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.

Compliance is monitored by management review and supported by specialist professional advice where appropriate. Where areas for improvement are identified these are subject to action plans that are revisited to ensure that they have been attended to. Internal Thematic inspections and external audits form part of the monitoring controls to ensure compliance with appropriate policies and regulations and demonstrate the effective and efficient use of resources.

3. That the appropriate controls are in place for the management of all resources deployed within Regional collaboration

A management structure is in place, with clear lines of accountability for both operational issues and use of resources. A budget is approved each year at the EMPCC/CC's Board which defines the expenditure targets for each area of policing within EMSOU. Each force actively supports the budget allocation and sets its own precept accordingly.

Management reports showing costs against budget are provided monthly. Unexpected variances are investigated and explained, ready for reporting to quarterly Management Boards and the EMPCC/CC's Board. Quarterly monitoring reports are shared across the region to provide each force with visibility over expenditure to date and projected outturn position.

4. Incorporating good governance arrangements in respect of partnerships.

The EMPCC/CC's Board provides a forum for all members of collaboration to feedback their experiences of the partnership work. All forces can discuss governance, performance and financial issues at the quarterly meetings. The collaboration builds on best practice from across the country and the region to improve performance as well as saving money.

Signed
Diane Coulson
ACC (East Midlands)

Date 15/05/2025



GLOSSARY OF TERMS

Accounting Period

The period of time covered by the Accounts, normally a period of twelve months commencing on 1 April.

Accrual

The recognition, in the correct accounting period, of income and expenditure as it is earned and incurred, rather than as cash is received or paid.

Agency Arrangements

Services which are performed by, or for, another OPFCC or public body where the agent is reimbursed for the cost of work done.

Budget

A statement of the OPFCC's plans in financial terms. A budget is prepared and approved by the PFCC before the start of each financial year and is used to monitor actual expenditure throughout the year.

Capital Expenditure

Expenditure on the acquisition of a fixed asset or expenditure which adds value to the life or value of an existing fixed asset.

Capital Financing Requirement

The Capital Financing Requirement represents capital expenditure financed by external debt and not by capital receipts, revenue contributions, capital grants or third-party contributions at the time of spending. It measures the OPFCC's underlying need to borrow for a capital purpose.

Capital Receipts

These are proceeds from the sale of capital assets.

CIPFA

The Chartered Institute of Public Finance and Accountancy. This is the main professional body for accountants working in the public services.

Contingent Liabilities

A potential liability at the balance sheet date when the Accounts are submitted for approval. The liability will be included in the balance sheet if it can be estimated with reasonable accuracy otherwise the liability will be disclosed as a note to the Accounts.

Corporate Democratic Core

This includes the cost of the corporate infrastructure (eg. the Chief Executive and Treasury Offices, and external audit fees), and the cost of democratic representation.



Council Tax

The local tax levied on householders, based on the relative market values of property, which helps to fund local services.

Creditors

Individuals or organisations to whom the OPFCC owes money.

Current Assets and Liabilities

Current assets are items that can be readily converted into cash. Current liabilities are items that are due immediately or in the short-term.

Debtors

Individuals or organisations who owe the OPFCC money.

Deferred Liabilities

Liabilities which by arrangement are payable beyond the next year at some point in the future or paid off by an annual sum over a period of time.

Earmarked Reserves

Monies set aside that are intended to be used for a specific revenue or capital purpose.

Employee Costs

The salaries and wages of employees together with national insurance, superannuation and all other pay-related allowances. Training expenses and professional fees are also included.

Finance Lease

A finance lease normally involves payment by a lessee to a lessor of the full cost of the asset, together with a return on the finance provided by the lessor. The lessee has substantially all the risks and rewards associated with the ownership of an asset, other than legal title.

International Financial Reporting Standards (IFRS)

These standards are developed by the Accounting Standards Board to regulate the preparation of financial statements. The Companies Act 1985, which was later adopted by the SORP making it mandatory for Public Bodies and therefore requires compliance of these Standards or disclosures in the notes if there are any material departures from those standards.

Fixed Assets

These consist of: -

- Tangible: These are assets that yield benefits to the OPFCC for a period of more than one year (e.g. buildings and equipment)
- Intangible: Under IAS 38 (Goodwill and Intangible Assets), intangible assets are those that do not have physical substance but are identifiable (e.g. software and software licences)



Formula Grant Distribution System

A mechanism by which Central Government determines how much Revenue Support Grant, Home Office Police Grant and Business Rates each local OPFCC should receive in a given year to provide a common level of service. For the police service it is principally based on the resident and daytime populations, plus relevant socio-economic characteristics, for the area covered by an OPFCC.

IAS 19 Retirement Benefits

An accounting standard that requires the recognition of long-term commitments made to employees in respect of retirement benefits in the year in which they are earned.

Impairment

A reduction in value in an asset caused by a general fall in prices, obsolescence or a clear consumption of economic benefit.

Interest Income

The money earned from the investment of surplus cash.

Net Book Value

The amount at which fixed assets are included in the balance sheet, i.e. their historical cost or current values less the cumulative amounts provided for depreciation.

Non-Distributed Costs

This consists of charges for police officers and police staff early retirements.

Operating Lease

An operating lease involves the lessee paying a rental for the hire of an asset for a period of time that is substantially less than its useful economic life. The lessor retains most of the risks and rewards of ownership.

Outturn

The actual amount spent in the financial year.

Payments in Advance

These represent payments made prior to supplies and services received.

Pension – Defined Benefit Scheme

A pension or other retirement benefit scheme other than a defined contribution scheme. The scheme rules define the benefits independently of the contribution payable, and the benefits are not directly related to the investments of the scheme. The scheme may be funded or unfunded.

Pension Assets – Expected Rate of Return

For a funded defined benefits scheme, the average rate of return, including both income and changes in fair value but net of scheme expenses, expected over the remaining life of the related obligation on the actual assets held by the scheme.



Pension – Interest Costs

For a defined benefit scheme, the expected increase during the period in the present value of the scheme liabilities because the benefits are one period closer to settle.

Pension – Past Service Costs

In a defined benefit scheme, the increase in the present value of the scheme liabilities related to employee service in prior periods arising in the current period as a result of the introduction of, or improvement to, retirement benefits.

Pension Fund

A fund which makes pension payments on retirement of its participants.

Pensions Top-Up Grant (PTUG)

A grant from the Home Office that funds the difference between a nationally agreed employer's contribution paid into the Pension Fund Account, employee contributions and benefits paid to pensioners during the year.

Precept

The method by which the OPFCC obtains the income it requires from council tax via the collection Authorities (i.e. the unitary councils in Northamptonshire).

Provision

An amount set aside to provide for a liability which is likely to be incurred but the exact amount and the date on which it will arise is uncertain.

Prudential Code

The code developed by CIPFA that sets out a framework for self-regulation of capital spending, in effect allowing OPFCC's to invest in capital projects which best meet their service delivery objectives as long as they are affordable, prudent and sustainable. The code came into Force from 1 April 2004 and is incorporated into the Local Government Act 2003 and associated regulations.

Public Works Loan Board (PWLB)

A government agency which provides longer-term loans to Local OPFCC's at interest rates only slightly higher than those at which the government itself can borrow.

Receipts in Advance

These represent income received prior to supplies and services being provided by the OPFCC.

Retirement Benefits

All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment.

Revenue Contributions

Capital Expenditure funded from the Revenue Account which reduces the requirement to borrow.



AUDIT REPORT

Independent auditor's report to the Police, Fire and Crime Commissioner for Northamptonshire

Report on the audit of the financial statements

Disclaimer of opinion

We were engaged to audit the financial statements of the Police, Fire and Crime Commissioner for Northamptonshire (the 'Police, Fire and Crime Commissioner') and its subsidiary the Chief Constable (the 'group') for the year ended 31 March 2025, which comprise the Movement in Reserves Statement (Group), the Movement in Reserves Statement (OPFCC), the Comprehensive Income and Expenditure Statement (Group), the Comprehensive Income and Expenditure Statement (OPFCC), the Balance Sheet (OPFCC & Group), the Cash Flow Statement (OPFCC & Group) and notes to the financial statements, including material accounting policy information, and include the police pension fund financial statements comprising the Police Pension Fund Account, Net Asset Statement and notes to the Police Pension Fund Account. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024-25.

We do not express an opinion on the accompanying financial statements of the Police, Fire and Crime Commissioner or the group. Because of the significance of the matters described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements

Basis for disclaimer of opinion

The Accounts and Audit (Amendment) Regulations 2024 ('the Regulations') require the Police, Fire and Crime Commissioner to publish audited financial statements for the year ended 31 March 2025 by 27 February 2026 ('the backstop date'). The backstop date has been put in law with the purpose of clearing the backlog of historical financial statements.

On 27 February 2025, we issued a disclaimer of opinion on the Police, Fire and Crime Commissioner and group's financial statements for the year ended 31 March 2024. We were not able to obtain sufficient appropriate audit evidence by 28 February 2025, the previous backstop date, over the Police, Fire and Crime Commissioner and group's opening balances, in-year movements in the net pension liability, in-year movements in property, plant and equipment, the Police, Fire and Crime Commissioner's share of jointly controlled operation employee benefit expenditure, the closing balance of the net pension liability, the closing balance of property, plant and equipment and the closing reserves balance reported in the financial statements for the year ended 31 March 2024. We were therefore unable to obtain sufficient appropriate evidence over the associated corresponding figures for the year ended 31 March 2025 for the same reason.

As a result of the limitations imposed by the backstop date, we have been unable to obtain sufficient appropriate audit evidence over the Police and Crime Commissioner and group's opening balances of reserves reported in the financial statements for the year ended 31 March 2025. Consequently, we have been unable to satisfy ourselves over their in-year movements. This has resulted in uncertainty over the closing reserves balance of £867.8 million as at 31 March 2025.

In addition to this, we have been unable to satisfy ourselves over the membership data used in the actuarial valuation of the group's police pension liability of £953.6 million as at 31 March 2025. Member data is submitted to the actuary for the quadrennial valuation of the police pension scheme liability, and the last valuation was performed at 31 March 2020. This member data is then rolled forward by the actuary in each subsequent valuation. As a disclaimer of opinion was issued on the financial statements for the year ended 31 March 2024 we have been unable to conclude that the member data rolled forward by the actuary and used in the 31 March 2025 valuation was complete and accurate.

We have concluded that the possible effect of these matters on the financial statements could be both material and pervasive. We have therefore issued a disclaimer of opinion on the financial statements. This enables the Police,



Fire and Crime Commissioner and group to comply with the requirement of the Regulations to publish the financial statements for the year ended 31 March 2025 by the backstop date.

Other information we are required to report on by exception under the Code of Audit Practice

Because of the significance of the matters described in the basis for disclaimer of opinion section of our report, we have been unable to consider whether the Annual Governance Statements do not comply with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024-25, or are misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statements address all risks and controls or that risks are satisfactorily addressed by internal controls.

Opinion on other matters required by the Code of Audit Practice

The Chief Finance Officer is responsible for the other information. The other information comprises the information included in the Statement of Accounts, other than the Police, Fire and Crime Commissioner's and group's financial statements and our auditor's report thereon. Because of the significance of the matters described in the basis for disclaimer of opinion section of our report, we have been unable to form an opinion, whether based on the work undertaken in the course of the audit of the financial statements and our knowledge of the Police, Fire and Crime Commissioner gained through our work in relation to the Police, Fire and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources, whether the other information published together with the financial statements in the Statement of Accounts for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make a written recommendation to the Police, Fire and Crime Commissioner under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

We have nothing to report in respect of the above matters.

Responsibilities of the Police, Fire and Crime Commissioner and the Chief Finance Officer

As explained more fully in the Statement of Responsibilities, the Police, Fire and Crime Commissioner 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. That officer is the Chief Finance Officer. The Chief Finance Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024-25, for being satisfied that they give a true and fair view, and for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Finance Officer is responsible for assessing the Police, Fire and Crime Commissioner's and the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Police, Fire and Crime Commissioner and the group without the transfer of its services to another public sector entity.



Auditor's responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the Police, Fire and Crime Commissioner's and the group's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report. However, because of the matters described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on those financial statements.

We are independent of the Police, Fire and Crime Commissioner and the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The audit was defective in its ability to detect irregularities, including fraud, on the basis that we were unable to obtain sufficient appropriate audit evidence due to the matters described in the basis for disclaimer of opinion section of our report.

Report on other legal and regulatory requirements – the Police, Fire and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Police, Fire and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Police, Fire and Crime Commissioner has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

We have nothing to report in respect of the above matter except on 25 February 2026, we identified a significant weakness in the Police and Crime Commissioner's and group's arrangements for governance. This was in relation to arrangements for ensuring informed decision making, allowing for appropriate challenge, and ensuring that the Police and

Crime Commissioner was meeting legislative and regulatory requirements. We recommended that the Police and Crime Commissioner identifies and addresses the failings that led to the recent court of appeal ruling regarding the Chief Constable.

Responsibilities of the Police, Fire and Crime Commissioner

The Police, Fire and Crime Commissioner is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Auditor's responsibilities for the review of the Police, Fire and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Police, Fire and Crime Commissioner has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Police, Fire and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2024. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Police, Fire and Crime Commissioner plans and manages its resources to ensure it can continue to deliver its services;



- Governance: how the Police, Fire and Crime Commissioner ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Police, Fire and Crime Commissioner uses information about its costs and performance to improve the way it manages and delivers its services.

We document our understanding of the arrangements the Police, Fire and Crime Commissioner has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we consider whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate for the Police, Fire and Crime Commissioner for Northamptonshire for the year ended 31 March 2025 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have received confirmation from the National Audit Office the audit of the Whole of Government Accounts is complete for the year ended 31 March 2025. We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2025.

Use of our report

This report is made solely to the Police, Fire and Crime Commissioner, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 85 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Police, Fire and Crime Commissioner those matters we are required to state to the Police, Fire and Crime Commissioner in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Police, Fire and Crime Commissioner as a body, for our audit work, for this report, or for the opinions we have formed.

Laurelin Griffiths

Laurelin Griffiths, Key Audit Partner for and on
behalf of Grant Thornton UK LLP, Local Auditor

Birmingham
26 February 2026